

(Published in the Journal Record \_\_\_\_\_, 2018)

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING ORDINANCE NO. 25,886 BY AMENDING THE DESCRIPTION OF THE PROJECT FOR THE DOWNTOWN/MAPS ECONOMIC DEVELOPMENT PROJECT PLAN; REVISING THE PROJECT AREA OF THE PLAN; ADDING NEW TAX INCREMENT DISTRICTS TO INCLUDE BOTH AD VALOREM TAX AND SALES AND USE TAX INCREMENT DISTRICTS; REPLACING AND ADDING NEW AND UPDATED EXHIBITS AND LEGAL DESCRIPTIONS; ESTABLISHING NEW INCREMENT DISTRICTS NUMBER FOURTEEN, INCREMENT DISTRICT TEMPORARILY DESIGNATED AS "A" AND INCREMENT DISTRICT TEMPORARILY DESIGNATED AS "B;" DEFINING THE OBJECTIVES OF THE NEW PROPOSED INCREMENT DISTRICTS; PROVIDING FOR THE INITIATION OF INCREMENT DISTRICTS "A" AND "B" AT A LATER DATE AS DETERMINED BY THE CITY COUNCIL; PROVIDING FOR THE APPORTIONMENT OF REVENUES GENERATED BY THE NEW INCREMENT DISTRICTS; PROVIDING FOR THE ALLOCATION OF THE APPORTIONED TAX INCREMENTS FOR THE NEW INCREMENT DISTRICTS; PROVIDING FOR THE CITY COUNCIL TO ADOPT BY RESOLUTION THE FORMULA TO DETERMINE THE INCREMENT OF OKLAHOMA CITY SALES AND USE TAXES GENERATED BY THE NEW INCREMENT DISTRICTS; PROVIDING FOR A LEVERAGE FUND FOR THE NEW INCREMENT DISTRICTS TO STIMULATE AND SUPPORT ECONOMIC AND COMMUNITY DEVELOPMENT IN THE PROJECT AREA OF THE PROJECT PLAN; PROVIDING FOR A FUND FOR AFFECTED TAXING ENTITIES IN THE NEW INCREMENT DISTRICTS; ESTABLISHING REVIEW PROCEDURES FOR APPROVAL OF EXPENDITURE OF LEVERAGE FUNDS FOR THE NEW INCREMENT DISTRICTS; PROVIDING ESTIMATED PROJECT BUDGETS AND COSTS, TO INCLUDE ASSISTANCE IN DEVELOPMENT FINANCING FOR PROJECTS TO BE PERFORMED IN PROJECT AREA FOR THE NEW INCREMENT DISTRICTS; PROVIDING FOR CERTAIN REQUIREMENTS AND LIMITATIONS FOR DEVELOPMENT AND REDEVELOPMENT AGREEMENTS IN THE NEW INCREMENT DISTRICTS; RATIFYING, ACCEPTING AND CONFIRMING THE ACTIONS, RECOMMENDATIONS AND FINDINGS OF THE DOWNTOWN/MAPS INCREMENT DISTRICT REVIEW COMMITTEE, AND THE OKLAHOMA CITY PLANNING COMMISSION; MAKING CERTAIN FINDINGS; AND ADOPTING THE AMENDED AND RESTATED DOWNTOWN/MAPS ECONOMIC DEVELOPMENT PROJECT PLAN INCORPORATING THE AMENDMENTS SET FORTH THEREIN; PRESERVING PRIOR PROVISIONS OF THE PROJECT PLAN NOT SPECIFICALLY AMENDED BY THIS ORDINANCE OR ANY PRIOR ORDINANCES AMENDING THE DOWNTOWN/MAPS ECONOMIC DEVELOPMENT PROJECT PLAN; AND PROVIDING FOR SEVERABILITY.

## **ORDINANCE**

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

**WHEREAS**, on March 7, 2000, The City of Oklahoma City (“City”) adopted Ordinance No. 21,431, approving the Downtown/MAPS Economic Development Project Plan (“Project Plan”) and establishing Increment District Number Two, City of Oklahoma City (“Increment District No. 2”); and

**WHEREAS**, Ordinance No. 21,431 was amended on April 19, 2000, by the City Council of the City, by the adoption of Ordinance No. 21,472; on July 20, 2004, by the adoption of Ordinance No. 22,498, which created Increment District Number Three, City of Oklahoma City (“Increment District No. 3”) (the Skirvin Hotel sales tax increment district); on January 3, 2006, by the adoption of Ordinance No. 22,906; on August 15, 2006, by the adoption of Ordinance 23,080; on June 17, 2008, by the adoption of Ordinance No. 23,618; on December 16, 2008 by the adoption of Ordinance No. 23,768, which created Increment District Number Eight, City of Oklahoma City (“Increment District No. 8”); on February 27, 2013 by the adoption of Ordinance No. 24,623; on July 16, 2014, by the adoption of Ordinance No. 24,921; on February 23, 2016 by Ordinance No. 25,325, which adopted the Amended and Restated Downtown/MAPS Economic Development Plan dated February 23, 2016 (“2016 Amended and Restated Project Plan”); and by Ordinance No. 25,886, which adopted the Amended and Restated Downtown/MAPS Economic Development Project Plan dated March 13, 2018 (“2018 Amended and Restated Project Plan”); and

**WHEREAS**, as a result of the potential to further accomplish the purposes for which the original Project Plan and Increment Districts were created and established; and to accomplish the development of the commercial property adjacent to the American Indian Cultural Center and Museum (“AICCM”) as anticipated by the January 26, 2016, Joint Resolution of Intent, Between the City and Chickasaw Nation, and as reflected in the subsequent agreements between the City and the State of Oklahoma by and through the Oklahoma Office of Management and Enterprise Services, and as expressed in the Real Estate Purchase and Sale and Post-closing Operations and Funding Agreement between the City and AICCM Land Development, LLC, an Oklahoma limited liability company, wholly owned by the Chickasaw Nation, and as expressed in the provisions of Enrolled HB 2237 related to development of the commercial property (said legislation executed by the Honorable Mary Fallin, Governor of the State of Oklahoma on May 28, 2015), City staff, in coordination with Chickasaw Nation, AICCM Land Development LLC, and The Alliance for Economic Development of Oklahoma City, has prepared amendments to the Amended and Restated Downtown/MAPS Economic Development Project Plan which are set forth in this Ordinance and are fully incorporated into the “Amended and Restated Downtown/MAPS Economic Development Project Plan” (“Amended Project Plan,” attached hereto as Exhibit 1), which amendments are designed to better position the City and Oklahoma City Economic Development Trust (“OCEDT”) to achieve the goals envisioned by the Amended Project Plan and

Ordinance-Amendments to Downtown/MAPS Economic Development Project Plan

to maximize the economic and community benefits that will arise from the completed construction of the AICCM and the development of the commercial property surrounding the AICCM; and

**WHEREAS**, the purpose of the Amended Project Plan is to stimulate a combination of public and private redevelopment investment to match or exceed the investment of the City in the Metropolitan Area Projects (“MAPS”) program, giving priority to investment activities designed to benefit local residents and to bring visitors and tourist from across the State and from around the world to the Project Area, as defined by the Project Plan (“Project Area”), in order to revitalize downtown Oklahoma City and land along the Oklahoma River and its facilities; and

**WHEREAS**, by creating the new Increment Districts and enlarging the Project Area, and by setting forth a budget for the Amended Project Plan’s Leverage Fund in the new Increment Districts and by setting and defining the estimated Project Costs for the new Increment Districts, the Amended Project Plan is strengthened in its ability to achieve its development objectives, which were previously approved in accordance with the Oklahoma Local Development Act, 62 O.S. §§ 850, *et seq.*, as amended (“Act”); and

**WHEREAS**, the goal of the Amended Project Plan and the newly created tax increment districts is to generate an aggregate investment and development of at least \$4.0 billion in the Project Area, of which \$3.5 billion is estimated to be private taxable investment with the balance coming from estimated public or private nonprofit development; and

**WHEREAS**, the Amended Project Plan makes changes to the boundaries of the Project Area for incorporates maps and legal descriptions for the newly created Increment Districts and updates prior exhibits; and

**WHEREAS**, using experience with the existing Project Plan, the Amended Project Plan seeks to increase investment and development in the area by \$700 million, which is anticipated to be from directly stimulated private investment; and

**WHEREAS**, the indirect increment generated under the Amended Project Plan will continue to be shared with affected taxing jurisdictions with 50% allocated in proportion to existing ad valorem revenues, excluding sinking funds; and

**WHEREAS**, tax apportionment financing is a necessary component in generating economic development in the Project Area through the increments apportioned from Increment Districts established pursuant to the Amended Project Plan; and

**WHEREAS**, on October 18, 2018, the Downtown/MAPS Increment District Review Committee (“Review Committee”), comprised of representatives of each of the taxing jurisdictions in which an ad valorem increment district is located, as well as representatives of the City, the Oklahoma City Planning Commission, and the public at large, met in an open meeting to discuss and consider the Amended Project Plan; and

**WHEREAS**, in order to allow the Review Committee opportunity to read, review and analyze documents to be considered, members of the Review Committee were provided advance copies of the Amended Project Plan in final draft form, and a Financial Impact Analysis of the Proposed Amended Project Plan (“Financial Impacts Analysis”); and

**WHEREAS**, the Review Committee considered and reviewed the Amended Project Plan and the possible financial impacts on any taxing jurisdiction and business activities, and by resolution adopted certain findings and determined that any potential adverse impacts caused by the new proposed Increment Districts are offset in view of the continuation of revenues from the base assessed value of the Increment Districts and the economic benefits of the development for the community as a whole; and

**WHEREAS**, the Review Committee studied the proposed Amended Project Plan and the proposed amendments which are incorporated in this Ordinance in accordance with the criteria specified in the Act and determined that the amendments are consistent with the Project Plan and that the Project Area, as expanded, remains and is eligible for development under the requirements set forth in the Act; and

**WHEREAS**, a copy of the adopted resolution setting forth the Review Committee’s findings and determination as to eligibility of the Amended Project Plan is attached here to as Exhibit 2; and

**WHEREAS**, the Oklahoma City Planning Commission was provided advance copies of the Amended Project Plan in final draft form, the Financial Impacts Analysis, and received a presentation regarding the proposed amendments to the Amended Project Plan; and

**WHEREAS**, on October ??, 2018, the Oklahoma City Planning Commission at a regular scheduled public meeting determined that the Amended Project Plan is in conformance with the Comprehensive (Master) Plan of the City and recommended that the City Council approve and adopt the Amended Project Plan as presented and offered no further amendments or comments; and

**WHEREAS**, the City Council has been provided advance copies of this Ordinance, the Amended Project Plan in final form, and the Financial Impacts Analysis; and

**WHEREAS**, based on a review of the documents and information provided by City staff, the recommendations of the Review Committee and the Oklahoma City Planning Commission, the City Council finds that the existing Project Area remains: 1) underdeveloped within the meaning of Article 10, Section 6C of the Oklahoma Constitution, 2) is a reinvestment area within the meaning of the § 853(17) of the Act, and 3) is located in a state-designated enterprise zone and therefore the Amended Project Plan remains an eligible project plan under the Act; and

**WHEREAS**, based on a review of the documents and information provided by City staff, the recommendations of the Review Committee and the Oklahoma City Planning Commission, the City Council finds that the expanded Project Area is: 1) underdeveloped within the meaning of Article 10, Section 6C of the Oklahoma Constitution, 2) is a reinvestment area within the meaning of the § 853(17) of the Act, and 3) is located in a state-designated enterprise zone and therefore the Amended Project Plan remains an eligible project plan under the Act; and

**WHEREAS**, the City Council also finds that investment, development and economic growth are difficult, but possible, if the Amended Project Plan is adopted; and

**WHEREAS**, the City Council finds that the proposed amendments incorporated into the Amended Project Plan meet the objectives of the Project Plan, and that the Amended Project Plan will be used in conjunction with existing programs and other locally implemented efforts in order to encourage continued revitalization in the Project Area; 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**, as provided for in the Amended Project Plan, the City Council finds that implementation of the Amended Project Plan will be facilitated by continuing to authorize OCEDT, and when deemed appropriate to carry out the provisions of 11 O.S. §§ 38-101, *et seq.*, the Oklahoma City Urban Renewal Authority (“OCURA”), to administer and carry out the provisions of the Amended Project Plan, to incur Project Costs, and to exercise all powers necessary or appropriate pursuant to § 854 of the Act, except those powers enumerated in paragraphs 1, 3, 4, 7, 13 and 16 thereof; and

**WHEREAS**, implementation of the Amended Project Plan will be further facilitated by authorizing OCEDT or the Oklahoma City Redevelopment Authority, a public trust, to issue tax apportionment bonds or notes, or other bonds and notes, and to incur Project Costs, as defined by the Amended Project Plan, and to incur the costs of issuance of such bonds and to accumulate appropriate reserves, if any, in connection therewith; and

**WHEREAS**, maximum effort has been made to allow full public knowledge and participation in the application of the Act and in the review and approval of this Amended Project Plan, as evidenced in part by posting documents on the City website and by conducting open public hearings on the Ordinance as required by the Act; and

**WHEREAS**, all required notices have been given and all required hearings have been held in connection with the proposed Amended Project Plan, as prescribed by the Act, the Oklahoma Open Meetings Act, 25 O.S. §§ 301, *et seq.*, and other applicable laws and the adopted policies of the City Council; and

**WHEREAS**, it is in the best interest of the City and its citizens to approve the Amended Project Plan, whose amendments are set forth herein.

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

**SECTION 1.** Section I, “DESCRIPTION OF PROJECT” set forth in the 2018 Amended and Restated Project Plan adopted by the City of Oklahoma City on March 13, 2018, is hereby amended as follows:

**I. DESCRIPTION OF PROJECT**

The purpose of this Amended and Restated Downtown/MAPS Economic Development Project Plan (“Amended Project Plan”) is to provide a strategic framework for undertaking multiple, interrelated economic development activities.

Over time, the City of Oklahoma City (“The City”) has undertaken a series of economic development strategies, for the community as a whole and for the central city in particular. These strategies include the three Metropolitan Area Projects (“MAPS”) initiatives, a program of economic development incentives by the Oklahoma City Economic Development Trust, the approval and implementation of the related urban renewal plans, and the adoption of project plans with supporting tax increment districts as authorized by Oklahoma’s Local Development Act, 62 O.S. § 850, *et seq.* (“Act”). The tax increment districts utilize tax increment financing as authorized by Article 10, Section 6C of the Oklahoma Constitution which empowers cities to “use local taxes and local fees, in whole or in part, for specific public investments, assistance in development financing, and as a specific revenue source for other public entities in the area in which the improvements take place.”

Taken in combination, since the passage of the first MAPS initiative in 1993, these complementary economic development strategies have generated more than \$5 billion of new development and created thousands of jobs. It is the objective of The City to duplicate these economic development strategies, and to surpass this level of success.

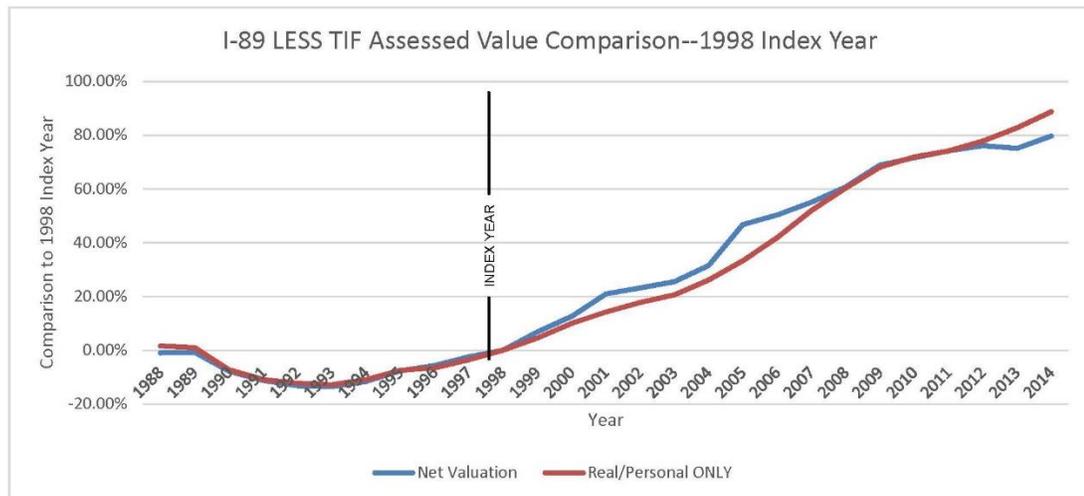
Prior project activities have created economic vitality by capturing the unparalleled opportunity to stimulate a combination of public and private redevelopment investment activities to match or exceed the investment of The City in the MAPS programs. The first priority and focus of project activities was to stimulate those redevelopment and investment activities that bring residents and visitors to the Downtown/MAPS Economic Development Project Plan Area (“Project Area”), in order to revitalize downtown Oklahoma City. The second priority and focus of project activities was to implement a strategy to retain, attract and expand high quality employment in the Project Area.

An example of the first priority was the substantial allocation of apportioned funds to stimulate the creation of approximately 2,000 units of (principally market rate) residential development in the downtown area. This action supports Oklahoma City Public Schools (“I-89”) by bringing new residents into the central city, increasing revenues for the schools, and increasing employment opportunities in Oklahoma City’s core areas. The City’s Ordinance-Amendments to Downtown/MAPS Economic Development Project Plan

commitment to this objective provided the basis for I-89's decision to support the original project plan.

The results have exceeded expectations expressed in the original project plan:

- More than 2,000 new market rate residential units have been developed and residential development continues unabated.
- The prior trend of outmigration and steady decline in student population in I-89 has reversed and average daily student attendance is showing steady increase.
- Indirect stimulation of other new investment and development in the core of Oklahoma City has transformed the property tax revenues to I-89 from negative or no growth during the 10 years preceding the original project plan to an annual arithmetical valuation growth of almost 5% per year.



The interim success in implementing the original project plan financed by Increment District Number Two demonstrates the power and mutual benefit of the economic development strategies intended to benefit the participants and the community. It also exhibits a platform from which continued possibilities for the future are evident.

The premier example of the second priority is the development of the Devon Energy Center. Devon Energy developed its headquarters as an architectural gem and the centerpiece of Oklahoma City's downtown redevelopment. The Devon Energy redevelopment transformed the ongoing activities for revitalization of the Central Business District through the retention, attraction and expansion of high-quality employment in the Project Area. The investment, commitment and growth of high-quality employment opportunities continues to offer the single most valuable contribution to the future of Oklahoma City's downtown, the city as a whole, and the State of Oklahoma.

The development of the Devon Energy Center provided a location for its downtown Oklahoma City employment base of 1400 people with a payroll of more than \$140 million, which more than doubled by completion to \$326 million and 3,200 employees.

Two significant conditions were met in order for the Devon redevelopment to occur. First, it was essential to provide the public infrastructure improvements and amenities necessary and appropriate for the development and its functional and aesthetic relationships to the surrounding areas. Second, it was critical to provide financial and policy commitments to undertake actions necessary and appropriate to attract, locate, retain and expand other quality investments, businesses and employers in the heart of the city, principally in adjacent locations. Both conditions were met.

Overall, new employment in and near downtown numbers in the thousands and the job growth continues.

Although The City's efforts are a success by many measurements, there are critical needs that must be met in order to claim its future potential. Without quality education and job training, without new employment opportunities, without redevelopment of blighted areas in and around Oklahoma City's core, and without innovative strategies for stimulation of new business, new investment, and new economic activities, the platform of success will be temporary and limited.

In order to continue and enhance the progress made to date, The City is partnering with the Chickasaw Nation for the commercial development of undeveloped property surrounding the American Indian Cultural Center and Museum. The goal is a large-scale destination development to support the world-class attraction of the museum. This effort seeks to build on the significant investments made throughout downtown and along the Oklahoma River.

The minimum goal of the Amended Project Plan is to generate aggregate investment and development of at least ~~\$3.15~~ \$4.0 billion, of which ~~\$2.82~~ \$3.5 billion is estimated to be private taxable investment and the balance in public or private nonprofit development. The private taxable investment generates new tax revenues to fund public and private development leverage costs of approximately \$450 million annually.

The projected economic impact of the combined projects of the Amended Project Plan is as follows:

- A. The direct stimulation of at least ~~\$2.6~~ \$3.2 billion in taxable private investment and development, consisting of at least \$400 million of principally market rate residential development (approximately 4,000 units) and ~~\$2.52~~ \$3 billion in hotel/commercial investment and development. Direct stimulation means developments undertaken pursuant to a development or redevelopment agreement which obligates a private developer to implement certain development in return for public assistance and/or land provided by The City, one of The City's public trusts whose sole beneficiary is The City, or the Oklahoma City Urban Renewal Authority, a public body corporate ("Authority").

- B. The indirect stimulation of ~~\$602 million~~ more than \$1.5 billion in taxable private development, which ~~becomes~~ has become feasible due to supporting public developments and public assistance in the Project Area.
- C. The undertaking of approximately ~~\$602~~ \$650 million in public and private nonprofit development in the Project Area, utilizing a combination of state and local, public and private resources.
- D. Utilization of tax increment financing in conjunction with other existing public and private programs and redevelopment activities in order to maximize the impact and implementation of other economic development efforts.
- E. The continued support of the public school education and training programs of I-89 and Vo-Tech District No. 22 ("Metro Tech"), as well as providing support and financial benefit to the public schools education program of Crooked Oak Public Schools ("I-53").

The projects will continue to be financed from a combination of public and private sources, including apportionment of ad valorem tax increments from Increment Districts Number Two, Number Eight, ~~and~~ Number Ten, Increment District "A" and Increment District "B" and/or sales tax increments generated by Increment Districts Number Three, ~~and~~ Number Eight, Number Fourteen, and Increment District B.

**SECTION 2.** Section II, "BOUNDARIES OF THE PROJECT AREA AND THE INCREMENT DISTRICTS" in the 2018 Amended and Restated Project Plan adopted by the City of Oklahoma City on March 13, 2018, is hereby amended as follows:

**II. BOUNDARIES OF THE PROJECT AREA AND THE INCREMENT DISTRICTS**

- A. Project Area and Boundaries. The Project Area, which is the area in which project expenditures may be made, is shown on "Exhibit A, Downtown/MAPS Economic Development Project Plan Area ~~and Increment District Boundaries.~~" The Project Area boundaries description is contained in "Exhibit B."
- B. Ad Valorem Increment District Number Two and Boundaries. Increment District Number Two, which is the area from which the ~~tax~~ ad valorem increment will be generated, will be limited to a smaller and higher intensity redevelopment area, as shown on "~~Exhibit A, Downtown/MAPS Economic Development Project Plan Area and Increment District Boundaries~~" and "~~Exhibit A-1, Tax Increment District Number Two Boundaries.~~" The Increment District Number Two boundaries description is contained in "Exhibit B-1."
- C. Sales Tax Increment District Number Three and Boundaries. Increment District Number Three, which is the area from which the sales tax increment will be generated, will be limited to a specific development site, as shown on "Exhibit A-

2, Sales Tax Increment District Boundaries.” The Increment District Number Three boundaries description is contained in “Exhibit B-2.”

- D. Increment District Number Eight and Boundaries. Increment District Number Eight, which is the area from which the ad valorem and sales tax increment will be generated, will be limited to a specific development site, as shown on “Exhibit A-3, Tax Increment District Number Eight Boundaries.” The Increment District Number Eight boundaries description is contained in “Exhibit B-3.”
- E. Increment District Number Ten and Boundaries. Increment District Number Ten, which is the area from which the ad valorem and sales tax increment will be generated, will be limited to a specific development site, as shown on “Exhibit A-4, Tax Increment District Number Ten Boundaries.” The Increment District Number Ten boundaries description is contained in “Exhibit B-4.”
- F. Sales Tax Increment District Number Fourteen and Boundaries. Sales Tax Increment District Number Fourteen, which is the area from which the sales tax increment will be generated, will be limited to a smaller and higher intensity redevelopment area, as shown on “Exhibit A-5, Sales Tax Increment District Number Fourteen Boundaries.” The Sales Tax Increment District Number Fourteen boundaries description is contained in “Exhibit B-5.”
- G. Increment District A and Boundaries. Increment District A, which is the area from which the ad valorem increment will be generated, is the same area as Increment District Number Fourteen, and is shown on “Exhibit A-6, Tax Increment District A Boundaries.” The Increment District A boundaries description is contained in “Exhibit B-6.” Increment District A will be assigned a number (i.e., “Increment District Number Fifteen”) in the order by which it becomes effective by action of the Oklahoma City Council as described in Section VI.H, below, and as required by § 856(B)(3) of the Act.
- H. Increment District B and Boundaries. Increment District B, which is the area from which the ad valorem and sales tax increment will be generated, will be limited to a specific development site, as shown on “Exhibit A-7, Tax Increment District B Boundaries.” The Increment District B boundaries description is contained in “Exhibit B-7.” Increment District B will be assigned a number (i.e., “Increment District Number Sixteen”) in the order by which it becomes effective by action of the Oklahoma City Council as described in Section VI.J, below, and as required by § 856(B)(3) of the Act.

**SECTION 3.** Section IV, “OBJECTIVES” in the 2018 Amended and Restated Project Plan adopted by the City of Oklahoma City on March 13, 2018, is hereby amended to read as follows:

#### IV. OBJECTIVES

The purpose of the Amended Project Plan and Increment Districts ~~Number Two, Number Three, Number Eight, and Number Ten~~ is creation of economic vitality by capturing the unmatched opportunity to stimulate a combination of public and private redevelopment and investment activities that build on the investment of The City in the MAPS program. The priorities of the Amended Project Plan are to stimulate those redevelopment and investment activities that retain, attract and expand quality employment opportunities, which bring residents and visitors to the Project Area, and to:

- A. Serve as a catalyst for retaining and expanding employment;
- B. Attract major investment in the area;
- C. Preserve and enhance the tax base;
- D. Reverse economic decline and stagnation;
- E. Redevelop blighted areas in accordance with approved plans;
- F. preserve, enhance, and redevelop historic properties;
- G. Make possible investment, development and economic growth that would otherwise be difficult or impossible without the project and the apportionment of ad valorem and sales taxes from within the Increment Districts; and
- H. Where appropriate, use tax increment financing in conjunction with existing programs and other locally implemented economic development efforts.

**SECTION 4.** Section V, “STATEMENT OF PRINCIPAL ACTIONS” in the 2018 Amended and Restated Project Plan adopted by the City of Oklahoma City on March 13, 2018, is hereby amended as follows:

#### V. STATEMENT OF PRINCIPAL ACTIONS

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

- A. Leveraging private residential development pursuant to development agreements with either The City (or a public trust designated by The City) or the Authority;
- B. Leveraging private hotel/retail/commercial development pursuant to development agreements with either The City (or a public trust designated by The City) or the Authority;
- C. Assisting public school-related enhancement by I-89 and ~~Vo Tech District No. 22~~ (“Metro Tech<sup>2</sup>”) pursuant to Sections VI and VII, and ~~providing for development of~~

~~public school facilities~~ to be financed in whole or in part by apportioned ad valorem tax increments from Increment District Number Two and Increment District A;

- D. Implementing major commercial development supporting the American Indian Cultural Center and Museum;
- E. Assisting public school education and training programs by apportioning specific revenue streams to I-89, I-53, and Metro Tech;
- F. Assisting public parking development, including without limitation, planning, financing, construction and long-term leasing or disposition of public parking facilities pursuant to development agreements with a designated public entity (such as Oklahoma County or the Central Oklahoma Transportation and Parking Authority), and providing for development of public parking facilities to be financed in whole or in part by apportioned ad valorem tax increments from Increment District Number Two and Increment District Number Eight;
- G. Assisting public parking development, including without limitation, planning, financing, construction, and providing for development of public parking facilities to be financed in whole or in part by apportioned ad valorem tax increments from Increment District A;
- H. Assisting the financing of other public development costs and facilities, including without limitation, planning, financing, acquisition, construction and long-term leasing or disposition of property and public facilities pursuant to development agreements with private developers or designated public entities (such as Oklahoma County or the Metropolitan Library System of Oklahoma County), and providing for development of public facilities to be financed in whole or in part by apportioned ad valorem tax increments from Increment District Number Two and Increment District Number Eight;
- I. Distribution of a portion of the ad valorem increment to affected taxing entities; and
- J. Financing authorized project costs in support of economic development activities and investment to retain, attract and expand quality employment within the Project Area.

**SECTION 5.** Section VI, “ESTABLISHMENT OF OKLAHOMA CITY INCREMENT DISTRICTS NUMBER TWO, NUMBER THREE, NUMBER EIGHT, AND NUMBER TEN” in the 2018 Amended and Restated Project Plan adopted by the City of Oklahoma City on March 13, 2018, is hereby amended as follows:

**VI. ESTABLISHMENT OF OKLAHOMA CITY INCREMENT DISTRICTS NUMBER TWO, NUMBER THREE, NUMBER EIGHT, ~~AND NUMBER TEN~~, NUMBER FOURTEEN, INCREMENT DISTRICT A, AND INCREMENT DISTRICT B.**

- A. The increment of ad valorem taxes from Increment District Number Two, in excess of the base assessed value of the increment district, may be used to pay project costs authorized pursuant to Section X of this Amended Project Plan for a period not to exceed 25 fiscal years, as provided by law, or the period required for payment of the project costs authorized pursuant to Section X of this Amended Project Plan, whichever is less.
- B. The increment of Oklahoma City sales taxes generated by Increment District Number Three, as determined by a formula to be approved by resolution of the Oklahoma City Council in accordance with the Act, may be used to pay project costs authorized pursuant to Section X of this Amended Project Plan for a period not to exceed 25 fiscal years from the effective date of Increment District Number Three, as provided by law, or the period required for payment of the project costs authorized pursuant to Section X of this Amended Project Plan, whichever is less.
- C. The increment of ad valorem taxes from Increment District Number Eight, in excess of the base assessed value of the increment district, may be used to pay project costs authorized pursuant to Section X of this Project Plan for a period not to exceed 25 fiscal years from the effective date of Increment District Number Eight, as provided by law, or the period required for payment of the project costs authorized pursuant to Section X of this Amended Project Plan, whichever is less.
- D. The increment of Oklahoma City sales and use taxes from Increment District Number Eight shall be sales and use taxes generated prior to June 30, 2013, by investment and construction in Increment District Number Eight, as determined by a formula to be approved by resolution of the Oklahoma City Council in accordance with the Act, and may be used to pay project costs authorized under the Devon Development Conditions pursuant to Section X of this Amended Project Plan. The local sales tax increments which are apportioned to pay project costs may be supplemented by state local government matching payments pursuant to an application by The City in accordance with the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act, 62 O.S. § 840, *et seq.* (“Leverage Act”). The aggregate authorization under this paragraph D is \$10,000,000.
- E. The increment of ad valorem taxes from Increment District Number Ten, in excess of the base assessed value of the increment district, may be used to pay project costs authorized pursuant to Section X of this Project Plan for a period not to exceed 25 fiscal years from the effective date of Increment District Number Ten, as provided by law, or the period required for payment of the project costs authorized pursuant to Section X of this Amended Project Plan, whichever is less.
- F. The increment of Oklahoma City sales and use taxes generated by investment and development in Increment District Number Ten as determined by a formula to be

approved by resolution of the Oklahoma City Council in accordance with the Local Development Act and subject to qualification for state local government matching payments pursuant to the Leverage Act, may be used to pay Project Costs authorized pursuant to Section X of this Plan, for a period not to exceed 25 fiscal years from the effective date of Increment District Number Ten, as provided by law, or the period required for payment of the Project Costs authorized pursuant to Section X of this Amended Project Plan, whichever is less. The aggregate authorization under this paragraph F is \$10,000,000.

- G. The increment of Oklahoma City sales and use taxes generated by investment and development in Increment District Number Fourteen as determined by a formula to be approved by resolution of the Oklahoma City Council in accordance with the Local Development Act and subject to qualification for state local government matching payments pursuant to the Leverage Act, may be used to pay Project Costs authorized pursuant to Section X of this Plan, for a period not to exceed 25 fiscal years from the effective date of Increment District Number Fourteen, as provided by law, or the period required for payment of the Project Costs authorized pursuant to Section X of this Amended Project Plan, whichever is less.
- H. Increment District A shall commence as of the date determined by the City Council in accordance with 62 O.S. § 856(B)(2).
- I. The increment of ad valorem taxes from Increment District A, in excess of the base assessed value of the increment district, may be used to pay project costs authorized pursuant to Section X of this Project Plan for a period not to exceed 25 fiscal years from the effective date of Increment District A, as provided by law, or the period required for payment of the project costs authorized pursuant to Section X of this Amended Project Plan, whichever is less.
- J. Increment District B shall commence as of the date determined by the City Council in accordance with 62 O.S. § 856(B)(2).
- K. The increment of ad valorem taxes from Increment District B, in excess of the base assessed value of the increment district, may be used to pay project costs authorized pursuant to Section X of this Project Plan for a period not to exceed 25 fiscal years from the effective date of Increment District B, as provided by law, or the period required for payment of the project costs authorized pursuant to Section X of this Amended Project Plan, whichever is less.
- L. The increment of Oklahoma City sales and use taxes generated by investment and development in Increment District B as determined by a formula to be approved by resolution of the Oklahoma City Council in accordance with the Local Development Act and subject to qualification for state local government matching payments pursuant to the Leverage Act, may be used to pay Project Costs authorized pursuant to Section X of this Plan, for a period not to exceed 25 fiscal years from the effective date of Increment District B, as provided by law, or the

period required for payment of the Project Costs authorized pursuant to Section X of this Amended Project Plan, whichever is less.

- M. During the period of apportionment, the apportionment fund shall constitute funds of the Oklahoma City Economic Development Trust, the Oklahoma City Redevelopment Authority, or any alternative entity authorized by Oklahoma City to issue bonds in accordance with subsection ~~HN~~, below, and shall not constitute a part of the general fund to be appropriated annually by the Oklahoma City Council.
- N. The Oklahoma City Redevelopment Authority and the Oklahoma City Economic Development Trust, both of which are public trusts, are the principal entities authorized to issue tax apportionment bonds or notes, or both, and to incur project costs, pursuant to Section X of this Amended Project Plan, and in addition thereto, to incur the cost of issuance of such bonds or notes and to accumulate appropriate reserves, if any, in connection therewith. The Oklahoma City Public Property Authority, a public trust, is also authorized to incur project costs, pursuant to Section X of this Amended Project Plan, incur debt, and lend funds to the Oklahoma City Redevelopment Authority, the Oklahoma City Economic Development Trust, and/or other public entities authorized by The City to carry out responsibilities in support of this Amended Project Plan. However, The City reserves the right to designate an alternative entity to issue tax apportionment bonds or notes, or both, and to incur project costs, pursuant to Section X of this Amended Project Plan, and to incur the cost of issuance of such bonds or notes and to accumulate appropriate reserves, if any, in connection therewith, as deemed appropriate to individual project developments.
- O. One-half of the indirectly generated ad valorem increment from Increment District Number Two shall be apportioned to a revenue stream to the affected taxing entities (public entities) in the area, in accordance with Section VII, below, to be utilized as directed by such public entities to enhance their programs, missions, and services in support of the Amended Project Plan objectives. In particular, Sections VII.A.2, VII.A.3 and VII.A.4 effectively establish I-89 as the principal recipient and Metro Tech as the second largest recipient of such apportioned revenues. The educational and skills training programs to be funded from such apportioned revenues constitute the Public Schools Enhancement Program. The Public Schools Enhancement Program includes the development of public school facilities and the assistance for public school education and training programs described in Section V.C. and V.~~DE~~.above.
- P. One-half of the indirectly generated ad valorem increment from Increment District A shall be apportioned to a revenue stream to the affected taxing entities (public entities) in the area, in accordance with Section VII, below, to be utilized as directed by such public entities to enhance their programs, missions, and services in support of the Amended Project Plan objectives. In particular, Sections VII.D.2, VII.D.3, and VII.D.4 effectively establish I-53 as a principal recipient and Metro Tech as the second largest recipient of such apportioned revenues. The educational and skills training programs to be funded from such apportioned revenues constitute the

Public Schools Enhancement Program. The Public Schools Enhancement Program includes the development of public school facilities and the assistance for public school education and training programs described in Section V.C. and V.E. above.

- Q. One-half of the indirectly generated ad valorem increment from Increment District B shall be apportioned to a revenue stream to the affected taxing entities (public entities) in the area, in accordance with Section VII, below, to be utilized as directed by such public entities to enhance their programs, missions, and services in support of the Amended Project Plan objectives. In particular, Sections VII.E.2, VII.E.3, and VII.E.4 effectively establish I-89 as a principal recipient and Metro Tech as the second largest recipient of such apportioned revenues. The educational and skills training programs to be funded from such apportioned revenues constitute the Public Schools Enhancement Program. The Public Schools Enhancement Program includes the development of public school facilities and the assistance for public school education and training programs described in Section V.C. and V.E. above.

**SECTION 6.** Section VII, “ALLOCATION OF THE APPORTIONED AD VALOREM INCREMENT” in the 2018 Amended and Restated Project Plan adopted by the City of Oklahoma City on March 13, 2018, is hereby amended as follows:

## **VII. ALLOCATION OF THE APPORTIONED AD VALOREM INCREMENT**

- A. Increment District Number Two. The Local Development Act permits allocation of the apportioned ad valorem tax increment as provided in this Amended Project Plan. For purposes of establishing the allocation for Increment District Number Two, the directly generated increment will be identified separately from the indirectly generated (spinoff) increment.
1. Directly Generated Increment. Directly Generated Increment is the increment of increasing value and ad valorem tax revenue stream that is generated by a private taxable development undertaken pursuant to a development or redevelopment agreement, which obligates the private developer to implement certain development in return for public assistance and/or land provided by The City, a public trust whose sole beneficiary is The City, or by the Authority. For purposes of this allocation, the property subject to this provision shall be determined by reference to the property described by the development or redevelopment agreement.
  2. Indirectly Generated (Spinoff) Increment. Indirectly Generated (Spinoff) Increment is the increase in value and ad valorem tax revenue resulting from private taxable development which occurs without direct public assistance and therefore also occurs without a redevelopment agreement or transfer of property from The City or a public trust whose sole beneficiary is The City or the Authority. One-half of the Indirectly Generated (Spinoff) Increment shall be allocated to a fund to leverage private investments and assist in public developments (“Leverage Fund”). The other one-half of the Indirectly Generated (Spinoff) Increment shall be allocated to the affected

taxing entities in proportion to the net benefit that the taxing entities would ordinarily receive from the increased assessed values in the absence of an increment district, i.e. excluding only sinking fund levies. The term “affected taxing entities” means I-89, Metro Tech, the Metropolitan Library Commission, the Oklahoma City-County Health Department, Oklahoma County, and The City. Effective October 1, 2015, the calculation of net benefit shall not be affected by impacts on revenues from any other funding source, and the calculation shall treat the portion of the levy generated by the levy pursuant to Article 10, §9(b) as a revenue entirely of I-89. Okla. Const. Art. 10, §6C; 62 O.S. § 853(9),(14)(i), and § 854(4).

- 3. Leverage Fund. All Directly Generated Increment and one-half of all Indirectly Generated (Spinoff) Increment shall be allocated to the Leverage Fund as follows:

Residential Development (approx. 4,000 units)	\$ 40,000,000
Hotels/Commercial Development	\$ 90,000,000
Public School Development	\$ 21,000,000
Public Parking Developments	\$ 9,000,000
Other Public Development Costs	\$ 25,000,000
Other Taxing Jurisdictions	<u>\$ 10,000,000</u>
Total	\$ 195,000,000

- 4. Affected Taxing Entities Fund. One-half of all Indirectly Generated (Spinoff) Increment shall be allocated to the affected taxing jurisdictions in accordance with subsection VI.IQ and VII.A.2 above as a specific revenue source for the affected taxing entities to use within their respective jurisdictions.

- B. Increment District Number Eight. As permitted by the Local Development Act, the apportioned ad valorem tax increments from Increment District Number Eight may be allocated to fund the Devon Development Conditions and Public Developments for Affected Taxing Jurisdictions, as those conditions and public developments are determined by the Devon Implementation Committee from time to time, as limited by Section X(A)(3) below.
- C. Increment District Number Ten. As permitted by the Local Development Act, the apportioned ad valorem tax increments from Increment District Number Ten may be allocated to fund assistance in development financing as authorized by Section X below.
- D. Increment District A. The Local Development Act permits allocation of the apportioned ad valorem tax increment as provided in this Amended Project Plan. For purposes of establishing the allocation for Increment District A, the directly generated increment will be identified separately from the indirectly generated (spinoff) increment.

1. Directly Generated Increment. Directly Generated Increment is the increment of increasing value and ad valorem tax revenue stream that is generated by a private taxable development undertaken pursuant to a development or redevelopment agreement, which obligates the private developer to implement certain development in return for public assistance and/or land provided by The City, a public trust whose sole beneficiary is The City, or by the Authority. For purposes of this allocation, the property subject to this provision shall be determined by reference to the property described by the development or redevelopment agreement.
  2. Indirectly Generated (Spinoff) Increment. Indirectly Generated (Spinoff) Increment is the increase in value and ad valorem tax revenue resulting from private taxable development which occurs without direct public assistance and therefore also occurs without a redevelopment agreement or transfer of property from The City or a public trust whose sole beneficiary is The City or the Authority. One-half of the Indirectly Generated (Spinoff) Increment shall be allocated to a fund to leverage private investments and assist in public developments (“Leverage Fund”). The other one-half of the Indirectly Generated (Spinoff) Increment shall be allocated to the affected taxing entities in proportion to the net benefit that the taxing entities would ordinarily receive from the increased assessed values in the absence of an increment district, i.e. excluding only sinking fund levies. The term “affected taxing entities” means I-53, Metro Tech, the Metropolitan Library Commission, the Oklahoma City-County Health Department, Oklahoma County, and The City. The calculation of net benefit shall not be affected by impacts on revenues from any other funding source, and the calculation shall treat the portion of the levy generated by the levy pursuant to Article 10, §9(b) as a revenue entirely of I-53. Okla. Const. Art. 10, §6C; 62 O.S. § 853(9),(14)(i), and § 854(4).
  3. Leverage Fund. All Directly Generated Increment shall be allocated to the Leverage Fund. One-half of all Indirectly Generated (Spinoff) Increment shall be allocated to the Leverage Fund.
  4. Affected Taxing Entities Fund. One-half of all Indirectly Generated (Spinoff) Increment shall be allocated to the affected taxing jurisdictions in accordance with subsection VI.P and VII.D.2 above as a specific revenue source for the affected taxing entities to use within their respective jurisdictions.
- E. Increment District B. The Local Development Act permits allocation of the apportioned ad valorem tax increment as provided in this Amended Project Plan. For purposes of establishing the allocation for Increment District B, the directly generated increment will be identified separately from the indirectly generated (spinoff) increment.

1. Directly Generated Increment. Directly Generated Increment is the increment of increasing value and ad valorem tax revenue stream that is generated by a private taxable development undertaken pursuant to a development or redevelopment agreement, which obligates the private developer to implement certain development in return for public assistance and/or land provided by The City, a public trust whose sole beneficiary is The City, or by the Authority. For purposes of this allocation, the property subject to this provision shall be determined by reference to the property described by the development or redevelopment agreement.
2. Indirectly Generated (Spinoff) Increment. Indirectly Generated (Spinoff) Increment is the increase in value and ad valorem tax revenue resulting from private taxable development which occurs without direct public assistance and therefore also occurs without a redevelopment agreement or transfer of property from The City or a public trust whose sole beneficiary is The City or the Authority. One-half of the Indirectly Generated (Spinoff) Increment shall be allocated to a fund to leverage private investments and assist in public developments (“Leverage Fund”). The other one-half of the Indirectly Generated (Spinoff) Increment shall be allocated to the affected taxing entities in proportion to the net benefit that the taxing entities would ordinarily receive from the increased assessed values in the absence of an increment district, i.e. excluding only sinking fund levies. The term “affected taxing entities” means I-89, Metro Tech, the Metropolitan Library Commission, the Oklahoma City-County Health Department, Oklahoma County, and The City. The calculation of net benefit shall not be affected by impacts on revenues from any other funding source, and the calculation shall treat the portion of the levy generated by the levy pursuant to Article 10, §9(b) as a revenue entirely of I-89. Okla. Const. Art. 10, §6C; 62 O.S. § 853(9),(14)(i), and § 854(4).
3. Leverage Fund. All Directly Generated Increment shall be allocated to the Leverage Fund. One-half of all Indirectly Generated (Spinoff) Increment shall be allocated to the Leverage Fund.
4. Affected Taxing Entities Fund. One-half of all Indirectly Generated (Spinoff) Increment shall be allocated to the affected taxing jurisdictions in accordance with subsection VI.Q and VII.D.2 above as a specific revenue source for the affected taxing entities to use within their respective jurisdictions.

**SECTION 7.** Section VIII, “REVIEW AND APPROVAL OF SPECIFIC DEVELOPMENTS PRIOR TO IMPLEMENTATION” in the 2018 Amended and Restated Project Plan adopted by the City of Oklahoma City on March 13, 2018, is hereby amended by the addition of new subsections D, E and F which read as follows:

\*\*\*

D. Increment District Number Fourteen.

1. Review Procedures. Prior to expenditure of funds from Increment District Number Fourteen, the proposed development and budgetary allocation shall be reviewed and approved in accordance with the procedures contained in Section VIII.A.

E. Increment District A.

1. Review Procedures. Prior to expenditure of funds from Increment District A, the proposed development and budgetary allocation shall be reviewed and approved in accordance with the procedures contained in Section VIII.A.

F. Increment District B.

1. Review Procedures. Prior to expenditure of funds from Increment District B, the proposed development and budgetary allocation shall be reviewed and approved in accordance with the procedures contained in Section VIII.A.

**SECTION 8.** Section X “PUBLIC PROJECT COSTS” set forth in the 2018 Amended and Restated Project Plan adopted by the City of Oklahoma City on March 13, 2018, is hereby amended as follows:

**X. PUBLIC PROJECT COSTS**

- A. Budget of Estimated Project Costs To Be Financed by Taxes Apportioned from Increment Districts ~~Number Two, Number Three, Number Eight, and Number Ten.~~

The project costs will be financed by the apportionment of tax increments from the Increment Districts in order to leverage private investments and assist in public developments. The project costs may include the costs of property acquisition, disposition, relocation, site preparation, supporting public facilities, assistance in development financing, and costs related thereto incurred by a public entity in accordance with an authorization pursuant to Section IX of this Amended Project Plan as well as public development costs, and all or a portion of the capital costs of planning, constructing, and developing public buildings or facilities incurred by a public entity in accordance with an authorization pursuant to Section IX of this Amended Project Plan.

**ESTIMATED PROJECT COSTS:**

1. Increment District Number Two

Ad Valorem Funded Costs

Residential Development (Approx. 4,000 units)	\$ 40,000,000.00
Hotels/Commercial Development	\$ 90,000,000.00
Public School Development (I-89 only)*	\$ 21,000,000.00
Public Parking Development	\$ 9,000,000.00
Other Public Development Costs (City only)	\$ 25,000,000.00
Other Taxing Jurisdictions (Except I-89)	\$ 10,000,000.00

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.

\* These costs represent a portion of the costs for the Public School Enhancement Program as authorized pursuant to Section VI.10 and Section VII.

2. Increment District Number Three

Sales Tax Funded Costs

Skirvin Hotel	\$ 5,000,000.00
---------------	-----------------

Plus interest and costs of issuance of bonds to finance the authorized project activities, and in addition thereto, general administrative costs of the Authority, The City, and any other public entities charged with implementation of the Amended Project Plan, in an amount up to 5% of the annual tax increment revenues.

3. Increment District Number Eight

Ad Valorem Funded Costs

Devon Development Conditions

Redevelopment Framework (See Sec. VII.B.)	\$ 126,000,000.00
Other Economic Developments	\$ 19,000,000.00
Public Developments for Affected Taxing Jurisdictions	\$ 12,000,000.00

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.

4. Increment District Number Ten

Ad Valorem Tax Funded Costs

Assistance in Development Financing \$ 40,000,000.00

Sales Tax Funded Costs

Assistance in Development Financing \$ 5,000,000.00

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.

5. Increment District Number Fourteen and Increment District A

Phase I:

Site Development \$ 15,000,000.00

Assistance in Development Financing\* \$ 70,000,000.00

TOTAL \$ 85,000,000.00

Phase II:

Site Development \$ 25,000,000.00

Assistance in Development Financing\* \$ 18,000,000.00

TOTAL \$ 43,000,000.00

Plus costs of financing the authorized project activities, and in addition thereto, general administrative costs in an amount up to 5% of the annual tax increment revenues.

\*Assistance in Development Financing consists of public support provided to a private developer pursuant to a legally enforceable development or redevelopment

agreement to ensure the delivery of the project or specific portions thereof. Assistance in development financing will be provided only for projects that are determined, in The City's discretion: (a) to meet The City's approved development goals and objectives, including the provision of continued net revenue sharing to the Cultural Center and (b) to provide adequate consideration and public benefit in return for the public investment.

The project budget relates only to apportioned incremental revenues and not to financing from any other sources.

Development or Redevelopment Agreements

a. The size, scope, uses, and master plan of any commercial development shall be determined by agreement of the Oklahoma City Economic Development Trust, the Oklahoma City Redevelopment Authority, or any alternative entity designated by The City, and the Chickasaw Nation.

b. No public project expenditures will be authorized without approval of a definitive development or redevelopment agreement among The City, the Oklahoma City Economic Development Trust, the Oklahoma City Redevelopment Authority, or any alternative entity designated by The City, and the Chickasaw Nation (or related entity) assuring the developer's financing capacity and ability to carry out the development of the project.

c. Development or redevelopment agreements shall be framed to assure that only net new sales tax revenues generated within Increment District Number Fourteen and net new ad valorem revenues generated within Increment District A are utilized for authorized project financing.

d. Developments shall create maximum support and new business activities offsite, including existing and proposed hotels, dining, entertainment, and other attractions and recreational activities.

Operation and Implementation Agreements

a. Operation and implementation agreements shall provide for continuing active measures to enhance the American Indian Cultural Center and Museum by providing for shared operations and maintenance, cooperative marketing, shared tourism and tour packages, and joint events with other City and State activities.

b. Operation and implementation agreements shall seek maximum tribal nations participation.

6. Increment District B

<u>Site Development</u>	<u>\$ 15,000,000.00</u>
<u>Assistance in Development Financing*</u>	<u>\$ 7,000,000.00</u>

TOTAL \$ 22,000,000.00

Plus costs of financing the authorized project activities, and in addition thereto, general administrative costs in an amount up to 5% of the annual tax increment revenues.

\*Assistance in Development Financing consists of public support provided to a private developer pursuant to a legally enforceable development or redevelopment agreement to ensure the delivery of the project or specific portions thereof. Assistance in development financing will be provided only for projects that are determined, in The City's discretion: (a) to meet The City's approved development goals and objectives, including the provision of continued net revenue sharing to the Cultural Center and (b) to provide adequate consideration and public benefit in return for the public investment.

The project budget relates only to apportioned incremental revenues and not to financing from any other sources.

It is estimated that the time frame for incurring all authorized project costs will be within ten years from the date of approval of the Amended Project Plan and that such costs may be incrementally incurred during such period by both periodic issuance of bonds and by the payment of some project costs directly from apportioned increments.

B. Additional Costs.

Additional costs and authorizations necessary or appropriate to implement this Amended Project Plan that are to be financed by other than apportioned tax increments may be approved at any time. Such costs may be paid from other revenue sources including, but not limited to, general obligation bonds, state appropriations, state matching funds, payments in lieu of taxes, payments in addition to taxes (including payments imposed by covenant or agreement authorized by 62 O.S. §841 and 62 O.S. §861), revenue bonds and notes, and grants and contributions. The provisions of this Section X are not a limitation on Project Costs to be financed by other than apportioned tax increments.

**SECTION 9.** Section XI "FINANCING REVENUE SOURCES" set forth in the 2018 Amended and Restated Project Plan adopted by the City of Oklahoma City on March 13, 2018, is hereby amended as follows:

**XI. FINANCING REVENUE SOURCES**

The revenue source expected to finance project costs authorized by Section X.A is the continued incremental increase in ad valorem tax revenue generated by the project within Increment Districts Number Two, Number Eight, ~~and~~ Number Ten, Increment District A, Increment District B, and the increments of Oklahoma City sales tax generated by Increment Districts Number Three and, Number Eight, Number Fourteen,

and Increment District B as determined by formulas approved by resolution of the Oklahoma City Council in accordance with the Act. It is estimated that between \$~~20~~30 million annually in the near term, and up to \$~~35~~50 million annually over the longer term, will be generated by the incremental increase in ad valorem tax revenue. Additional sources of revenue for the payment of additional costs pursuant to Section X.B may include Community Development Block Grant Funds and Section 108 loans or other Federal funds, which may be repaid in whole or in part with apportioned tax increments or which may not be repaid, as provided by Federal law. Other possible sources of revenue to pay project costs may be income or other revenues directly generated by projects within Increment Districts Number Two ~~and~~ Number Eight, and Increment District A, which are paid to The City, the Authority and/or a public trust designated by The City as the recipient of such income or revenues including, but not limited to, payments in lieu of taxes, general obligation bonds, revenue bonds or notes, and grants or contributions.

**SECTION 10.** Section XIII “MISCELLANEOUS PROVISIONS” set forth in the 2018 Amended and Restated Project Plan adopted by the City of Oklahoma City on March 13, 2018, is hereby amended as follows:

### **XIII. MISCELLANEOUS PROVISIONS**

Existing uses of real property are shown on the attached “Exhibit D.” Structural conditions of real property are shown on the attached “Exhibit E.” Vacant properties are shown on the attached “Exhibit F.” No changes in the Comprehensive Plan of The City are necessary to accommodate this Amended Project Plan. Nothing in the Project Plan approves or implies the approval of a specific land use plan, master plan, or identification of uses.

**SECTION 11.** 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, 62 O.S. §§ 850, *et seq.* (the “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 12.** The Amended Project Plan (attached hereto) is hereby approved and adopted in its entirety as presented and as recommended by the Downtown/MAPS Increment District Review Committee (“Review Committee”) and the Oklahoma City Planning Commission. As used herein, “Amended Project Plan” shall mean the document dated November 20, 2018, excluding the cover page entitled (“Amended and Restated Downtown/MAPS Economic Development Project Plan.”) and three pages of index, is comprised of 45 pages of text, including

19 exhibits labeled “A”, with subparts “A-1,” “A-2,” “A-3,” “A-4,” “A-5,” “A-6,” and “A-7;” “B”, with subparts “B-1,” “B-2,” “B-3,” “B-4,” “B-5,” “B-6,” and “B-7;” “C”(exhibit intentionally); “D”; “E”; and “F”; and

**SECTION 13.** All actions taken and all recommendations and findings made in connection with the Amended Project Plan by the Oklahoma City Planning Commission and the Review Committee are hereby ratified, approved and confirmed including all of the amendments set forth in this Ordinance.

**SECTION 14.** The City Council hereby finds:

1. **Findings Regarding Eligibility of the Project Area and Increment Districts**

- a. The Project Area and all proposed and existing increment districts in the Amended Project Plan comply with the statutory definition of “enterprise area” by virtue of being wholly within a state-designated enterprise zone.
- b. The level of investment, development, and economic growth desired by the City is difficult, but possible, within the Project Area and the proposed and existing increment districts, if the provisions of the Local Development Act are utilized.
- c. Tax increment financing is a necessary component in stimulating reinvestment in the Project Area and proposed and existing increment districts.
- d. Tax increment financing will be used to supplement and not supplant or replace normal public functions and services in the Project Area and proposed and existing increment districts.
- e. Tax increment financing will be used in conjunction with existing programs and efforts of the City, as well as other locally implemented economic development efforts.
- f. The Amended Project Plan emphasizes conservation, preservation, and rehabilitation.
- g. The proposed amendments to Downtown/MAPS Economic Development Project Plan and the related increment districts are eligible under the Local Development Act, 62 O.S. § 850, *et seq.*, in particular § 858; and
- h. There is a need for residential and neighborhood treatment, capital improvements to neighborhood public schools, a well as commercial/industrial development.
- i. That maximum effort has been made to allow full public participation in the local use of the Local Development Act, including compliance with the provisions of 62 O.S. § 859.

- j. The improvement of the Project Area is likely to enhance the value of other real property in the Project Area and will promote the general public interest.
  - k. The aggregate net assessed value of the taxable property in all increment districts included in the Amended and Restated Project Plan will not exceed twenty-five percent (25%) of the total net assessed value of all property within the City.
  - l. The land area covered by all increment districts within the City will not exceed twenty-five percent (25%) of the total land area of the City.
2. Findings Regarding the Financial Impact on the Affected Taxing Jurisdictions and on Business Activities within the Project Area and the Existing and Proposed Increment Districts.
- a. The financial analysis used to project revenues and project costs over the life of the Amended Project Plan appear to be reasonable and in conformance with the Local Development Act.
  - b. The anticipated private development will generate tax increments and related revenues sufficient to pay a substantial portion of the authorized project costs of the project proposed by the Amended Project Plan; without the Amended Project Plan and the existing and proposed increment districts, the development described in the Amended Project Plan and the resulting increases in tax revenues would not occur.
  - c. The development anticipated to be stimulated by the Amended Project Plan will likely result in some increased demand for services by or in costs to the affected taxing jurisdictions, which costs will be offset by the stimulation of new tax revenues outside of the existing and proposed increment districts and by the provision of a direct revenue stream to such jurisdictions pursuant to Article X, § 6C.B. of the Oklahoma Constitution and Title 62, § 853(9) of the Oklahoma Statutes.
  - d. Implementation of the Amended Project Plan will require significant expenditures by the City, whose public-sector costs will be substantially defrayed from apportioned tax increments as provided in the Amended Project Plan.
  - e. The public revenue anticipated to result from the development described in the Amended Project Plan includes increased tax revenue both inside and outside the existing and proposed increment districts.
  - f. Based on the financial impact analysis of the proposed amendments, there does not appear to be any significant or material adverse impact on the affected taxing jurisdictions and business activities within the Project Area and increment districts, and further that the economic benefits of the Amended Project Plan for the affected taxing jurisdictions and the community as a whole offset the adverse financial

impacts, if any, of the Amended Project Plan on the affected taxing jurisdictions.

- g. The aggregate impacts on the affected taxing jurisdictions from implementation of the Amended Project Plan are positive and include the achievement of the objectives set forth in Section IV of the Amended Project Plan.
- h. The aggregate impacts on business activities from implementation of the Amended Project Plan are positive and include the achievement of the objectives set forth in Section IV of the Amended Project Plan and the estimated growth in supported jobs described in the Financial Impacts Analysis.

**SECTION 15.** The City is authorized to carry out and administer the provisions of the Amended Project Plan and to exercise all power necessary or appropriate thereto pursuant to § 858 of the Act, including the right to designate a public entity to carry out all or any part of the Amended Project Plan; and the City retains the right and reserves the power to make minor amendments to the Amended Project Plan, in accordance with § 858(D) of the Act. Changes in the Project Costs incurred pursuant to Section X(B) of the Amended Project Plan do not require an amendment.

**SECTION 16.** OCEDT, a public trust that exists for the benefit of the City, and the Oklahoma City Urban Renewal Authority, a public body corporate established pursuant to the Oklahoma Urban Renewal Act, 11 O.S. §§ 38-101, *et seq.*, shall have the authority to administer and carry out the provisions of the Amended Project Plan, including the authority to incur project costs pursuant to Section IX(C) and (D) of the Amended Project Plan, and to exercise all powers necessary or appropriate thereto pursuant to § 854 of the Act, except those powers enumerated in paragraphs 1, 3, 4, 7, 13, and 16 thereof; with the principal responsibility for administration of the Amended Project Plan being that of OCEDT.

**SECTION 17.** OCEDT and the Oklahoma City Redevelopment Authority shall have the authority to issue tax apportionment bonds and notes, other bonds and notes, or both; to use the proceeds thereof to pay financing and Project Costs pursuant to Section VI(N) of the Amended Project Plan; and to incur the costs of issuance of bonds and notes and accumulate reserves, if any, in connection with them.

**SECTION 18.** The direction of apportionment of increments for Increment Districts Number Two, Number Three, Number Eight, and Number Ten, City of Oklahoma City, as described in Ordinance Nos. 21,431; 21,472; 22,498; 22,906; 23,080; 23,618; 23,768; 24,623; 24,921, 25,325, and Ordinance No. 25,886, shall continue as described in those ordinances except where they conflict with provisions in this Ordinance. Further, the prior provisions of the Downtown/MAPS Economic Development Project Plan not specifically amended by any of the aforementioned Ordinances or by this Ordinance are hereby preserved and remain in full force and effect.

**SECTION 19.** During the period of apportionment, the apportionment fund shall constitute funds of OCEDT and shall not constitute a part of the general fund of The City to be appropriated annually by the governing body of the City.

**SECTION 20.** OCEDT is authorized to pledge the apportioned increments to repayment of debt.

**SECTION 21.** The City Manager of the City, or his successor in office, acting in his capacity as General Manager of OCEDT, shall be the person in charge of implementation of the Amended Project Plan in accordance with the provisions, authorizations, and respective delegations of responsibilities contained herein. The City Manager (or any successor in office), acting in his capacity as General Manager of OCEDT, is authorized to empower one or more designees to exercise responsibilities in connection with the Amended Project Plan or the implementation of any approved project supported under the Amended Project Plan.

**SECTION 22.** As set forth in Sections VII(A)(2), VII(D)(2), and VII(E)(2), of the Amended Project Plan, fifty percent (50%) of the Indirectly Generated Increment from Increment District Number Two, Increment District “A,” and Increment District “B” shall be allocated to the Affected Taxing Entities in proportion to the net benefit that the taxing entities would ordinarily receive from the increased assessed values in the absence of an increment district (i.e., excluding only sinking fund levies). For purposes of Increment District Number Two, City of Oklahoma City, the term “Affected Taxing Entities” means I-89, Metro Tech, the Metropolitan Library Commission, the Oklahoma City-County Health Department, Oklahoma County, and the City. Further, as set forth in Section VII(D)(2), of the Amended Project Plan, fifty percent (50%) of the Indirectly Generated Increment from Increment District “A”, shall be allocated to the Affected Taxing Entities in proportion to the net benefit that the taxing entities would ordinarily receive from the increased assessed values in the absence of an increment district (i.e., excluding only sinking fund levies). For purposes of Increment District “A”, the term “Affected Taxing Entities” means I-53, Metro Tech, the Metropolitan Library Commission, the Oklahoma City-County Health Department, Oklahoma County, and the City. Further, as set forth in Section VII(E)(2), of the Amended Project Plan, fifty percent (50%) of the Indirectly Generated Increment from Increment District “B”, shall be allocated to the Affected Taxing Entities in proportion to the net benefit that the taxing entities would ordinarily receive from the increased assessed values in the absence of an increment district (i.e., excluding only sinking fund levies). For purposes of Increment District “B”, the term “Affected Taxing Entities” means I-89, Metro Tech, the Metropolitan Library Commission, the Oklahoma City-County Health Department, Oklahoma County, and the City. As to Increment District Number Two, effective October 1, 2015, the calculation of net benefit shall not be affected by impacts on revenues from any other funding source, and the calculation shall treat the portion of the levy generated by the levy pursuant to Article 10, § 9(b) as a revenue entirely of I-89. As to Increment District “A” and “B”, the calculation of net benefit shall not be affected by impacts on revenues from any other funding

source, and the calculation shall treat the portion of the levy generated by the levy pursuant to Article 10, § 9(b) as a revenue entirely of I -53 or I-89, respectively. *Okla. Const. Art. 10, §6C; 62 O.S. § 853(9), (14)(i), and § 854(4).*

**SECTION 23. 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.

**INTRODUCED and CONSIDERED** in open meeting of The Oklahoma City Council on this \_\_\_\_ day of \_\_\_\_\_, 2018.

PASSED by the Council of the City of Oklahoma City this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

SIGNED by the Mayor of The City of Oklahoma City on the \_\_\_\_ day of \_\_\_\_\_, 2018.

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR

REVIEWED for form and legality.

\_\_\_\_\_  
ASSISTANT MUNICIPAL COUNSELOR

\\apple\FI-Admin\TIF\AICCM\Ord for 2nd 2018 Amended DT MAPS PROJECT Plan 10-15-18-FINAL V1.docx

Exhibit 1

Amended and Restated Downtown/MAPS Economic Development Project Plan

Exhibit No. 2

Resolution of the Downtown/MAPS Tax Increment District Review Committee