Streamlining the Economic Development Infrastructure Funding Process

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EDIF Overview

• City program to assist with valid public infrastructure needs related to business retention, expansion, and attraction.

• Mostly used to make industrial sites commercial ready (improved roads, utilities, access, etc.)

• If approved, either:
  – City builds and pays for public infrastructure to private sites for public benefit (jobs, etc.)
  – Private company builds and pays for public infrastructure (under City supervision) and is payed back by Engineering Services over time.
Problem Statement

• The Economic Development Infrastructure Fund (EDIF) application process is laborious for Economic Development staff, confusing for the review committee tasked with awarding the incentive, and takes a very long time to process.
Project Overview

• We are attempting to make the EDIF application and approval process more efficient by utilizing Six Sigma tools and analysis.
The EDIF Process

- The official process as laid out in the guiding policy document approved by City Council
## EDIF SIPOC

<table>
<thead>
<tr>
<th>Suppliers</th>
<th>Inputs</th>
<th>Processes</th>
<th>Outputs</th>
<th>Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Developer</td>
<td>An explanation of the need/public benefit of the project (IE. job expansion, public safety, increased revenue to the City).</td>
<td>Application submitted</td>
<td>RFA or Project Decline</td>
<td>The Developer</td>
</tr>
<tr>
<td>The Economic Development Team</td>
<td>The estimated cost of the public improvements</td>
<td>ED Team does impact analysis / prepares report for IRC to review submission</td>
<td>Engineering Services or a Developer making an improvement</td>
<td>Engineering Services</td>
</tr>
<tr>
<td>The Internal Review Committee</td>
<td>The benefit to both requesting party and the overall community</td>
<td>If accepted, IRC/ED staff sends supporting letter and RFA for Mayor’s review/approval</td>
<td></td>
<td>The City and the public at large</td>
</tr>
<tr>
<td></td>
<td>General background of the requesting party’s business</td>
<td>Council reviews request and necessary budget action to appropriate funds to project</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Either Engineering Services or the Developer implements the project</td>
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The EDIF Process

ED team reviews, does economic impact analysis, depending on quality of information can take 2-4 weeks.

IRC scheduling 4-6 weeks out to get necessary people in the room for an hour long meeting and give them time to review.

Takes 4 weeks to get on necessary signing and hearing agendas + 10 days for publication in the Tulsa World before it is official.

Project implementation timelines vary based on needs and are decided in conjunction with engineering and the developer.

Alternate incentive identified or project declined applicant is informed.

Starts engagement in a different process – realistically identified long before this point.

IRC Reviews Submission

IRC / ED staff sends support letter and RFA for Mayor’s review/approval

Council reviews request and necessary budget action to appropriate funds to project

Engineering Services implements project

Developer implements project
Surveyed IRC members

• Everyone likes the incentive
• Everyone likes the described process
• Everyone likes an in-person review committee, but it’s not absolutely necessary to vote in person (4 week schedule)
• Everyone would prefer a more thorough vetting process for project needs
Initial application

• Application is only a letter from the company outlining, in narrative form, their needed improvements, a dollar figure, and their business case (investment, jobs, industry).

• We call a meeting based on this very limited information.
Specific feedback requests

• Engineering wants much stronger technical details nailed out ahead of time
  – Discussion with design consultants ahead of time
  – CoT engineering in on the conversation sooner
• Mayor’s Office wants more ED numbers – quantifying public vs. private benefit
• More detailed information should be provided to the committee members ahead of time
Recommendation

• Require more technical information with application to reduce confusion and streamline review process
  – At least an Engineer’s Cost Estimate and a site plan for proposed infrastructure

• Require additional information on ED impact of proposed infrastructure (# of businesses served, acres opened for development, connection to adopted plans, etc.)

• Vote electronically and only hold an optional meeting if IRC members ask for it
Time saved

• Requiring more detailed information up front
  – 1-2 weeks

• Communicating with CoT Engineering ahead of time
  – 2-3 weeks

• Making meeting optional
  – 2-4 weeks

• Frustration and confusion and brain power saved
  – Priceless
Thank you!