



Local Development Incentives in Tulsa

(July, 2014)

Tax Increment Financing (“TIF”) Districts

The Oklahoma Local Development Act (1992) allows local governments to establish Tax Increment Financing (TIF) districts. The districts have the capability of financing infrastructure for development under appropriate circumstances. Subject development sites sitting within a designated TIF district will not be eligible to capitalize on the Local Development Act – Tax Incentive Project. Before a district can be established, each affected taxing entity, including the school district, must approve the district plan. Once the taxing authorities approve the plan, it is passed on to city council for a vote. The city may collect increment from real estate tax, sales tax (city share only), or both. Tulsa typically limits TIF districts to 15 years, though state law allows 25 years. The city may commit up to 25 percent of its acreage to tax increment financing. At this time the city is far below the acreage limit. Tulsa has five active TIF districts: Brady Village, Technology, North Peoria Avenue, Blue Dome and Tulsa Hills. Jim Coles, Economic Development Coordinator, 918-576-5664, jcoles@cityoftulsa.org.

Tax Incentive Districts

Tax Incentive District A provides a 5-6 year abatement on local property taxes for specific development projects. Developers may apply to the city for tax abatement on projects constructed/rehabilitated within a designated Tax Incentive District. At this time, the city has one Tax Incentive District, covering real property within the Inner Dispersal Loop (the interstate highways surrounding downtown). In addition, projects in enterprise zones are eligible to receive the state enterprise zone investment/new jobs tax credit. Jim Coles, Economic Development Coordinator, 918-576-5664, jcoles@cityoftulsa.org.

Tax Incentive Projects Within Enterprise Zones

Provides for the granting of an abatement of the increase in local property taxes for specific projects for six years within qualified areas. The CBD is a designated area of eligibility. Can be combined with the Enterprise Zone Tax Incentive Leverage Act as a state income tax credit match. These tax incentives are available for up to six years; please refer to 62 OS § 850 and 68 OS § 2357.81. If the project is granted abatement and located within an Enterprise Zone, a state match is available; however, an enterprise cannot receive more than \$200,000 aggregate value in state payments and credits in any year. Jim Coles, Economic Development Coordinator, 918-576-5664, jcoles@cityoftulsa.org.

Economic Development Public Infrastructure Fund

Included in the Improve Our Tulsa package (2013) this fund was developed to assist, in a timely manner, with valid public infrastructure needs related to business retention, expansion and attraction. The voters approved \$6.0 million over the term of the program towards these efforts based on an annual allocation approved by the Tulsa City Council as part of the City budgeting process. The criteria/objectives to be under consideration for this fund include:

- A. It is the objective of this fund to provide assistance with public infrastructure needs in those unique instances when this is the most appropriate program or resource.
- B. This fund is designed to assist in with the retention and expansion of jobs in manufacturing and office business sectors.
- C. If approved, the City of Tulsa will be responsible for constructing all improvements.
- D. It is not the intent of the policy to fund land acquisition.
- E. Where applicable cost sharing and potentially claw-back provisions will be negotiated.

This fund is also referred to as Annual Economic Development Priority Opportunities Fund. Jim Coles, Economic Development Coordinator, 918-576-5664, jcoles@cityoftulsa.org.

Retail Incentive

The City of Tulsa recognizes that the most effective incentive for economic development is being a livable and vibrant community. It is recognized that Tulsa, like all cities in Oklahoma, is heavily reliant on sales tax revenues to support the City's General Fund. In order to provide the levels of programs and services necessary to remain a vibrant and livable community, the sales tax base must continue to grow. The goal of this policy is to ensure Tulsa continues to be a great place to live and that continuing to be a regional retail center is supportive of that effort. This policy is intended to support commercial retail businesses. Minimum requirements for applicants:

- Stand-alone retail: Retailer must have projected annual gross retail sales of \$20 Million by the third year of operation.
- At time of application, Retailer has no existing presence in MSA, or new development that is part of a regional retail project of at least 100,000 square feet.
- Multi business development: If the application is for a development with multiple businesses the project must contain at least 100,000 square feet.
- Underserved or distressed area: Location is within an enterprise zone, designated USDA food desert, adopted City of Tulsa Sector Plan or adopted City of Tulsa Small Area Plan.

Crystal Keller, 918-576-5402, ckeller@cityoftulsa.org

Fire Suppression Grant

A City grant of up to \$8,000 is available for sprinkler connections and appurtenances located in the public right-of-way. (Contact for more information: Yuen Ho, Building Plans Review Administrator, City of Tulsa, Development Services, 175 East 2nd Street, 4th Floor, yuenho@cityoftulsa.org, 918-596-1865. An application is available at Development Services. Application Information: Janet Damron, 918-596-9679, jdamron@cityoftulsa.org.

Improvement District

The City may create special assessment districts for the purpose of making or causing to be made any improvement or combination of improvements that confer special benefit upon property within the district. Reference citation, 11 OS § 39.101. Currently there are two Improvement Districts within the City, Tulsa Stadium Improvement District No. 1 and Whittier Square Improvement District No. 2. Binu Abraham, Finance Department, 918-596-7644, babraham@cityoftulsa.org or Stephaine Fenton, Finance Department, 918-596-7634, sfenton@cityoftulsa.org.

International Existing Building Code

IEBC is used by the City of Tulsa as a sensible and cost effective approach to rehabilitation. Anecdotal information from developers who have used this code locally reports a savings of approximately 20% over BOCA. Contact for more information: Yuen Ho, Building Plans Review Administrator, City of Tulsa, Development Services, 175 East 2nd Street, 4th Floor, yuenho@cityoftulsa.org, 918-596-1865. City IEBC inspector: Paul Enix, 918-596-9456, penix@cityoftulsa.org.

Community Development Block Grants and HOME Funds

Tulsa is an entitlement community receiving approximately \$3 million annually in HUD grants for eligible projects. Application process required each year in May. For more information contact: Gary Hamer, Phone: (918) 576-7573, ghamer@cityoftulsa.org.

Local Partners in Economic Development

Tulsa Industrial Authority (TIA)

The Tulsa Industrial Authority (TIA) serves as a conduit in the issuance of 501 (c)(3) bonds and Industrial Development Revenue Bonds, which provide tax-exempt financing for qualified projects. TIA supplies comprehensive analysis of new issues and/or refunding opportunities, and assists the borrower in finalizing a transaction strategy and structure. When a loan is passed through TIA, the IRS treats the loan as a local governmental agency special obligation. Eligible projects include those for non-profit entities (including health care), public or private colleges and universities, private high schools and grade schools, the Indian health care resource center, hospitals/nursing homes and various charities. TIA has financed or refunded over \$1 billion in tax-exempt bonds. Adrienne Russ, 918-584-7880, aruss@cityoftulsa.org.

Tulsa Development Authority (TDA)

The mission of the TDA is to improve Tulsa through programs and projects designed to utilize private and public resources that advance the physical, social and economic well being of citizens and neighborhoods throughout the city. The primary objectives of the Tulsa Development Authority are to revitalize declining and underdeveloped areas, to encourage private investment and economic development, and improve the tax base through removal of slum and blight by redevelopment and rehabilitation. Jane Malone, 918-592-4944, www.tulsadevelopmentauthority.org.

Tulsa Economic Development Corporation (TEDC)

This non-profit Community Development Financial Institution was formed in 1979 as a catalyst for economic development. TEDC drives small business success through non-traditional lending programs and development services that help entrepreneurs start to expand a company. Branded as Creative Capital. TEDC uses public and private funds to make direct loans and participates with other institutions on projects that lack sufficient equity. Special considerations given to companies that create and retain jobs. Rose Washington Rentie, 918-585-8332, www.tedc.com.

Tulsa Preservation Commission (TPC)

The City of Tulsa's Planning Department maintains a database of properties eligible for historic preservation incentives. Preservation Staff is happy to assist property owners with questions about historic status and National Register listing, historic preservation tax credits, and the International Existing Building Code's provisions for historic properties. Please contact Amanda DeCort at 918.576.5669 or adecort@cityoftulsa.org. www.tulsapreservation.org.

Downtown Coordinating Council (DCC)

The DCC provides support and advises making recommendations to the city regarding the coordination, planning and management of improvement efforts in Downtown Tulsa. Tom Baker, 918-576-5095 or tbaker@cityoftulsa.org