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ORDINANCE NO. 23832

AN ORDINANCE APPROVING AND ADOPTING THE DOWNTOWN AREA ECONOMIC DEVELOPMENT PROJECT PLAN, PURSUANT TO THE OKLAHOMA LOCAL DEVELOPMENT ACT; IDENTIFYING AND ESTABLISHING EIGHT NEW INCREMENT DISTRICTS TEMPORARILY IDENTIFIED IN THE PROJECT PLAN AS INCREMENT DISTRICTS "A," "B," "C," "D," "E," "F," "G," AND "H"; DESIGNATING AND ADOPTING PROJECT AREA AND INCREMENT DISTRICT BOUNDARIES; NAMING INCREMENT DISTRICT "A" AS INCREMENT DISTRICT NUMBER TEN, CITY OF TULSA, AND ESTABLISHING THE DATE FOR THE CREATION THEREOF; DEFERRING THE NAMING AND THE DATES FOR THE CREATION OF INCREMENT DISTRICTS "B," "C," "D," "E," "F," "G," AND "H"; ADOPTING CERTAIN FINDINGS; AUTHORIZING THE CITY OF TULSA AND THE TULSA INDUSTRIAL AUTHORITY AS THE ENTITIES TO CARRY OUT AND ADMINISTER THE PROJECT PLAN; ESTABLISHING A TAX APPORTIONMENT FUND; DECLARING APPORTIONED FUNDS TO BE SPECIAL FUNDS OF THE TULSA INDUSTRIAL AUTHORITY; AUTHORIZING THE USE OF INCREMENT REVENUES FOR THE PAYMENT OF CERTAIN PROJECT COSTS; RATIFYING AND CONFIRMING THE ACTIONS, RECOMMENDATIONS AND FINDINGS OF THE REVIEW COMMITTEE AND THE TULSA METROPOLITAN AREA PLANNING COMMISSION; DIRECTING CONTINUING APPORTIONMENT; PROVIDING FOR SEVERABILITY; AND DECLARING AN EMERGENCY.

WHEREAS, the City of Tulsa, Oklahoma ("City") has prepared the Downtown Area Economic Development Project Plan ("Project Plan"), in accordance with the Oklahoma Local Development Act, 62 O.S. § 850, *et seq.* ("Act"); and

WHEREAS, the purpose of the Project Plan is to provide a planning framework and funding mechanism for a substantial portion of the local public investment required to support growth and investment in Downtown Tulsa ("Project"); and

WHEREAS, the Project Plan supports both the City's efforts to achieve its development objectives, improve the quality of life for its citizens, stimulate private investment, and enhance the tax base, thereby making possible investment that would be difficult without the adoption of the Project Plan and the apportionment of incremental tax revenues; and

WHEREAS, the Downtown Area Economic Development Project Plan Review Committee ("Review Committee"), comprised of a representative of the City, a representative of Tulsa County, a representative of the Tulsa Metropolitan Area Planning Commission ("Planning Commission"), representatives of each of the affected taxing jurisdictions (including Tulsa Public Schools, Tulsa City-County Library, Tulsa Health Department, Tulsa Community College, and Tulsa Technology Center) and three members of the public at large, one of whom represents the business community, has reviewed the Project Plan; and

WHEREAS, the Review Committee has reviewed the proposed Project Area and the proposed ad valorem Increment Districts (temporarily identified in the Project Plan as Increment Districts "C," "D," and "H," City of Tulsa) and ad valorem and sales tax Increment Districts (temporarily identified in the Project Plan as Increment Districts "A," "B," "E," "F," and "G") (as defined in Sections 4, 5, 6, 7, and 8 of this Ordinance) (collectively, "Increment Districts"), in accordance with the criteria specified in the Act and has determined that the Increment Districts are eligible for designation as increment districts and for development under the Act and that the financial impacts on the affected taxing jurisdictions and business activities from implementation of the Project Plan are positive; and

WHEREAS, the Review Committee has adopted its findings and recommends to the City Council the approval of the Project Plan, including the proposed Increment Districts; and

WHEREAS, the Planning Commission has determined that the Project Plan conforms to the Tulsa Comprehensive Plan and is desirable; and

WHEREAS, the Planning Commission has adopted a resolution recommending to the City Council the approval of the Project Plan, including the proposed Increment Districts; and

WHEREAS, the Project Area, including the Increment Districts, is located within an enterprise area as defined by the Act; and

WHEREAS, the projected investment and development are difficult, but possible, within the proposed Project Area and Increment Districts if the Project Plan is adopted and implemented; and

WHEREAS, tax increment financing is a necessary component in generating economic development in the proposed Project Area and Increment Districts; and

WHEREAS, the apportioned increment revenues derived from the Increment Districts shall be used to finance eligible project costs contained in Section IX of the Project Plan; and

WHEREAS, the establishment of the proposed Increment Districts will work in conjunction with existing programs and other locally implemented economic development efforts in order to encourage economic development in the proposed Project Area; and

WHEREAS, the Project is expected to generate substantial new investment within the Increment Districts and to stimulate additional indirect economic benefits outside of the Increment Districts which would not occur without the Project; and

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

WHEREAS, the boundaries of the proposed Increment Districts do not dissect any similar area nor create an unfair competitive advantage; and

WHEREAS, maximum effort has been made to allow full public knowledge and participation in the application of the Act in the review and approval of the Project Plan; and

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

WHEREAS, pursuant to said notice, all persons present were given an opportunity to be heard for and against the Project Plan; and

WHEREAS, the City has the right, pursuant to the Act, to make minor amendments to the Project Plan; and

WHEREAS, the City and the Tulsa Industrial Authority shall be authorized and designated to carry out certain provisions of the Project Plan, pursuant to the Act; and

WHEREAS, the Act authorizes the City to defer determination of the designation and date of creation of an increment district under Section 856 and the commencement of its period of apportionment under Section 861, provided that the determination is not more than 10 years after the date of approval of the project plan; and

WHEREAS, the City finds that it is in the best interest of the overall success of the Project to defer the date of creation, designation and official naming of seven of the eight proposed Increment Districts until later dates, which dates must be determined within ten years of the date of the approval of the Project Plan; and

WHEREAS, the City deems it appropriate and desirable and in the best interest of the City and its citizens to adopt and approve the Project Plan, including the establishment of the Increment Districts.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF TULSA:

SECTION 1. In order to develop the eligible Project Area, the City elects to utilize Article 10, Section 6C of the Constitution of the State of Oklahoma and the Act, which authorize 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 provide for the direction of apportionment of local taxes to plan, finance, and carry out development of unproductive, undeveloped, underdeveloped, or blighted areas as determined by the governing body of a city, town or county.

SECTION 2. The Project Plan is hereby adopted and approved, as recommended by the Tulsa Metropolitan Area Planning Commission and the Review Committee. As used herein "Project Plan" shall mean the document dated November 21, 2017, and comprised of one cover sheet, thirteen pages of text, five exhibits labeled Exhibits A, B, C, D, and E, and titled "Downtown Area Economic Development Project Plan."

SECTION 3. The membership of the Review Committee and all actions taken and all recommendations and findings made in connection with the Project Plan by the Review Committee and the Planning Commission are hereby ratified and confirmed.

SECTION 4. For identification purposes and until such time that the City officially names and designates each of the Increment Districts created under this Ordinance, and as set forth in the Project Plan, the Increment Districts shall be identified as Increment District A, Increment District B, Increment District C, Increment District D, Increment District E, Increment District F, Increment District G, and Increment District H, all as shown on Exhibit A and described on Exhibit C of the Project Plan.

SECTION 5. For identification purposes, the name of Increment District A, as set forth in the Project Plan, which is an ad valorem and sales tax increment district, shall be Increment District Number Ten, City of Tulsa ("Increment District No. 10").

SECTION 6. Increment District No. 10 is hereby created as of December 28, 2017.

SECTION 7. The date of creation, official designation, and naming of the Increment Districts temporarily identified as Increment District B, Increment District C, Increment District D, Increment District E, Increment District F, Increment District G, and Increment District H, and, accordingly, the commencement of each of the respective periods of apportionment, are hereby deferred until such time as determined by the City, provided that such date of creation shall be within 10 years of the effective date of this Ordinance.

SECTION 8. The boundaries of the Project Area of the Project Plan are shown on Exhibit A of the Project Plan, and described on Exhibit B of the Project Plan, and are hereby designated and adopted as follows:

Project Area Legal Description

Point of Beginning is the NE corner of Lot 26, Block 4, Mann's Addition, thence continuing southerly to the NW corner of Lot 8, Block 7, Mann's Addition, thence easterly to the NE corner of Lot 5, Block 7, Mann's Addition, thence southerly to the SE corner of Lot 5, Block 7, Mann's Addition, thence easterly to the NE corner of Bullette Park, thence southerly to the SE corner of Bullette Park, thence westerly along the southern boundary of Bullette Park for approximately 74.09 feet, thence southerly to the NE corner of Lot 36, Block 3, Bullett Addition, thence southerly to the SE corner of Lot 19, Block 3 of Bullett Addition, thence westerly to the SW corner of Lot 19, Block 3, Bullett Addition, thence southerly to the NE corner of Lot 13, Block 2, Frisco Addition, thence southerly to the SE

corner of Lot 32, Block 2, Frisco Addition, thence westerly to the SW corner of Lot 23, Block 2, Frisco Addition, thence southerly along the easterly right-of-way of N Madison Avenue to the intersection of the easterly right-of-way of N Madison Avenue and the northerly right-of-way of the Burlington Northern Railroad, thence southerly to the intersection of the southerly right-of-way of the Burlington Northern Railroad and the easterly right-of-way of N Madison Avenue, thence southerly along the easterly right-of-way of N Madison Avenue to the intersection with the northerly right-of-way of the Martin Luther King Expressway, thence southerly to the NW corner of the W50 of Lot 4, Block 7, Hodge Addition, thence westerly to intersection of the southerly right-of-way of the M K and T railroad and the westerly right-of-way of the Cherokee Expressway, thence southerly along the westerly right-of-way of the Cherokee Expressway to the southerly right-of-way of E 6th Street, thence southerly to the northernmost point of the easternmost boundary of the Home Depot North Tulsa Addition, thence westerly along the northern boundary of the Home Depot North Addition to the southerly right-of-way of E 8th Street, thence westerly along the northerly boundary of the Home Depot North Tulsa Addition to the easterly right-of-way of S Elgin Avenue, thence southerly along the western boundary of the Home Depot North Tulsa Addition and continuing easterly along the southern boundary of the Home Depot North Tulsa Addition to the westerly right-of-way of the Cherokee Expressway, thence southerly along the westerly right-of-way of the Cherokee Expressway and continuing westerly along the northerly right-of-way of US 75 to westerly right-of-way of W Denver Avenue, thence northerly along the westerly right-of-way of W Denver Avenue to the southerly right-of-way of I-244, thence easterly along the southern boundary of the I-244 expressway to the NE corner of John Hope Franklin Reconciliation Park, thence northerly along the westerly right-of-way of N Elgin Avenue to the SE corner of LT 1LESS BEG NWLY THEREOF TH CRV RT59.62 E272.70 CRV RT18.24 W289.93 SW46.19 POB BLK 1, thence southerly along the easterly right-of-way of N Elgin Avenue to the SW corner of Lot 1, Block 2, University Center at Tulsa Addition, thence southerly along the easterly right-of-way of N Elgin Avenue to the northerly right-of-way of I-244, thence easterly along northerly right-of-way of I-244 to the westerly right-of-way of the Southeast Kansas Railway, thence northerly along the westerly right-of-way of the Southeast Kansas Railway to the NE corner of LT 1LESS BEG NWLY THEREOF TH CRV RT59.62 E272.70 CRV RT18.24 W289.93 SW46.19 POB BLK 1, thence southeasterly to the southernmost point of Lot 4, Block 1, LANSING INDUSTRIAL PARK I RESUB B5-6-7-13&14 FAIRVIEW Addition, thence northeasterly along the northerly right-of-way of the Southeast Kansas Railway to the northerly right-of-way of the South Kansas and Oklahoma Railway, thence northeasterly along the northerly right-of-way of the South Kansas and Oklahoma Railway to the SE corner of Lot 9, Block 1, LANSING INDUSTRIAL PARK I RESUB B5-6-7-13&14 FAIRVIEW Addition, thence easterly to the SW corner of PRT SE NE BEG 339N & 145E SWC SE NE TH E307 N277 W29.5 N42.5 TO SL ATSF RY SWLY TO PT S190 POB SEC 36 20 12 1.61AC, thence easterly along the northerly right-of-way of E Latimer Place for approximately 144.25 feet; thence southerly to the Point of Beginning.

SECTION 9. The boundaries of Increment District No. 10 are shown on Exhibit A and described on Exhibit C of the Project Plan under the heading "TIF 'A,'" and are hereby designated and adopted as follows:

Increment District No. 10 Legal Description
[The Arts TIF District]

Beginning at the NE corner of Lot 1, Block 44, Tulsa-Original Town, thence westerly along the north boundary line of Lot 1, Block 44 to the NW corner of Lot 1, Block 44, Tulsa-Original Town. Thence southerly along the western boundary line of Lots 1, 2 and 3, Block 44 to the NW corner of Lot 1, Block 56, Tulsa-Original Town. Thence westerly along the northern boundary line of Block 56, Tulsa-Original Town to the NW corner of Lot 6, Block 56. Thence southerly along the western boundary line of Lots 6 through 4, Block 56 to the SW corner of Lot 4, Block 56, Tulsa-Original Town. Thence westerly along the northern boundary line of the railroad Right-Of-Way for approximately 1,453 feet to a point that is 59.89 feet east of the SW corner of Lot 4, Block 60, Tulsa-Original Town. Thence westerly along the southern boundary lines of Block 60, 61 and 62, Tulsa-Original Town to the SW corner of Lot 4, Block 62, Tulsa-Original Town, also the eastern boundary of N Denver Avenue Right-of-Way. Thence S 64-43-25 W for 80.84 feet to the western boundary of N Denver Ave Right-of-Way. Thence northerly along the western boundary of N Denver Avenue Right-of-Way for approximately 1,982 feet to the southern edge of EB W NIDL EXPY. Thence easterly following along the southern edge of EB W NIDL EXPY for approximately 465.19 feet to a point on the western line of Lot 5, Block 4, Tulsa-Original Town, approximately 13 feet north of the NW corner of Lot 4, Block 4, Tulsa-Original Town. Thence southerly along the western boundary line of Lot 4, Block 4, Lots 8 through 5, Block 9 and Lots 7 and 6, Block 17, Tulsa-Original Town to the SW corner of Lot 6, Block 17, Tulsa-Original Town. Thence N 64-42-37 E for 49.87 feet. Thence N 64-42-34 E for 45.05 feet. Thence N 64-42-14 E for 45.66 feet. Thence N 64-43-56 E for 9.56 feet. Thence N 64-42-35 E for 4.74 feet. Thence N 64-42-16 E for 6.44 feet. Thence N 64-42-24 E for 138.89 feet to the western boundary of N Boulder Avenue Right-of-Way. Thence northerly along the western boundary of N Boulder Avenue Right-of-Way for 513 feet. Thence S 65-6-13 W for 8.83 feet. Thence N 24-25-22 W for 123.38 feet to the southern edge of EB W NIDL EXPY. Thence easterly following along the southern edge of EB W NIDL EXPY for approximately 1,966.42 feet to the westerly Right-of-Way of N Elgin Avenue. Thence southerly and following the western boundary of N Elgin Avenue Right-of-Way and the eastern boundary line of Lots 1 and 2, Block 22, North Tulsa Subdivision, Lots 1 and 2, Block 22, Tulsa-Original Town, Lots 1 through 3, Block 25, Tulsa-Original Town for approximately 694.42 feet to the NE corner of Lot 1, Block 44, Tulsa-Original Town and the point of beginning.

SECTION 10. The boundaries of the seven remaining Increment Districts are shown on Exhibit A of the Project Plan, and described on Exhibit C of the Project Plan, and are hereby designated and adopted as follows:

Increment District "B"
[PAC TIF District]

Starting at the NE Corner of Lot 1, Block 106, Tulsa-Original Town and continuing southerly to the SE corner of Lot 4, Block 106, Tulsa-Original Town. Thence westerly along the southern boundary of Blocks 106 and 105 for approximately 516 feet to the SW corner of Lot 3, Block 105, Tulsa-Original Town. Thence S 65-14-22 W for 22.12 feet. Thence N 23-54-35 W for 301.56 feet to the northern boundary of Block 105, Tulsa-Original Town. Thence north-easterly along the northern boundary of Blocks 105 and 106 for approximately 538.79 feet to the NE corner of Lot 1, Block 106, Tulsa-Original Town and the point of beginning.

Increment District "C"
[East End TIF District]

Starting at the SE corner of Lot 3, Block 55, Tulsa-Original Town, thence continuing north easterly along the northern boundary of the railroad Right-of-Way for approximately 1,135.57 feet to the southern edge of EB E NIDL EXPY. Thence following the southern edge of EB E NIDL EXPY in a south easterly direction for approximately 767.39 feet. Thence S 1-12-42 E for 168.75 feet to the Right-of-Way of S Lansing Avenue. Thence along the eastern boundary of S Lansing Avenue Right-of-Way for approximately 537.72 feet to the intersection of the southerly right-of-way of the M K and T railroad and the westerly right-of-way of the Cherokee Expressway. Thence southerly along the westerly right-of-way of the Cherokee Expressway to the southerly right-of-way of E 6th Street. Thence southerly to the NW corner of Lot 10, Block 12, Burnett Addition. Thence S 88-57-4 W for 61.09 feet to the NE corner of Lot 1, Block 11, Burnett Addition. Thence westerly along the northern boundary of Lots 1 through 12, Block 11, Burnett Addition to the NW corner of Lot 12, Block 11, Burnett Addition. Thence N 2-58-59 W for 57.89 feet. Thence N 63-14-35 W 63.08 feet to the SE corner of Lot 1, Block 169, Tulsa-Original Town. Thence south westerly along the norther Right-of-Way of E 8th St S for approximately 2,733.89 feet to the SW corner of Lot 4, Block 175, Tulsa-Original Town. Thence S 65-32-45 W for 34.74 feet. Thence S 88-48-15 W for 21.21 feet. Thence S 88-48-17 W for 29.39 feet to the SE corner of Lot 3, Block 176, Tulsa-Original Town. Thence westerly along the north Right-of-Way boundary of W 8th St S for approximately 407.13 feet to the SE corner of Lot 1, Block 177, Tulsa-Original Town. Thence north westerly following the west Right-of-Way of S Denver Ave for approximately 2,899.25 feet to the SE corner of Lot 3, Block 63, Tulsa-Original Town. Thence north-easterly along the northern boundary of the railroad Right-

of-Way for approximately 3,034.17 feet to the SE corner of Lot 3, Block 55, Tulsa-Original Town and the point of beginning;

Less and Except:

Starting at the NE Corner of Lot 1, Block 106, Tulsa-Original Town and continuing southerly to the SE corner of Lot 4, Block 106, Tulsa-Original Town. Thence westerly along the southern boundary of Blocks 106 and 105 for approximately 516 feet to the SW corner of Lot 3, Block 105, Tulsa-Original Town. Thence S 65-14-22 W for 22.12 feet. Thence N 23-54-35 W for 301.56 feet to the northern boundary of Block 105, Tulsa-Original Town. Thence north-easterly along the northern boundary of Blocks 105 and 106 for approximately 538.79 feet to the NE corner of Lot 1, Block 106, Tulsa-Original Town and the point of beginning;

And Less and Except:

A tract of land being a part of the Northwest Quarter (NW/4), Northeast Quarter (NE/4), Southeast Quarter (SE/4) and Southwest Quarter (SW/4) of Section One (1), Township Nineteen (19) North, Range Twelve (12) East of the Indian Base and Meridian, City of Tulsa, Tulsa County, Oklahoma, being more particularly described as follows:

Beginning at a POINT OF BEGINNING (P.O.B.) at the intersection of the western Elgin Avenue Right-of-Way line with the northern First Street Right-of-Way line; THENCE eastward along the northern First Street Right-of-Way line a distance of 840 feet +/- to the point of intersection of the northern First Street Right-of-Way line with the eastern Greenwood Avenue Right-of-Way line; THENCE southward along the eastern Greenwood Avenue Right-of-Way line a distance of 460 feet +/- to the point of intersection of the eastern Greenwood Avenue Right-of-Way line with the southern Second Street Right-of-Way line; THENCE westward along the southern Second Street Right-of-Way line a distance of 840 feet +/- to the point of intersection of the Second Street Right-of-Way with the western Elgin Avenue Right-of-Way line; THENCE northward along the western Elgin Avenue Right-of-Way line a distance of 460 feet to the POINT OF BEGINNING;

The legal description recognizes that the Original Townsite, City of Tulsa, Tulsa County Oklahoma is a grid system that is not on the true north, and therefore eastward, southward, westward and northward is used to indicate the general direction of the designated streets right-of-way lines. Said described boundary includes the area of Increment District No. 8 and includes all street right-of-way, vacated right-of-way, and lots and blocks contained therein including Blocks 84 and 85, Original Townsite, City of Tulsa, Tulsa County, Oklahoma;

And Less and Except:

Lot 4, Block 167, Tulsa-Original Town, North 50 of Lot 5, all of Lot 6, Block 140, Tulsa-Original Town, Lots 1 through 3, Block 140, Tulsa-Original Town, W 70 of Lot 8, Block 134, Tulsa-Original Town, North 80 of Lot 1, Block 162, Tulsa-Original Town, South 77.5 feet of Lot 4, Block 134, Tulsa-Original Town, Lot 9, Block 1, Third and Greenwood Addition, Lot 11, Block 1, Third and Greenwood Addition. South 50 feet Lot 3 & E10 Vacated Alley Adjacent On West And E50 S75 Lot 4 & S50 W10 Vacated Alley Adjacent On East And W90 S75 Lot 4, Block 120, Tulsa-Original Town. Lot 4 & E10 Vac Alley Adj On W, Block 102, Tulsa-Original Town. South 50 of Lot 3 and All of Lot 4, Block 148, Tulsa-Original Town. N90 E 60 & N5 S10 E60 Lot 1, Block 136, Tulsa-Original Town and S75 of Lot 3, Block 137, Tulsa-Original Town;

And Less and Except:

Lot Five (5), Block One Hundred Thirty Six (136), ORIGINAL TOWN, NOW CITY OF TULSA, and Lots Two (2), Four (4), and Five (5), Block One (1), First Place Addition Resub, Parts of Lots One (1) through Three (3), and Lots Six (6) through Seven (7), Block One Hundred Thirty Six (136) ORIGINAL TOWN, NOW CITY OF TULSA, Tulsa County, State of Oklahoma, according to the Recorded Plat thereof.

Increment District "D"
[Cathedral TIF District]

Starting at the NW corner of Lot 12, Block 11, Burnett Addition thence continuing southerly to the SW corner of Lot 12, Block 11, Burnett Addition. Thence S 55-14-15 W for 470.47 to the easterly Right-Of-Way of S Elgin Avenue. Thence southerly along the western boundary of the Home Depot North Tulsa Addition and continuing easterly along the southern boundary of the Home Depot North Tulsa Addition to the westerly right-of-way of the Cherokee Expressway. Thence S 28-4-7 E for 12.28 feet; thence S 27-31-33 E for 11.18 feet; thence S 38-33-52 E for 33.96 feet. Thence southerly along the westerly right-of-way of the Cherokee Expressway for approximately 1,288.37 feet to the SE corner of Lot 20, Block 7, Elm Park Addition. Thence S 15-18-16 W for 15.80 feet; thence S 15-46-37 W for 15.64 feet; thence N 88-52-30 E for 39.75 feet; thence S 20-28-24 W for 34.07 feet; thence S 20-28-27 W for 154.17 feet; thence S 20-28-29 W for 232.55 feet; thence S 20-28-27 W for 54.16 feet. Thence following the northern edge of WB E HWY 64-51 EXPY, also known as WB S IDL EXPY to the western edge of S Denver Avenue. Thence N 0-5-16 E along the western edge of the western most southbound lane of S Denver Avenue for 188.83 feet. Thence N 1-18-9 E for 28.23 feet. Thence N 43-28-7 E for 31.81 feet. Thence N 88-57-34 E for 4.44 feet. Thence north following the western boundary of the Right-of-Way of S Denver Ave for approximately 996.80 feet. Thence N 89-59-46 E for 4.77 feet. Thence north-westerly following the western boundary of the Right-of-Way of S Denver Ave for approximately 60.19 feet to the SE corner of Lot 1, Block 177, Tulsa-Original Town. Thence east along the northern Right-of-Way boundary of W 8th St S for approximately 407.13 feet.

Thence N 88-48-17 E for 29.39 feet. Thence N 88-48-15 E for 21.21 feet. Thence N 65-32-45 E for 34.74 feet to the SE corner of Lot 4, Block 175, Cities Service-Block One of B175 O T Tulsa. Thence north-easterly along the north Right-of-Way boundary of W 8th St S for approximately 2,733.89 feet to the SE corner of Lot, Block 169, Tulsa-Original Town. Thence S 63-14-35 E for 63.08 feet. Thence S 2-58-59 E for 57.89 feet to the NE corner of Lot 12, Block 11, Barnett Addition and point of beginning.

Increment District "E"
[Evans-Fintube TIF District]

Starting at the NW corner of Block 2, Fairview Addition continue south approximately 47.35 feet. Thence N 89-6-0 E for 56.16 feet. Thence S 3-38-2 W for 593 feet along the west side of SB NHWY 75 EXPY to the south boundary of Lot 11, Block 1, Fairview 3rd Addition. Thence south continuing along the western side of SB NHWY 75 EXPY for approximately 2,221.58 feet to the north Right-of-Way boundary of E Archer St. Thence west 102.06 feet along the north Right-of-Way boundary of E Archer St. Thence S 59-39-41 W for 17.92 feet. Thence S 52-33-11 W for 17.92 feet. Thence S 45-26-34 W for 17.92 feet. Thence S 38-20-9 W for 17.92 feet. Thence S 31-13-33 W for 17.92 feet. Thence S 24-7-2 W for 17.92 feet. Thence S 17-0-32 W for 17.92 feet. Thence S 9-53-58 W for 17.92 feet. Thence S 0-3-49 E for 148.67 feet along the west curb line of E Archer St. Thence S 4-1-3 W for 22.50 feet. Thence S 9-27-19 W for 22.50 feet. Thence S 14-53-39 W for 22.50 feet. Thence S 20-19-54 W for 22.50 feet. Thence S 25-46-13 W for 22.50 feet. Thence S 31-12-27 W for 22.50 feet. Thence S 36-38-47 W for 22.50 feet. Thence S 42-5-4 W for 22.50 feet. Thence S 47-31-22 W for 22.50 feet. Thence S 52-57-35 W for 22.50 feet. Thence S 64-35-21 W for 454.55 feet along the north curb line of E Archer St. Thence N 24-24-13 W for 47.24 feet. Thence N 24-24-12 W for 148.53 feet to the northern boundary of Block 49, Tulsa-Original Town. Thence N 6-12-41 W for 624.57 feet running parallel to the railroad. Thence N 3-43-52 E for 935.35 feet. Thence N 0-54-25 E for 251.21 Feet. Thence N 89-9-39 E for 52.36 feet. Thence N 5-10-32 E for 270.45 feet. Thence N 19-0-12 E for 184.24 feet continuing to run parallel to the railroad. Thence N 24-8-21 E for 463.02 feet. Thence N 33-47-26 E for 135.9 feet. Thence N 40-17-35 E for 145.48 feet. Thence N 36-5-11 E for 329.1 feet continuing to run parallel to the railroad. Thence N 49-30-43 E for 175.72 feet. Thence east 76.65 feet to the western boundary of Block 2, Fairview Addition and point of beginning.

Increment District "F"
[Western Supply TIF District]

Beginning at the NW corner of Lot 8, Block 9, Tulsa-Original Town, thence southerly along the eastern boundary of N Cheyenne Avenue Right-of-Way for 515.93 feet to the SW corner of Lot 6, Block 17, Tulsa-Original Town. Thence N 64-42-37 E for 49.87 feet. Thence N 64-42-34 E for 45.05 feet. Thence N 64-42-14 E for 45.66 feet. Thence N 64-43-56 E for 9.56 feet. Thence N 64-42-35 E for

4.74 feet. Thence N 64-42-16 E for 6.44 feet. Thence N 64-42-24 E for 138.89 feet to the western boundary of N Boulder Avenue Right-of-Way. Thence northerly along the western boundary of N Boulder Avenue Right-of-Way for 513 feet. Thence S 65-6-13 W for 8.83 feet. Thence N 24-25-22 W for 123.38 feet to the southern edge of EB W NIDL EXPY. Thence westerly along the southern edge of EB W NIDL EXPY for approximately 301.64 feet to a point on the western boundary of Lot 5, Block 4, Tulsa-Original Town. Thence southerly along the western boundary line of Lots 5 and 4, Block 4, Tulsa-Original Town for approximately 56.7 feet, to the north Right-of-Way line of W Easton Street. Thence S 29-19-40 E for 66.46 feet to the NW corner of Lot 8, Block 9, Tulsa-Original Town and the point of beginning.

Increment District "G"
[Ball Park Area TIF District]

Beginning at the NE corner of Lot 1, Block 44, Tulsa-Original Town, thence westerly along the north boundary line of Lot 1, Block 44 to the NW corner of Lot 1, Block 44, Tulsa-Original Town. Thence southerly along the western boundary line of Lots 1, 2 and 3, Block 44 to the NW corner of Lot 1, Block 56, Tulsa-Original Town. Thence westerly along the northern boundary line of Block 56, Tulsa-Original Town to the NW corner of Lot 6, Block 56. Thence southerly along the western boundary line of Lots 6 through 4, Block 56 to the SW corner of Lot 4, Block 56, Tulsa-Original Town. Thence easterly along the southern boundary line of Blocks 56 and Block 55, Tulsa-Original Town to the SE corner of Block 55, Tulsa-Original Town. Thence northerly along the eastern boundary line of Block 55 to the NE corner of Block 55, Tulsa-Original Town. Thence westerly along the northern boundary line of Block 55 to the NE corner of Lot 1, Block 56, Tulsa-Original Town. Thence northerly along the western boundary line of Block 44, Tulsa-Original Town to the NE Corner of Lot 1, Block 44, Tulsa-Original Town, and the point of beginning;

~~Less and Except:~~

~~Lots 1 through 6 and all vacated alley, Block 55, Tulsa-Original Town. ADB~~

Increment District "H"
[Greenwood TIF District]

Beginning at the SE corner of Lot 3, Block 55, Tulsa-Original Town, thence northerly along the eastern boundary of Block 55 to the NE corner of Lot 1, Block 55, Tulsa-Original Town. Thence westerly along the northern boundary of Block 55 to the NE corner of Lot 1, Block 56, Tulsa-Original Town. Thence northerly along Lots 3 through 1, Block 44, Tulsa-Original Town to the NE corner of Lot 1, Block 44, Tulsa-Original Town. Thence continuing northerly along the eastern boundary of Lots 25 and Lots 22 for approximately 690 feet to the southern edge of EB E NIDL EXPY. Thence continuing along the southern edge of EB E NIDL EXPY in an easterly direction for approximately 2059 feet to the SE corner of Lot 4, Block 52, Tulsa-Original Town. Thence westerly along the southern boundary

of Blocks 52, 53 and 54. Tulsa-Original Town to the SE corner of Lot 3, Block 55, Tulsa-Original Town and the point of beginning;

Less and Except:

Lots 1 through 3, Block 54, Tulsa-Original Town and Lot 4 & vacated alley ADJ ON E, Block 54, Tulsa-Original Town.

SECTION 11. The City hereby finds and determines:

(a) that the Project Area, including the Increment Districts, is an enterprise area as defined by the Act;

(b) that the financial impacts of the proposed Project Plan and Project on the affected taxing jurisdictions and business activities within the Increment Districts are positive and that the economic benefits for the community as a whole offset any adverse impacts;

(c) that the improvement of the Project Area is likely to enhance the value of other real property in the area and to promote the general public interest;

(d) that the Project Plan complies with the guidelines of Section 852 of the Act, including specifically paragraphs 1 and 2;

(e) that the aggregate net assessed value of the taxable property in all increment districts within the City, as determined pursuant to the Act, does not exceed 35% of the total net assessed value of the taxable property within the City;

(f) that the aggregate net assessed value of the taxable property in all increment districts within the City, as determined pursuant to the Act, does not exceed 25% of the total net assessed value of any affected school districts located within the City;

(g) that the land within all increment districts within the City does not exceed 25% of the total land area of the City; and

(h) that the Project Plan is feasible and conforms to the Tulsa Comprehensive Plan.

SECTION 12. The following Project and Increment Districts authorizations are hereby approved:

(a) The City of Tulsa shall be the principal entity responsible for implementation and is authorized to carry out and administer the provisions of the Project Plan and to exercise all powers necessary or appropriate thereto pursuant to Section 854 of the Act, including the power to make minor amendments to the Project Plan in accordance with Section 858(D) of the Act;

(b) The Tulsa Industrial Authority, a public trust, shall have the authority to carry out certain provisions of the Project Plan, including the authority to: (i) issue tax apportionment bonds or notes, or both; (ii) pledge revenues from current and future fiscal years to repayment; (iii) incur project costs pursuant to Section IX of the Project Plan; and (iv) incur the cost of

issuance of bonds for payment of such costs and to accumulate appropriate reserves, if any, in connection with them;

(c) The Chief of Economic Development, Kathy Taylor, her successor in office, or another designee of the Mayor of Tulsa shall be the person in charge of implementation of the Project Plan in accordance with the provisions, authorizations, and respective delegations of responsibilities contained in the Project Plan.

SECTION 13. The increment of ad valorem taxes from each respective Increment District in excess of ad valorem taxes generated by the base assessed value of that respective Increment District shall be apportioned and paid into an apportionment fund and may be pledged in accordance with Article X, § 6C(B) of the Oklahoma Constitution, for a period not to exceed twenty-five (25) fiscal years from each of the respective dates of creation of each of the Increment Districts, as provided by law, or the period required for payment of the project costs authorized by Section IX of the Project Plan, whichever is less.

SECTION 14. The increment of sales taxes from Increment District No. 10 shall be apportioned and paid into an apportionment fund and may be pledged in accordance with Article X, § 6C(B) of the Oklahoma Constitution, for a period not to exceed twenty-five (25) fiscal years from December 28, 2017, as provided by law, or the period required for payment of the project costs authorized by Section IX of the Project Plan, whichever is less. For purposes of determining the sales tax increment from Increment District No. 10, the City's Finance Director shall certify as the "base sales tax amount" the annual undedicated sales taxes received by the City that were generated within the area comprising Increment District No. 10 between July 1, 2016 and June 30, 2017. If necessary for such certification, said base amount may be determined using reasonable estimates prepared by the Finance Department of the City. The Finance Director is hereby authorized to adjust and recertify said base amounts from time to time, as needed, to reflect any change in sales tax rates. All annual undedicated sales tax revenue generated within Increment District No. 10 and received by the City which are in excess of such base amount shall be considered the sales tax increment for Increment District No. 10 and shall be apportioned pursuant to this section.

SECTION 15. The increment of sales taxes from Increment District B, Increment District E, Increment District F, and Increment District G, all as calculated by formulas to be adopted by resolutions of the Tulsa City Council in accordance with the Act, shall be apportioned and paid into an apportionment fund and may be pledged in accordance with Article X, § 6C(B) of the Oklahoma Constitution, for a period not to exceed twenty-five (25) fiscal years from the respective dates of creation of each of the Increment Districts, as provided by law, or the period required for payment of the project costs authorized by Section IX of the Project Plan, whichever is less.

SECTION 16. During each respective period of apportionment, the tax apportionment fund (a) shall be available to pay project costs under Section IX of the Project Plan, (b) shall constitute special funds of the Tulsa Industrial Authority, and (c) shall not be subject to annual appropriation as a part of the general fund of the City of Tulsa.

SECTION 17. Pursuant to Section 6C of Article X of the Constitution of the State of

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Oklahoma and the Act, the direction of apportionment shall continue beyond the current fiscal year for the duration of the Increment Districts or the period required for the payment of project costs authorized by the Project Plan, whichever is less.

SECTION 18. The Project Plan is hereby determined to be desirable and is approved.

SECTION 19. SEVERABILITY. *If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional, such portion shall not affect the validity of the remaining portions of this Ordinance.*

SECTION 20. EMERGENCY CLAUSE. *It being immediately necessary for the preservation of the peace, health, safety, and public good of the City of Tulsa, and the citizens thereof, that the provisions of this Ordinance take effect and be put into full force and effect, an emergency is declared to exist by reason whereof this Ordinance shall take effect immediately and be put in full force and effect from and after the date of its enactment, as provided by law.*

ADOPTED by the Council: DEC 13 2017
Date


Chairman of the Council

ADOPTED as an emergency measure: DEC 13 2017
Date


Chairman of the Council


OFFICE OF THE MAYOR

Received by the Mayor: _____, at _____.
Date Time

Mayor

By _____
Secretary

APPROVED by the Mayor of the City of Tulsa Oklahoma: DEC 18 2017,
at _____ Date
Time



Mayor

(Seal)

ATTEST:



City Clerk



APPROVED:



City Attorney ADB

Adopted Council 12/13/2017
Mayor 12/18/2017
Published 12/23/2017

**DOWNTOWN AREA ECONOMIC DEVELOPMENT PROJECT PLAN
AND SUPPORTING INCREMENT DISTRICTS, CITY OF TULSA**

PREPARED BY:

THE CITY OF TULSA, OKLAHOMA



WITH THE ASSISTANCE OF:

CENTER FOR ECONOMIC DEVELOPMENT LAW
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Oklahoma City, Oklahoma 73102
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PROJECT PLAN OF 11-21-2017

I. INTRODUCTION

The City of Tulsa ("City") adopted a Downtown Area Master Plan in 2010. It provides guidance for public and private investment in the core of the City. The plan also explores recommended projects that have informed the implementation of an historic capital funding package (Vision 2025) with an eye to the future and a specific desire to:

- Revitalize the downtown;
- Connect it to the Tulsa River Park's system; and
- Initiate rail transit extending outward from the downtown to the beginnings of future corridors services the city and the region.

The Downtown Area Master Plan recommends capital projects to improve access, gateways to showcase the district as a destination, and urban design criteria to support high quality, contextual development and placemaking. Increased residential opportunities are desired to create a robust and active environment for downtown. Transportation improvements such as streetscaping, parking structures and transit facilities are needed to support a more densely developed downtown. Visual and physical connections between Downtown and the Arkansas River are important to tie together the City's most recognizable assets and activity areas.

Downtown Tulsa is transforming. New construction, adaptive reuse of historic structures, and renewed interest in an urban experience are driving more activity to the City's core. The heart of Tulsa is beginning to establish unique character districts that can be connected visually and physically. All of these changes contribute to the creation of a destination, a desirable place to live, work and play.

The Downtown Area Economic Development Project Plan ("Project Plan") is a financing tool necessary for the successful implementation of the City's vision. This is a project plan as defined under the Oklahoma Local Development Act, 62 O.S. §850, et seq. ("Act").

This Project Plan focuses on an area consisting of 958+/- acres at the heart of the City. It includes properties across several cultural districts including: The Arts District, Greenwood, Blue Dome, East Village, Oil Capital / CBD, Deco, Evans-Fintube, and Gunboat Park. Historic Rt. 66, "America's Main Street" traverses Downtown Tulsa and the Project Area (defined below). This is another important asset the City seeks to highlight through development opportunities supported by the Project Plan.

The Project Plan seeks to provide an economic structure and funding mechanism authorized by the Act for a substantial portion of the local public investment necessary to provide the public improvements recommended by the Downtown Area Economic Development Plan and to generate additional private investment throughout the Project Area. Public investments are planned for: approved public infrastructure, development financing assistance, and support for public education. The Project Plan, in Section IX(C) authorizes a revenue sharing formula to support the Tulsa Public Schools (Independent School District No. I-1). Funding for these public investments will be generated primarily by the implementation of multiple Increment Districts, described as follows:

- **INCREMENT DISTRICT A: The Arts TIF District**
The Arts District represents a cohesive series of arts, entertainment, restaurant and, increasingly, shopping destinations on the north side of downtown. This area has experienced impressive growth; however, areas remain in need of revitalization and improvement in order to eliminate gaps in improved properties and to mitigate blight and neglected, left-over properties.
- **INCREMENT DISTRICT B: PAC TIF District**
The City has the opportunity to transform a vacant surface parking lot into a vibrant, mixed-use development that connects the core of the CBD with the Blue Dome District. This parking lot has been used successfully to support the Performing Arts Center and nearby office buildings for decades, but a multi-story structure with activated first floor space that connects to the street and sidewalk is a much more appropriate contribution to the urban fabric of downtown Tulsa.
- **INCREMENT DISTRICT C: East End TIF District**
A former warehouse and manufacturing corner of downtown is slowly introducing new development. Mixing new structures with renovated properties will continue to improve this eclectic and diverse district. Densities of development transition through this area from a more concentrated core to lower, smaller buildings approaching the eastern edge of downtown.
- **INCREMENT DISTRICT D: Cathedral TIF District**
The southeast end of downtown has not experienced much investment, public or private, for more than a decade. There are opportunities for greenspace, multi-family projects and mixed use infill or adaptive reuse development to enhance a neighborhood that needs some cohesion. General improvements to public infrastructure will help set the stage for private projects that build a unique community.
- **INCREMENT DISTRICT E: Evans-Fintube TIF District**
The former Oklahoma Ironworks site located at the northeast corner of downtown Tulsa is poised for development. While the site is a brownfield with many challenges to redevelopment, it is a prime location that will connect downtown with the neighborhoods of north Tulsa. Exciting opportunities are present that can result in a new type of project for the City and a destination for sports fans world-wide. Development on a site located between an interstate, a very active rail line and other constrained existing conditions will likely require financial support.
- **INCREMENT DISTRICT F: Western Supply TIF District**
An opportunity for an urban corporate campus in addition to a residential community with integrated services and cultural opportunities will activate this former manufacturing site. This district anchors the northern edge of the Arts District and can connect to development planned on the north side of in Inner Dispersal Loop (a hard

edge for downtown that needs to be breached for successful connections) including the OSU-Tulsa campus and historic Brady Heights neighborhood.

- **INCREMENT DISTRICT G:** Ball Park Area TIF District
Adjacent to Oneok Field (Home of the Tulsa Drillers), this district offers a catalytic location for a project that repurposes a vacant surface parking lot for a larger mixed-use development. Filling this gap will ensure a better, more walkable, experience for baseball fans, residents, workers, and visitors.
- **INCREMENT DISTRICT H:** Greenwood TIF District
This district presents opportunities for improved connections from the historic Greenwood/Black Wall Street area into adjacent neighborhoods and districts. Railroad crossings and elevated interstates surround the north and east sides of the district creating challenging constraints for activating development sites and making use of compromised rights of way. There is deep history in this district due to the devastating impact of the 1921 Race Riot and the thriving commercial district located here prior to that event. This area offers a canvas for placemaking and creating unique connections which can be supported by this Project Plan.

II. BOUNDARIES OF PROJECT AREA AND INCREMENT DISTRICTS

The Project Area is the area in which project activities will take place and project expenditures may be made. The Project Area is generally located south of Highway 412, west of the Cherokee Expressway, north of Highway 64, east of North Denver Avenue, as well as a portion north of Highway 412 along Highway 75. The Project Area and Increment Districts are depicted on Exhibit A. The Project Area boundaries are described on Exhibit B.

The Increment Districts are the areas from which the increment is generated. The Project Plan establishes boundaries for eight Increment Districts. The boundaries of the Increment Districts are described on Exhibit C. Abatements in existence at adoption of the Project Plan are not included in the Increment Districts. The eight separate Increment Districts are labeled A through H on Exhibit C and will be assigned a number (e.g., Increment District No. 8) in the order in which they become effective by action of the Tulsa City Council as described in Section VI below and as required by §856(B)(3) of the Act.

III. ELIGIBILITY OF PROJECT AREA

The Project Area is an enterprise area. It lies within an enterprise zone, designated by the Oklahoma Department of Commerce to be in a disadvantaged portion of the City of Tulsa. Further, the Project Area is a reinvestment area, as defined by the Act. Public improvements are required to serve as a catalyst for expanding employment, to attract investment, and to preserve and enhance the tax base.

Investment, development, and economic growth in the area are difficult, but possible if the provisions of the Act are used. The Project Area is unproductive, undeveloped, underdeveloped, or blighted within the meaning of Article 10, §6C of the Oklahoma Constitution, and suffers from conditions inhibiting development.

IV. OBJECTIVES

The purpose of the Project Plan and the supporting Increment Districts is to create a series of active, high-density, and high-quality mixed-use developments in downtown Tulsa, as described in Section I above. Increment tax revenues apportioned from the Increment Districts will be used to pay the public costs of projects that support the following objectives:

- A. To facilitate the development of the Project Area and initiate a catalytic effect for surrounding or nearby neighborhoods in downtown Tulsa.
- B. To provide a funding mechanism for a substantial portion of the local public investment required to fund identified public infrastructure for the Project Area.
- C. To enhance the tax base and make possible investment, development, and economic growth that would otherwise be difficult without the Project and the apportionment of incremental tax revenues.
- D. To activate the street level and enhance pedestrian accessibility within downtown Tulsa.
- E. To establish minimum design standards to promote high quality development and placemaking for the Project Area.
- F. To create destinations that encourage private investment and activity supporting a 24/7 environment downtown.
- G. To fund implementation of adopted plans and policies related to development including Complete Streets, Tulsa, Oklahoma Downtown Walkability Analysis, Go Plan, Downtown Area Master Plan, Downtown Streetscape Master Plan, PLANiTULSA.
- H. To support the development of housing in a variety of types and with a range of prices, including housing that is affordable to residents with incomes at or below the area median.
- I. To repurpose and activate vacant and underutilized property and support revitalization of existing historic resources and structures.
- J. To ensure access to open space, parks, trails and the Arkansas River from all parts of downtown Tulsa.
- K. To support transit and transportation systems and networks connecting downtown Tulsa to other parts of the City and beyond.

V. STATEMENT OF PRINCIPAL ACTIONS

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

- A. Project planning, design and approval.
- B. Leveraging private development, including residential, commercial, office, retail, entertainment, and mixed-use, pursuant to development or redevelopment agreements with Tulsa Industrial Authority, a public trust ("Authority") or another public trust designed by the City.
- C. 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 or redevelopment agreements with private developers or designated public entities, and providing for development of public or private facilities to be financed in whole or in part by apportioned tax increments from the Increment Districts created pursuant to this Project Plan.
- D. Financing authorized project costs in support of economic development activities and investment to retain, attract, and expand quality employment within the Project Area.
- E. Distribution of a portion of the ad valorem increment to Tulsa Public Schools (Independent School District I-1).

VI. ESTABLISHMENT OF INCREMENT DISTRICTS

- A. This Project Plan establishes eight Increment Districts, identified herein as Increment District A, Increment District B, Increment District C, Increment District D, Increment District E, Increment District F, Increment District G, and Increment District H, all of which are ad valorem increment districts and five of which are also sales tax increment districts.

INCREMENT DISTRICT A: The Arts TIF District

The ad valorem increment shall be those ad valorem taxes from Increment District A in excess of the taxes produced by the base assessed value of Increment District A, as determined by the Tulsa County Assessor in accordance with Section 862 of the Act.

The sales tax increment shall be the undedicated portion of the City's sales tax generated by all sales in Increment District A that are taxable under the sales tax code of Oklahoma (including all amendments thereto and revisions thereof).

The increment of ad valorem and sales taxes from Increment District A shall be apportioned to pay Project Costs authorized by Section IX of this Project Plan for a period not to exceed 25 fiscal years after the creation of Increment District A by the City or the period required for the payment of such authorized Project Costs, whichever is less.

INCREMENT DISTRICT B: PAC TIF District

The ad valorem increment shall be those ad valorem taxes from Increment District B in excess of the taxes produced by the base assessed value of Increment District B, as determined by the Tulsa County Assessor in accordance with Section 862 of Act.

The sales tax increment shall be a portion of the City's sales tax generated by sales within Increment District B. The sales tax increment shall be three and sixty-five hundredths percent (3.65%) of the gross proceeds or gross receipts derived from all sales in Increment District B that are taxable under the sales tax code of Oklahoma (including all amendments thereto and revisions thereof), regardless of whether the City modifies its sales tax rates.

The sales tax increment shall also include a portion of the City's sales and use taxes generated by investment, construction, and development that takes place prior to June 30, 2021, pursuant to a development agreement that obligates the developer to provide periodic reporting of sales and use taxes paid in connection with the project, within Increment District B. The sales tax increment shall be three and sixty-five hundredths percent (3.65%) of the gross proceeds or gross receipts derived from within Increment District B prior to such date that are taxable under the sales tax code of Oklahoma (including all amendments thereto and revisions thereof), regardless of whether the City modifies its sales tax rates.

The increment of ad valorem and sales taxes from Increment District B shall be apportioned to pay Project Costs authorized by Section IX of this Project Plan for a period not to exceed 25 fiscal years after the creation of Increment District B by the City or the period required for the payment of such authorized Project Costs, whichever is less.

INCREMENT DISTRICT C: East End TIF District

The ad valorem increment shall be those ad valorem taxes from Increment District C in excess of the taxes produced by the base assessed value of Increment District C, as determined by the Tulsa County Assessor in accordance with Section 862 of the Act.

The increment of ad valorem taxes from Increment District C shall be apportioned to pay Project Costs authorized by Section IX of this Project Plan for a period not to exceed 25 fiscal years after the creation of Increment District C by the City or the period required for the payment of such authorized Project Costs, whichever is less.

INCREMENT DISTRICT D: Cathedral TIF District

The ad valorem increment shall be those ad valorem taxes from Increment District D in excess of the taxes produced by the base assessed value of Increment District D, as determined by the Tulsa County Assessor in accordance with Section 862 of the Act.

The increment of ad valorem taxes from Increment District D shall be apportioned to pay Project Costs authorized by Section IX of this Project Plan for a period not to exceed 25 fiscal years after

the creation of Increment District D by the City or the period required for the payment of such authorized Project Costs, whichever is less.

INCREMENT DISTRICT E: Evans-Fintube TIF District

The ad valorem increment shall be those ad valorem taxes from Increment District E in excess of the taxes produced by the base assessed value of Increment District E, as determined by the Tulsa County Assessor in accordance with Section 862 of the Act.

The sales tax increment shall be the undedicated portion of the City's sales and use taxes generated by investment, construction, and development that is taxable under the sales tax code of Oklahoma (including all amendments thereto and revisions thereof) and takes place prior to June 30, 2022, pursuant to a development agreement that obligates the developer to provide periodic reporting of sales and use taxes paid in connection with the project, within Increment District E.

The increment of ad valorem and sales taxes from Increment District E shall be apportioned to pay Project Costs authorized by Section IX of this Project Plan for a period not to exceed 25 fiscal years after the creation of Increment District E by the City or the period required for the payment of such authorized Project Costs, whichever is less.

INCREMENT DISTRICT F: Western Supply TIF District

The ad valorem increment shall be those ad valorem taxes from Increment District F in excess of the taxes produced by the base assessed value of Increment District F, as determined by the Tulsa County Assessor in accordance with Section 862 of the Act.

The sales tax increment shall be the undedicated portion of the City's sales tax generated by all sales in Increment District F that are taxable under the sales tax code of Oklahoma (including all amendments thereto and revisions thereof).

The sales tax increment shall also include the undedicated portion of the City's sales and use taxes generated by investment, construction, and development that is taxable under the sales tax code of Oklahoma (including all amendments thereto and revisions thereof) and takes place prior to June 30, 2020, pursuant to a development agreement that obligates the developer to provide periodic reporting of sales and use taxes paid in connection with the project, within Increment District F.

The increment of ad valorem and sales taxes from Increment District F shall be apportioned to pay Project Costs authorized by Section IX of this Project Plan for a period not to exceed 25 fiscal years after the creation of Increment District F by the City or the period required for the payment of such authorized Project Costs, whichever is less.

INCREMENT DISTRICT G: Ball Park Area TIF District

The ad valorem increment shall be those ad valorem taxes from Increment District G in excess of the taxes produced by the base assessed value of Increment District G, as determined by the Tulsa County Assessor in accordance with Section 862 of the Act.

The sales tax increment shall be the undedicated portion of the City's sales tax generated by all sales in Increment District G that are taxable under the sales tax code of Oklahoma (including all amendments thereto and revisions thereof).

The sales tax increment shall also include the undedicated portion of the City's sales and use taxes generated by investment, construction, and development that is taxable under the sales tax code of Oklahoma (including all amendments thereto and revisions thereof) and takes place prior to June 30, 2020, pursuant to a development agreement that obligates the developer to provide periodic reporting of sales and use taxes paid in connection with the project, within Increment District G.

The increment of ad valorem and sales taxes from Increment District G shall be apportioned to pay Project Costs authorized by Section IX of this Project Plan for a period not to exceed 25 fiscal years after the creation of Increment District G by the City or the period required for the payment of such authorized Project Costs, whichever is less.

INCREMENT DISTRICT H: Greenwood TIF District

The ad valorem increment shall be those ad valorem taxes from Increment District H in excess of the taxes produced by the base assessed value of Increment District H, as determined by the Tulsa County Assessor in accordance with Section 862 of the Act.

The increment of ad valorem taxes from Increment District H shall be apportioned to pay Project Costs authorized by Section IX of this Project Plan for a period not to exceed 25 fiscal years after the creation of Increment District H by the City or the period required for the payment of such authorized Project Costs, whichever is less.

B. Each Increment District shall commence as of the date determined by the Tulsa City Council for that Increment District in accordance with Section 856(B)(2) of the Act. Each Increment District shall be comprised of the area for that particular Increment District shown on Exhibit A and described in Exhibit C.

C. During each respective period of apportionment, the apportionment fund shall constitute funds of the Authority or an alternative entity authorized by the City, and shall not constitute a part of the general fund to be appropriated annually by the City Council.

VII. OVERSIGHT AND APPROVAL OF INCREMENT REVENUES FOR PROJECT COSTS

A. Oversight Procedures. Prior to expenditure of funds from any Increment District established under this Project Plan, the proposed development and budgetary allocation of increment shall be considered and approved in accordance with the procedures contained in this Section VII.

B. Initiation of the Consideration and Approval Process. Initiation of the consideration and approval process for development proposals seeking assistance in development financing within the Project Area shall be undertaken by City staff and staff of the Authority, acting under such procedures as each may prescribe from time to time.

C. Staff Advisory Evaluation. After initiation of the consideration and approval process as provided in B, above, the proposed development and budgetary allocation for providing assistance in development financing for a development proposal shall be submitted to a staff advisory committee, chaired by the Chief of Staff of the City (or designee), with representatives of the Mayor's Office for Economic Development, the City's Finance Department, Planning and Development Department, Engineering Services Department, and Legal Departments, as well as representation of the Authority. The composition of the staff advisory committee shall be reflected in a memorandum from the Mayor or the Mayor's Office for Economic Development. The staff advisory committee shall review and evaluate development proposals seeking development financing assistance in light of:

- project objectives,
- City development priorities and policies, as set forth in the "Policies for the Downtown Area Economic Development Project Plan," as approved from time to time by City Council,
- Project feasibility, and
- funding availability.

The staff advisory committee will determine which requests for development financing assistance shall be submitted to the Downtown TIF Oversight Committee.

D. Recommendation by the Downtown TIF Oversight Committee. The Downtown TIF Oversight Committee shall be chaired by the Chief of Economic Development, her successor, or an alternative designee of the Mayor, and shall include a representative of Tulsa Public Schools and two of the affected taxing entities, as well as a member of the Tulsa Industrial Authority selected by the Mayor. The Downtown TIF Oversight Committee shall review the proposed development and budgetary allocation in light of:

- project objectives,
- City development priorities and policies, as set forth in the "Policies for the Downtown Area Economic Development Project Plan," as approved from time to time by City Council,
- Project feasibility, and
- funding availability.

The Downtown TIF Oversight Committee shall submit its recommendation to the Mayor and the City Council within 60 days after its receipt of the final development proposal from the staff advisory committee.

E. City Council Action and Approval. Upon receipt of the recommendation of the Downtown TIF Oversight Committee, or if no recommendation is received within the 60-day period, the Mayor and City Council may consider the development proposal and budgetary allocation and may approve, deny or modify such proposal.

VIII. PROJECT AND INCREMENT DISTRICTS AUTHORIZATIONS

A. The City is designated and authorized as the principal public entity to carry out and administer the provisions of this Project Plan and to exercise all powers necessary or appropriate thereto as provided in Section 862 of the Act.

B. The Authority, or another public entity designated by the City, is authorized and designated to carry out those provisions of the project related to issuance of bonds or notes as provided in Sections 854(B) and 863 of the Act, subject to approval of the governing body of the City of any specific notes or bonds. The Authority is authorized to assist in carrying out this Project Plan and to exercise all powers necessary or appropriate thereto pursuant to Section 854 of the Act, except for approval of this Project Plan and those powers enumerated in paragraphs 1, 2, 3, 4, 7, 13 and 16 of Section 854. As a public entity designated by the City, the Authority, or another public entity designated by the City, is authorized to: (1) issue tax apportionment bonds or notes, or both; (2) pledge revenues from current and future fiscal years to repayment; (3) incur Project Costs pursuant to Section IX of this Project Plan; (4) provide funds to or reimburse the City for the payment of Project Costs and other costs incurred in support of the implementation of the project; and (5) incur the cost of issuance of bonds for payment of such costs and to accumulate appropriate reserves, if any, in connection with them. As authorized in Section VI(C) above, during each respective period of apportionment, the apportionment fund shall constitute funds of the Authority or an alternative entity authorized by the City for that Increment District, and shall not constitute a part of the general fund to be appropriated annually by the City Council.

C. The Chief of Economic Development, Kathy Taylor, her successor in office, or another designee of the Mayor shall be the person in charge of implementation of the Project Plan in accordance with the provisions, authorizations, and respective delegations of responsibilities contained in this Project Plan.

IX. BUDGET OF ESTIMATED PROJECT COSTS TO BE FINANCED BY TAXES APPORTIONED FROM INCREMENT DISTRICTS IN THE PROJECT AREA

A. The Project Costs will be financed by the apportionment of ad valorem and sales tax increments from the Increment Districts. The Project Costs categories are:

Public Improvements and Infrastructure	\$ 90,000,000
Assistance in Development Financing	\$ 170,000,000
	<hr/>
TOTAL Project Costs	\$ 260,000,000

Plus financing costs, costs of issuance, necessary or appropriate reserves, and interest on repayment of Project Costs, including, where authorized, interest on assistance in development financing, and, in addition, general administrative and implementation costs of the City and other public entities charged with implementation of the Project Plan, in an amount up to four percent (4%) of the annual ad valorem

tax increments. Project Costs do not include the specific revenue source for Tulsa Public Schools described in Section IX.C. below.

B. The tax increment revenues expected to be generated from the Increment Districts and authorized for payment of Project Costs within the Project Area are as follows:

Increment District A	\$ 5,000,000
Increment District B	\$ 39,000,000
Increment District C	\$ 90,000,000
Increment District D	\$ 25,000,000
Increment District E	\$ 40,000,000
Increment District F	\$ 28,000,000
Increment District G	\$ 28,000,000
Increment District H	\$ 5,000,000
<hr/>	
TOTAL	\$ 260,000,000

Plus financing costs, costs of issuance, necessary or appropriate reserves, and interest on repayment of Project Costs, including, where authorized, interest on assistance in development financing, and, in addition, general administrative and implementation costs of the City and other public entities charged with implementation of the Project Plan, in an amount up to four percent (4%) of the annual ad valorem tax increments.

C. Ten percent (10%) of the ad valorem increment from Increment Districts A, C, D, E, F, G, and H shall be apportioned to Tulsa Public Schools (Independent School District Number One) on an ongoing basis as a specific revenue source for a public entity in the area in accordance with Section 853(9) of the Act to be utilized to enhance its programs, mission, and services. The educational objectives 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 assistance for public school programs. During the effective lives of the Increment Districts, the 10% specific revenue stream should provide Tulsa Public Schools with revenues averaging \$92,000 annually in the near term and up to \$1.8 million annually over the long term.

D. Assistance in Development Financing consists of public support provided to a private developer pursuant to a legally enforceable Development 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: (1) to meet the City's approved development goals and objectives for the Project Area, as expressed from time to time in the City's plans and policies, and (2) to provide adequate consideration and public benefit in return for the public investment.

E. Additional costs necessary or appropriate to implement this Project Plan that are to be financed by other than apportioned tax increments may be approved by the City at any time. The provisions of this Section IX are not a limitation on project related costs to be financed by sources other than apportioned tax increments.

X. FINANCING PLAN AND REVENUE SOURCES

A. Financing Plan. Some Project Costs, in anticipation of private investment, may be financed and funded by the City from apportioned tax increments or from sources other than apportioned tax increments, which may be reimbursed once increment is generated by the development within an Increment District. Private developers within the Project Area may be required to construct the necessary improvements for specific projects at their initial expense, and the financing of such private developments will be provided by private equity and private financing. Most Project Costs incurred in connection with the implementation of this Project Plan will be financed on a pay-as-you-go basis.

B. Financing Authorizations. The implementation of the Project Plan shall be financed in accordance with financial authorizations, including both fund and asset transfers, authorized from time to time by the City and/or the Authority, as appropriate.

C. Financing Revenue Sources. The revenue sources expected to finance Project Costs authorized by Section IX are the portion of the increments attributable to investment and development within the Increment Districts. Project Costs will be paid by the City and/or the Authority. Increment generated from within the Increment Districts will provide the funding of Project Costs to be paid by the City and/or Authority.

D. Financial Reports and Audits. The development activities undertaken by the City, pursuant to this Project Plan, shall be accounted for and reported by the appropriate and necessary annual fiscal year audits and reports.

E. Other Necessary and Supporting Costs. The Authority, or another public entity designated by the City, is authorized to issue bonds and notes and to apply for and obtain grants from other sources for costs incurred or to be incurred in connection with the project and the construction of improvements therein in addition to Project Costs to be financed pursuant to Section IX.

XI. PRIVATE AND PUBLIC INVESTMENTS EXPECTED FOR THE PROJECT

A. Private and Public Investments Expected from the Project and Increment Districts. Given the scope of the project objectives, the density of the desired development, and the timeframe for implementation of the project, the total private investment is anticipated to exceed one billion dollars over the life of the Project Plan. These private investments are in addition to an estimated two hundred sixty million dollars in aggregate public investment.

B. Public Revenue Estimated to Accrue from the Project and Increment Districts. The estimated incremental increases in ad valorem and sales tax revenue, which will serve as the revenue source for financing the Project Costs authorized by Section IX, is the public revenue directly attributable to the project defined by establishment of the Increment Districts. Both the City and the State will experience increases in tax revenues that are not a part of the Increment Districts. Ad valorem taxing entities will experience additional revenues from increasing values of the Project Area and other property near the project.

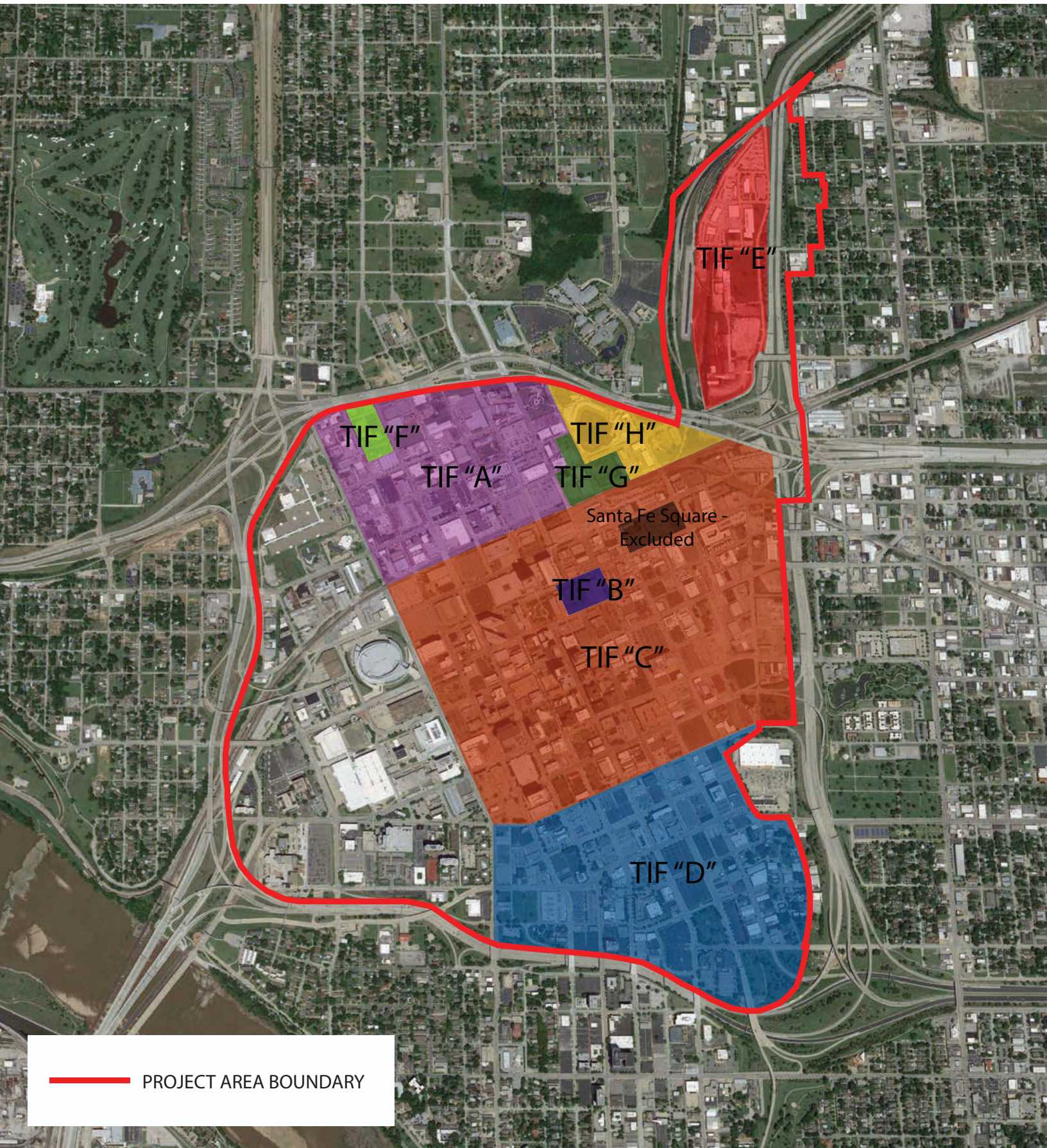
The development anticipated by the project will not result in a measurable increase in demand for services by or in costs to the affected taxing entities, whose public sector costs will be substantially defrayed from apportioned tax increments derived from the development. The economic benefits of the project for the City and the affected taxing jurisdictions indicate positive financial impacts for the community as a whole. The aggregate impacts on the City from implementation of the Project Plan are positive and include the achievement of the objectives set forth in Section IV.

XII. LAND USE

Existing uses and conditions of real property in the Project Area are shown on the attached Exhibit D. A map showing the proposed improvements to and proposed uses of the real property in the Project Area are shown on the attached Exhibit E. No changes in the Comprehensive Plan are necessary to accommodate the project.

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EXHIBIT A: PROJECT AREA AND INCREMENT DISTRICTS



NOTE: Abatements in existence at adoption of the Project Plan are not included in the Increment Districts.

EXHIBIT B: PROJECT AREA LEGAL DESCRIPTION

Point of Beginning is the NE corner of Lot 26, Block 4, Mann's Addition, thence continuing southerly to the NW corner of Lot 8, Block 7, Mann's Addition, thence easterly to the NE corner of Lot 5, Block 7, Mann's Addition, thence southerly to the SE corner of Lot 5, Block 7, Mann's Addition, thence easterly to the NE corner of Bullette Park, thence southerly to the SE corner of Bullette Park, thence westerly along the southern boundary of Bullette Park for approximately 74.09 feet, thence southerly to the NE corner of Lot 36, Block 3, Bullett Addition, thence southerly to the SE corner of Lot 19, Block 3 of Bullett Addition, thence westerly to the SW corner of Lot 19, Block 3, Bullett Addition, thence southerly to the NE corner of Lot 13, Block 2, Frisco Addition, thence southerly to the SE corner of Lot 32, Block 2, Frisco Addition, thence westerly to the SW corner of Lot 23, Block 2, Frisco Addition, thence southerly along the easterly right-of-way of N Madison Avenue to the intersection of the easterly right-of-way of N Madison Avenue and the northerly right-of-way of the Burlington Northern Railroad, thence southerly to the intersection of the southerly right-of-way of the Burlington Northern Railroad and the easterly right-of-way of N Madison Avenue, thence southerly along the easterly right-of-way of N Madison Avenue to the intersection with the northerly right-of-way of the Martin Luther King Expressway, thence southerly to the NW corner of the W50 of Lot 4, Block 7, Hodge Addition, thence westerly to intersection of the southerly right-of-way of the M K and T railroad and the westerly right-of-way of the Cherokee Expressway, thence southerly along the westerly right-of-way of the Cherokee Expressway to the southerly right-of-way of E 6th Street, thence southerly to the northernmost point of the easternmost boundary of the Home Depot North Tulsa Addition, thence westerly along the northern boundary of the Home Depot North Addition to the southerly right-of-way of E 8th Street, thence westerly along the northerly boundary of the Home Depot North Tulsa Addition to the easterly right-of-way of S Elgin Avenue, thence southerly along the western boundary of the Home Depot North Tulsa Addition and continuing easterly along the southern boundary of the Home Depot North Tulsa Addition to the westerly right-of-way of the Cherokee Expressway, thence southerly along the westerly right-of-way of the Cherokee Expressway and continuing westerly along the northerly right-of-way of US 75 to westerly right-of-way of W Denver Avenue, thence northerly along the westerly right-of-way of W Denver Avenue to the southerly right-of-way of I-244, thence easterly along the southern boundary of the I-244 expressway to the NE corner of John Hope Franklin Reconciliation Park, thence northerly along the westerly right-of-way of N Elgin Avenue to the SE corner of LT 1LESS BEG NWLY THEREOF TH CRV RT59.62 E272.70 CRV RT18.24 W289.93 SW46.19 POB BLK 1, thence southerly along the easterly right-of-way of N Elgin Avenue to the SW corner of Lot 1, Block 2, University Center at Tulsa Addition, thence southerly along the easterly right-of-way of N Elgin Avenue to the northerly right-of-way of I-244, thence easterly along northerly right-of-way of I-244 to the westerly right-of-way of the Southeast Kansas Railway, thence northerly along the westerly right-of-way of the Southeast Kansas Railway to the NE corner of LT 1LESS BEG NWLY THEREOF TH CRV RT59.62 E272.70 CRV RT18.24 W289.93 SW46.19 POB BLK 1, thence southeasterly to the southernmost point of Lot 4, Block 1, LANSING INDUSTRIAL PARK I RESUB B5-6-7-13&14 FAIRVIEW Addition, thence northeasterly along the northerly right-of-way of the Southeast Kansas Railway to the northerly right-of-way of the South Kansas and Oklahoma Railway, thence northeasterly along the northerly right-of-way of the South Kansas and Oklahoma Railway to the SE corner of Lot 9, Block 1, LANSING INDUSTRIAL PARK I RESUB B5-6-7-13&14 FAIRVIEW Addition, thence easterly to the SW corner of PRT SE NE BEG 339N & 145E SWC SE NE TH E307 N277 W29.5 N42.5 TO SL ATSF RY SWLY TO PT S190 POB SEC 36 20 12 1.61AC, thence easterly along the northerly right-of-way of E Latimer Place for approximately 144.25 feet; thence southerly to the Point of Beginning.

EXHIBIT C: INCREMENT DISTRICT LEGAL DESCRIPTIONS

TIF "A"

Beginning at the NE corner of Lot 1, Block 44, Tulsa-Original Town, thence westerly along the north boundary line of Lot 1, Block 44 to the NW corner of Lot 1, Block 44, Tulsa-Original Town. Thence southerly along the western boundary line of Lots 1, 2 and 3, Block 44 to the NW corner of Lot 1, Block 56, Tulsa-Original Town. Thence westerly along the northern boundary line of Block 56, Tulsa-Original Town to the NW corner of Lot 6, Block 56. Thence southerly along the western boundary line of Lots 6 through 4, Block 56 to the SW corner of Lot 4, Block 56, Tulsa-Original Town. Thence westerly along the northern boundary line of the railroad Right-Of-Way for approximately 1,453 feet to a point that is 59.89 feet east of the SW corner of Lot 4, Block 60, Tulsa-Original Town. Thence westerly along the southern boundary lines of Block 60, 61 and 62, Tulsa-Original Town to the SW corner of Lot 4, Block 62, Tulsa-Original Town, also the eastern boundary of N Denver Avenue Right-of-Way. Thence S 64-43-25 W for 80.84 feet to the western boundary of N Denver Ave Right-of-Way. Thence northerly along the western boundary of N Denver Avenue Right-of-Way for approximately 1,982 feet to the southern edge of EB W NIDL EXPY. Thence easterly following along the southern edge of EB W NIDL EXPY for approximately 465.19 feet to a point on the western line of Lot 5, Block 4, Tulsa-Original Town, approximately 13 feet north of the NW corner of Lot 4, Block 4, Tulsa-Original Town. Thence southerly along the western boundary line of Lot 4, Block 4, Lots 8 through 5, Block 9 and Lots 7 and 6, Block 17, Tulsa-Original Town to the SW corner of Lot 6, Block 17, Tulsa-Original Town. Thence N 64-42-37 E for 49.87 feet. Thence N 64-42-34 E for 45.05 feet. Thence N 64-42-14 E for 45.66 feet. Thence N 64-43-56 E for 9.56 feet. Thence N 64-42-35 E for 4.74 feet. Thence N 64-42-16 E for 6.44 feet. Thence N 64-42-24 E for 138.89 feet to the western boundary of N Boulder Avenue Right-of-Way. Thence northerly along the western boundary of N Boulder Avenue Right-of-Way for 513 feet. Thence S 65-6-13 W for 8.83 feet. Thence N 24-25-22 W for 123.38 feet to the southern edge of EB W NIDL EXPY. Thence easterly following along the southern edge of EB W NIDL EXPY for approximately 1,966.42 feet to the westerly Right-of-Way of N Elgin Avenue. Thence southerly and following the western boundary of N Elgin Avenue Right-of-Way and the eastern boundary line of Lots 1 and 2, Block 22, North Tulsa Subdivision, Lots 1 and 2, Block 22, Tulsa-Original Town, Lots 1 through 3, Block 25, Tulsa-Original Town for approximately 694.42 feet to the NE corner of Lot 1, Block 44, Tulsa-Original Town and the point of beginning.

TIF "B"

Starting at the NE Corner of Lot 1, Block 106, Tulsa-Original Town and continuing southerly to the SE corner of Lot 4, Block 106, Tulsa-Original Town. Thence westerly along the southern boundary of Blocks 106 and 105 for approximately 516 feet to the SW corner of Lot 3, Block 105, Tulsa-Original Town. Thence S 65-14-22 W for 22.12 feet. Thence N 23-54-35 W for 301.56 feet to the northern boundary of Block 105, Tulsa-Original Town. Thence north-easterly along the northern boundary of Blocks 105 and 106 for approximately 538.79 feet to the NE corner of Lot 1, Block 106, Tulsa-Original Town and the point of beginning.

TIF "C"

Starting at the SE corner of Lot 3, Block 55, Tulsa-Original Town, thence continuing north easterly along the northern boundary of the railroad Right-of-Way for approximately 1,135.57 feet to the southern edge of EB E NIDL EXPY. Thence following the southern edge of EB E NIDL EXPY in a south easterly direction for approximately 767.39 feet. Thence S 1-12-42 E for 168.75 feet to the Right-of-Way of S Lansing Avenue. Thence along the eastern boundary of S Lansing Avenue Right-of-Way for approximately 537.72 feet to the intersection of the southerly right-of-way of the M K and T railroad and the westerly right-of-way of the Cherokee Expressway. Thence southerly along the westerly right-of-way of the Cherokee Expressway to the southerly right-of-way of E 6th Street. Thence southerly to the NW corner of Lot 10, Block 12, Burnett Addition. Thence S 88-57-4 W for 61.09 feet to the NE corner of Lot 1, Block 11, Burnett Addition. Thence westerly along the northern boundary of Lots 1 through 12, Block 11, Burnett Addition to the NW corner of Lot 12, Block 11, Burnett Addition. Thence N 2-58-59 W for 57.89 feet. Thence N 63-14-35 W 63.08 feet to the SE corner of Lot 1, Block 169, Tulsa-Original Town. Thence south westerly along the north Right-of-Way of E 8th St S for approximately 2,733.89 feet to the SW corner of Lot 4, Block 175, Tulsa-Original Town. Thence S 65-32-45 W for 34.74 feet. Thence S 88-48-15 W for 21.21 feet. Thence S 88-48-17 W for 29.39 feet to the SE corner of Lot 3, Block 176, Tulsa-Original Town. Thence westerly along the north Right-of-Way boundary of W 8th St S for approximately 407.13 feet to the SE corner of Lot 1, Block 177, Tulsa-Original Town. Thence north westerly following the west Right-of-Way of S Denver Ave for approximately 2,899.25 feet to the SE corner of Lot 3, Block 63, Tulsa-Original Town. Thence north-easterly along the northern boundary of the railroad Right-of-Way for approximately 3,034.17 feet to the SE corner of Lot 3, Block 55, Tulsa-Original Town and the point of beginning.

Less and Except:

Starting at the NE Corner of Lot 1, Block 106, Tulsa-Original Town and continuing southerly to the SE corner of Lot 4, Block 106, Tulsa-Original Town. Thence westerly along the southern boundary of Blocks 106 and 105 for approximately 516 feet to the SW corner of Lot 3, Block 105, Tulsa-Original Town. Thence S 65-14-22 W for 22.12 feet. Thence N 23-54-35 W for 301.56 feet to the northern boundary of Block 105, Tulsa-Original Town. Thence north-easterly along the northern boundary of Blocks 105 and 106 for approximately 538.79 feet to the NE corner of Lot 1, Block 106, Tulsa-Original Town and the point of beginning;

And Less and Except:

A tract of land being a part of the Northwest Quarter (NW/4), Northeast Quarter (NE/4), Southeast Quarter (SE/4) and Southwest Quarter (SW/4) of Section One (1), Township Nineteen (19) North, Range Twelve (12) East of the Indian Base and Meridian, City of Tulsa, Tulsa County, Oklahoma, being more particularly described as follows:

Beginning at a POINT OF BEGINNING (P.O.B.) at the intersection of the western Elgin Avenue Right-of-Way line with the northern First Street Right-of-Way line;
THENCE eastward along the northern First Street Right-of-Way line a distance of 840 feet +/- to the point of intersection of the northern First Street Right-of-Way line with the eastern Greenwood Avenue Right-of-Way line;
THENCE southward along the eastern Greenwood Avenue Right-of-Way line a distance of 460 feet +/- to the point of intersection of the eastern Greenwood Avenue Right-of-Way line with the southern Second Street Right-of-Way line;

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THENCE westward along the southern Second Street Right-of-Way line a distance of 840 feet +/- to the point of intersection of the Second Street Right-of-Way with the western Elgin Avenue Right-of-Way line;
THENCE northward along the western Elgin Avenue Right-of-Way line a distance of 460 feet to the POINT OF BEGINNING;

The legal description recognizes that the Original Townsite, City of Tulsa, Tulsa County Oklahoma is a grid system that is not on the true north, and therefore eastward, southward, westward and northward is used to indicate the general direction of the designated streets right-of-way lines. Said described boundary includes the area of Increment District No. 8 and includes all street right-of-way, vacated right-of-way, and lots and blocks contained therein including Blocks 84 and 85, Original Townsite, City of Tulsa, Tulsa County, Oklahoma;

And Less and Except:

Lot 4, Block 167, Tulsa-Original Town, North 50 of Lot 5, all of Lot 6, Block 140, Tulsa-Original Town, Lots 1 through 3, Block 140, Tulsa-Original Town, W 70 of Lot 8, Block 134, Tulsa-Original Town, North 80 of Lot 1, Block 162, Tulsa-Original Town, South 77.5 feet of Lot 4, Block 134, Tulsa-Original Town, Lot 9, Block 1, Third and Greenwood Addition, Lot 11, Block 1, Third and Greenwood Addition. South 50 feet Lot 3 & E10 Vacated Alley Adjacent On West And E50 S75 Lot 4 & S50 W10 Vacated Alley Adjacent On East And W90 S75 Lot 4, Block 120, Tulsa-Original Town. Lot 4 & E10 Vac Alley Adj On W, Block 102, Tulsa-Original Town. South 50 of Lot 3 and All of Lot 4, Block 148, Tulsa-Original Town. N90 E 60 & N5 S10 E60 Lot 1, Block 136, Tulsa-Original Town and S75 of Lot 3, Block 137, Tulsa-Original Town;

And Less and Except:

Lot Five (5), Block One Hundred Thirty Six (136), ORIGINAL TOWN, NOW CITY OF TULSA, and Lots Two (2), Four (4), and Five (5), Block One (1), First Place Addition Resub, Parts of Lots One (1) through Three (3), and Lots Six (6) through Seven (7), Block One Hundred Thirty Six (136) ORIGINAL TOWN, NOW CITY OF TULSA, Tulsa County, State of Oklahoma, according to the Recorded Plat thereof.

TIF "D"

Starting at the NW corner of Lot 12, Block 11, Burnett Addition thence continuing southerly to the SW corner of Lot 12, Block 11, Burnett Addition. Thence S 55-14-15 W for 470.47 to the easterly Right-Of-Way of S Elgin Avenue. Thence southerly along the western boundary of the Home Depot North Tulsa Addition and continuing easterly along the southern boundary of the Home Depot North Tulsa Addition to the westerly right-of-way of the Cherokee Expressway. Thence S 28-4-7 E for 12.28 feet; thence S 27-31-33 E for 11.18 feet; thence S 38-33-52 E for 33.96 feet. Thence southerly along the westerly right-of-way of the Cherokee Expressway for approximately 1,288.37 feet to the SE corner of Lot 20, Block 7, Elm Park Addition. Thence S 15-18-16 W for 15.80 feet; thence S 15-46-37 W for 15.64 feet; thence N 88-52-30 E for 39.75 feet; thence S 20-28-24 W for 34.07 feet; thence S 20-28-27 W for 154.17 feet; thence S 20-28-29 W for 232.55 feet; thence S 20-28-27 W for 54.16 feet. Thence following the northern edge of WB E HWY 64-51 EXPY, also known as WB S IDL EXPY to the western edge of S Denver Avenue. Thence N 0-5-16 E along the western edge of the western most southbound lane of S Denver Avenue for 188.83 feet. Thence N 1-18-9 E for 28.23 feet. Thence N 43-28-7 E for 31.81 feet. Thence N 88-57-34 E for 4.44 feet. Thence north following the western boundary of the Right-of-Way of S Denver Ave for

EXHIBIT C

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approximately 996.80 feet. Thence N 89-59-46 E for 4.77 feet. Thence north-westerly following the western boundary of the Right-of-Way of S Denver Ave for approximately 60.19 feet to the SE corner of Lot 1, Block 177, Tulsa-Original Town. Thence east along the northern Right-of-Way boundary of W 8th St S for approximately 407.13 feet. Thence N 88-48-17 E for 29.39 feet. Thence N 88-48-15 E for 21.21 feet. Thence N 65-32-45 E for 34.74 feet to the SE corner of Lot 4, Block 175, Cities Service-Block One of B175 O T Tulsa. Thence north-easterly along the north Right-of-Way boundary of W 8th St S for approximately 2,733.89 feet to the SE corner of Lot, Block 169, Tulsa-Original Town. Thence S 63-14-35 E for 63.08 feet. Thence S 2-58-59 E for 57.89 feet to the NE corner of Lot 12, Block 11, Barnett Addition and point of beginning.

TIF "E"

Starting at the NW corner of Block 2, Fairview Addition continue south approximately 47.35 feet. Thence N 89-6-0 E for 56.16 feet. Thence S 3-38-2 W for 593 feet along the west side of SB NHWY 75 EXPY to the south boundary of Lot 11, Block 1, Fairview 3rd Addition. Thence south continuing along the western side of SB NHWY 75 EXPY for approximately 2,221.58 feet to the north Right-of-Way boundary of E Archer St. Thence west 102.06 feet along the north Right-of-Way boundary of E Archer St. Thence S 59-39-41 W for 17.92 feet. Thence S 52-33-11 W for 17.92 feet. Thence S 45-26-34 W for 17.92 feet. Thence S 38-20-9 W for 17.92 feet. Thence S 31-13-33 W for 17.92 feet. Thence S 24-7-2 W for 17.92 feet. Thence S 17-0-32 W for 17.92 feet. Thence S 9-53-58 W for 17.92 feet. Thence S 0-3-49 E for 148.67 feet along the west curb line of E Archer St. Thence S 4-1-3 W for 22.50 feet. Thence S 9-27-19 W for 22.50 feet. Thence S 14-53-39 W for 22.50 feet. Thence S 20-19-54 W for 22.50 feet. Thence S 25-46-13 W for 22.50 feet. Thence S 31-12-27 W for 22.50 feet. Thence S 36-38-47 W for 22.50 feet. Thence S 42-5-4 W for 22.50 feet. Thence S 47-31-22 W for 22.50 feet. Thence S 52-57-35 W for 22.50 feet. Thence S 64-35-21 W for 454.55 feet along the north curb line of E Archer St. Thence N 24-24-13 W for 47.24 feet. Thence N 24-24-12 W for 148.53 feet to the northern boundary of Block 49, Tulsa-Original Town. Thence N 6-12-41 W for 624.57 feet running parallel to the railroad. Thence N 3-43-52 E for 935.35 feet. Thence N 0-54-25 E for 251.21 Feet. Thence N 89-9-39 E for 52.36 feet. Thence N 5-10-32 E for 270.45 feet. Thence N 19-0-12 E for 184.24 feet continuing to run parallel to the railroad. Thence N 24-8-21 E for 463.02 feet. Thence N 33-47-26 E for 135.9 feet. Thence N 40-17-35 E for 145.48 feet. Thence N 36-5-11 E for 329.1 feet continuing to run parallel to the railroad. Thence N 49-30-43 E for 175.72 feet. Thence east 76.65 feet to the western boundary of Block 2, Fairview Addition and point of beginning.

TIF "F"

Beginning at the NW corner of Lot 8, Block 9, Tulsa-Original Town, thence southerly along the eastern boundary of N Cheyenne Avenue Right-of-Way for 515.93 feet to the SW corner of Lot 6, Block 17, Tulsa-Original Town. Thence N 64-42-37 E for 49.87 feet. Thence N 64-42-34 E for 45.05 feet. Thence N 64-42-14 E for 45.66 feet. Thence N 64-43-56 E for 9.56 feet. Thence N 64-42-35 E for 4.74 feet. Thence N 64-42-16 E for 6.44 feet. Thence N 64-42-24 E for 138.89 feet to the western boundary of N Boulder Avenue Right-of-Way. Thence northerly along the western boundary of N Boulder Avenue Right-of-Way for 513 feet. Thence S 65-6-13 W for 8.83 feet. Thence N 24-25-22 W for 123.38 feet to the southern edge of EB W NIDL EXPY. Thence westerly along the southern edge of EB W NIDL EXPY for approximately 301.64 feet to a point on the western boundary of Lot 5, Block 4, Tulsa-Original Town.

EXHIBIT C

Thence southerly along the western boundary line of Lots 5 and 4, Block 4, Tulsa-Original Town for approximately 56.7 feet, to the north Right-of-Way line of W Easton Street. Thence S 29-19-40 E for 66.46 feet to the NW corner of Lot 8, Block 9, Tulsa-Original Town and the point of beginning.

TIF "G"

Beginning at the NE corner of Lot 1, Block 44, Tulsa-Original Town, thence westerly along the north boundary line of Lot 1, Block 44 to the NW corner of Lot 1, Block 44, Tulsa-Original Town. Thence southerly along the western boundary line of Lots 1, 2 and 3, Block 44 to the NW corner of Lot 1, Block 56, Tulsa-Original Town. Thence westerly along the northern boundary line of Block 56, Tulsa-Original Town to the NW corner of Lot 6, Block 56. Thence southerly along the western boundary line of Lots 6 through 4, Block 56 to the SW corner of Lot 4, Block 56, Tulsa-Original Town. Thence easterly along the southern boundary line of Blocks 56 and Block 55, Tulsa-Original Town to the SE corner of Block 55, Tulsa-Original Town. Thence northerly along the eastern boundary line of Block 55 to the NE corner of Block 55, Tulsa-Original Town. Thence westerly along the northern boundary line of Block 55 to the NE corner of Lot 1, Block 56, Tulsa-Original Town. Thence northerly along the western boundary line of Block 44, Tulsa-Original Town to the NE Corner of Lot 1, Block 44, Tulsa-Original Town, and the point of beginning;

~~Less and Except:~~

~~Lots 1 through 6 and all vacated alley, Block 55, Tulsa-Original Town.~~ ADB

TIF "H"

Beginning at the SE corner of Lot 3, Block 55, Tulsa-Original Town, thence northerly along the eastern boundary of Block 55 to the NE corner of Lot 1, Block 55, Tulsa-Original Town. Thence westerly along the northern boundary of Block 55 to the NE corner of Lot 1, Block 56, Tulsa-Original Town. Thence northerly along Lots 3 through 1, Block 44, Tulsa-Original Town to the NE corner of Lot 1, Block 44, Tulsa-Original Town. Thence continuing northerly along the eastern boundary of Lots 25 and Lots 22 for approximately 690 feet to the southern edge of EB E NIDL EXPY. Thence continuing along the southern edge of EB E NIDL EXPY in an easterly direction for approximately 2059 feet to the SE corner of Lot 4, Block 52, Tulsa-Original Town. Thence westerly along the southern boundary of Blocks 52, 53 and 54. Tulsa-Original Town to the SE corner of Lot 3, Block 55, Tulsa-Original Town and the point of beginning;

~~Less and Except:~~

Lots 1 through 3, Block 54, Tulsa-Original Town and Lot 4 & vacated alley ADJ ON E, Block 54, Tulsa-Original Town.

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EXHIBIT D: EXISTING USES AND CONDITIONS

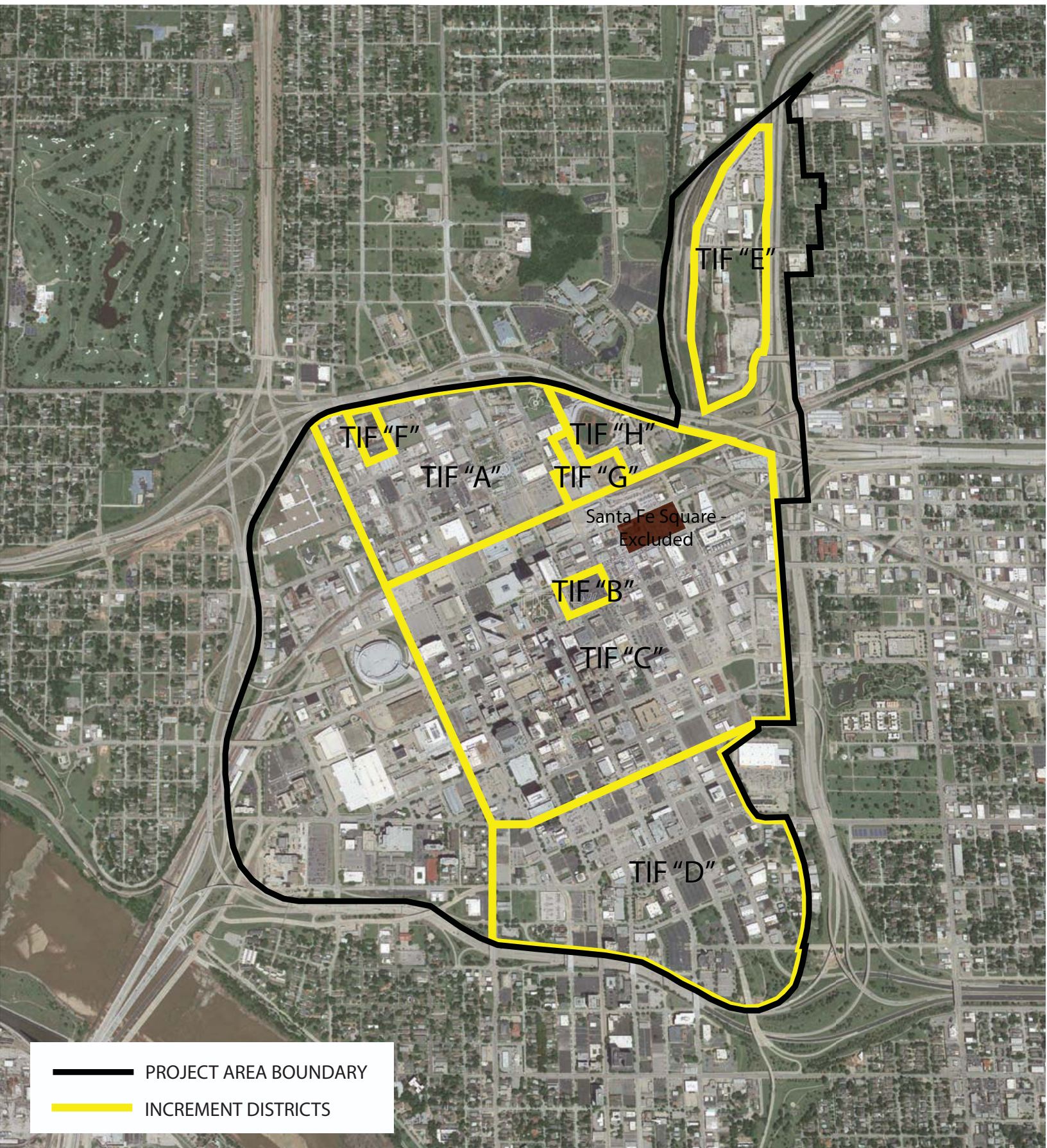
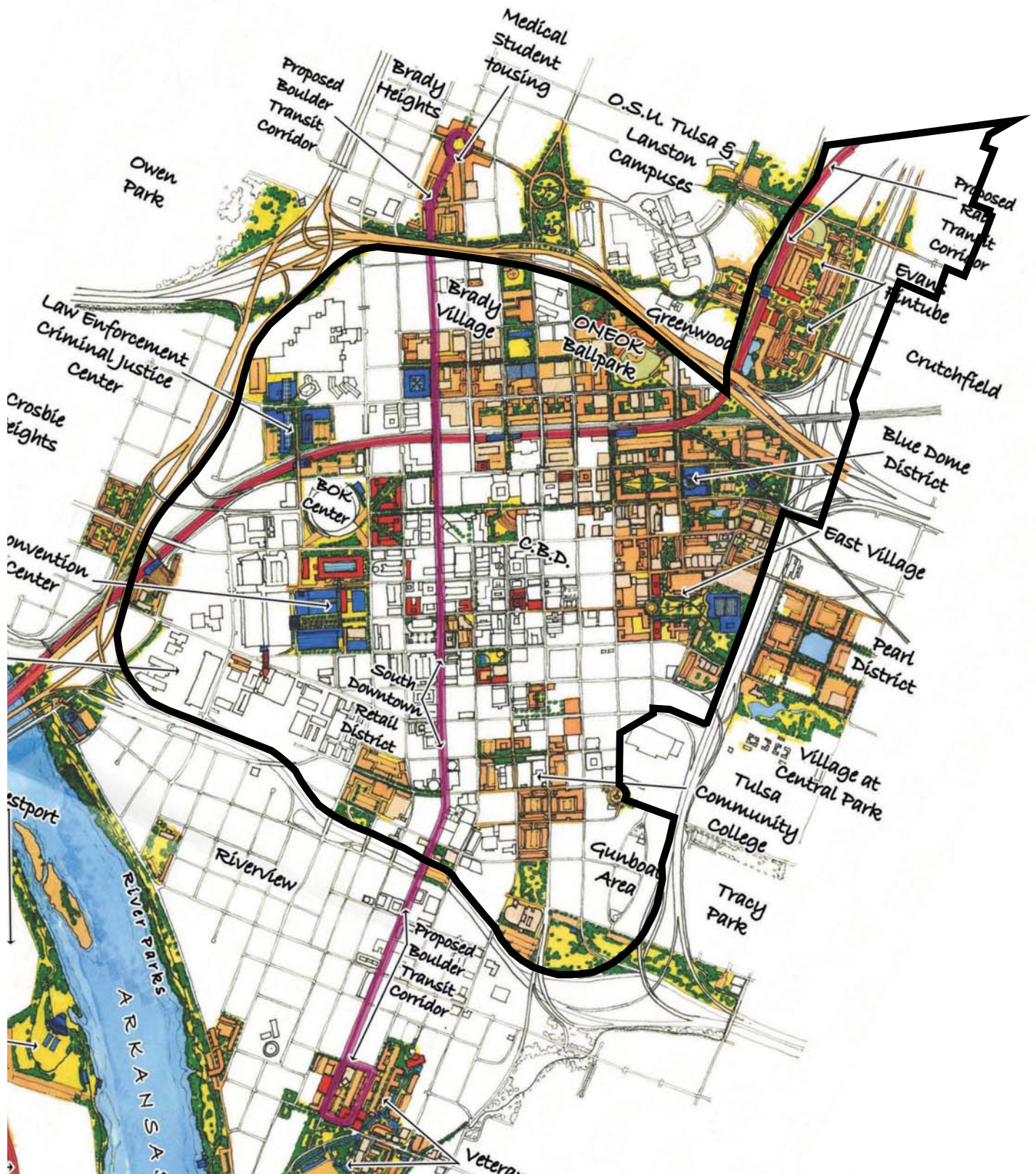


EXHIBIT E: PROPOSED IMPROVEMENTS AND USES

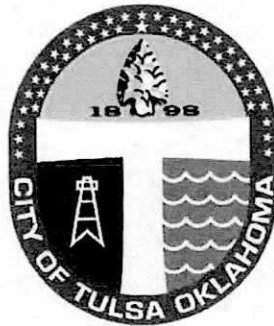


**DOWNTOWN AREA ECONOMIC DEVELOPMENT PROJECT PLAN
AND SUPPORTING INCREMENT DISTRICTS, CITY OF TULSA**

ELIGIBILITY REPORT

PREPARED BY:

THE CITY OF TULSA, OKLAHOMA



WITH THE ASSISTANCE OF:

**CENTER FOR ECONOMIC DEVELOPMENT LAW
301 North Harvey, Suite 100
Oklahoma City, Oklahoma 73102
(405) 232-4606
econlaw@econlaw.com**

I. DESCRIPTION OF PROJECT

The Downtown Area Master Plan, adopted by the City of Tulsa ("City") in 2010, recommends capital projects to improve access, gateways to showcase downtown as a destination, and urban design criteria to support high quality, contextual development and placemaking. Increased residential opportunities are desired to create a robust and active environment for downtown. Transportation improvements such as streetscaping, parking structures and transit facilities are needed to support a more densely developed downtown. Visual and physical connections between Downtown and the Arkansas River are important to tie together the City's most recognizable assets and activity areas. The plan is ambitious.

The Downtown Area Economic Development Project Plan ("Project Plan") is a financing tool necessary for the successful implementation of the City's vision. It is a project plan as defined under the Oklahoma Local Development Act, 62 O.S. §850, et seq. ("Act"). The Project Plan is a critical element in fostering public-private partnerships to create the type of development that the City seeks but can achieve only by means of the financing tools available under the Act.

II. BOUNDARIES OF PROJECT AREA AND INCREMENT DISTRICTS

The Project Area is the area in which project activities will take place and project expenditures may be made. The Project Area is generally located south of Highway 412, west of the Cherokee Expressway, north of Highway 64, east of North Denver Avenue, as well as a portion north of Highway 412 along Highway 75. The Increment Districts are the areas from which the increment is generated. The Project Plan establishes boundaries for eight Increment Districts. The Project Area and Increment Districts are depicted on Exhibit A.

III. GUIDELINES FOR USE OF DEVELOPMENT TOOLS

The Act expresses the intent of the Oklahoma Legislature that the development tools established by the act be used in accordance with certain guidelines:

- a. In accordance with the legislative guideline found in Section 852(1) of the Act, the Act's tools will be used in a case where investment, development, and economic growth is difficult, but possible if the Act's provisions are used.
- b. In accordance with the legislative guideline found in Section 852(2) of the Act, areas where investment, development, and economic growth would occur anyway have been excluded from the Increment Districts.
- c. In accordance with the legislative guideline found in Section 852(3) of the Act, the Act's tools will be used to supplement and not supplant or replace normal public functions and services.
- d. In accordance with the legislative guideline found in Section 852(4) of the Act, the Project Area and Increment Districts lie within a state-designated Enterprise Zone.

- e. In accordance with the legislative guideline found in Section 852(6), the Tulsa City Council recognizes the need for commercial development within the Project Area.

IV. ELIGIBILITY OF PROJECT AREA AND INCREMENT DISTRICTS

In order to establish a tax increment finance district, Section 856(B)(4)(a) of the Act requires that the governing body adopt an ordinance that contains a finding that the Project Area or Increment Districts meets one of the following criteria: (1) is a reinvestment area, (2) is a historic preservation area, (3) is an enterprise area, or (4) is a combination of the areas specified in divisions (1), (2) and (3) of this subparagraph. The Project Area qualifies, meeting two of the criteria.

a. Enterprise Area. The Project Area and Increment Districts qualify as an enterprise area under the Act. Such portion has been designated as an Enterprise Zone by the Oklahoma Department of Commerce to be in a disadvantaged portion of the City of Tulsa. Therefore, it meets the relevant grounds for eligibility as an enterprise area. Sections 853(5) and (6) of the Act define an "enterprise area" as "an enterprise zone as designed by the Department of Commerce pursuant to the provisions of Section 690.3 of this title or as designated by the federal government." The entire Project Area lies within an Enterprise Zone as designated by the Oklahoma Department of Commerce. See the Enterprise Zone Map, attached as Exhibit B.

b. Reinvestment Area. The Project Area and Increment Districts also qualify as a reinvestment area under the Act. 62 O.S. §853(17) defines "reinvestment area" as:

any area located within the limits of a city, town or county requiring public improvements, including but not limited to transportation-related projects identified by any transportation authority pursuant to Section 1370.7 of Title 68 of the Oklahoma Statutes, to reverse economic stagnation or decline, to serve as a catalyst for retaining or expanding employment, to attract major investment in the area or to preserve or enhance the tax base or in which fifty percent (50%) or more of the structures in the area have an age of thirty-five (35) years or more. Such an area is detrimental to the public health, safety, morals or welfare. Such an area may become a blighted area because of any one or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of community planning. Such an area includes a blighted area as defined in Section 38-101 of Title 11 of the Oklahoma Statutes at the time of approval of the project plan.

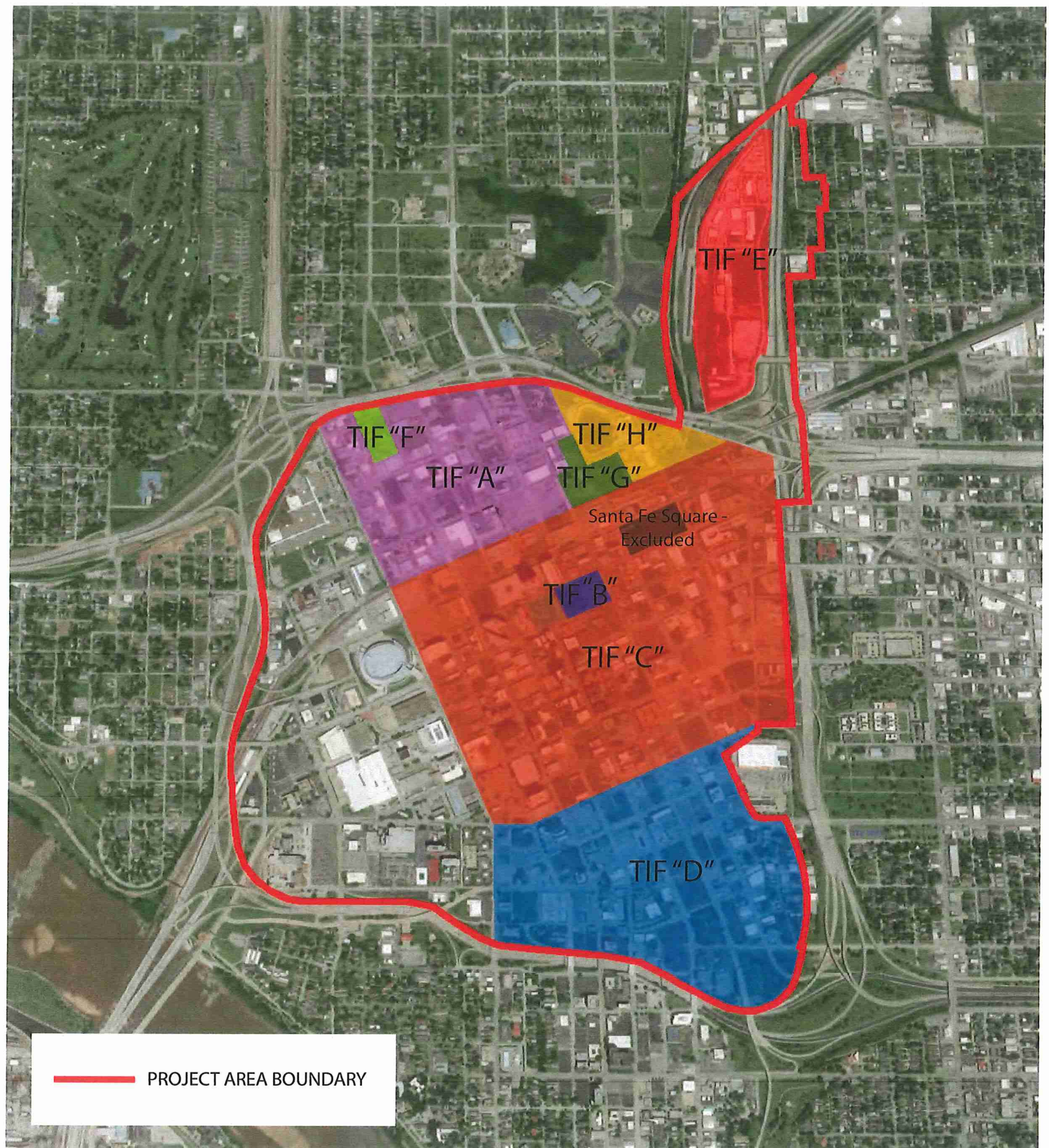
The Project Area qualifies as a reinvestment area because it lies in an area requiring public improvements to serve as a catalyst for expanding employment, to attract major investment in the area, and to enhance the tax base.

c. Eligibility. The Project Area and Increment Districts are an enterprise area and a reinvestment area. Therefore, consistent with the Act's requirements, the Project Area and Increment Districts are eligible for the establishment of a tax increment district.

V. EXHIBITS

- a. Exhibit A – Project Area and Increment Districts Boundaries Map
- b. Exhibit B – Enterprise Zone Map

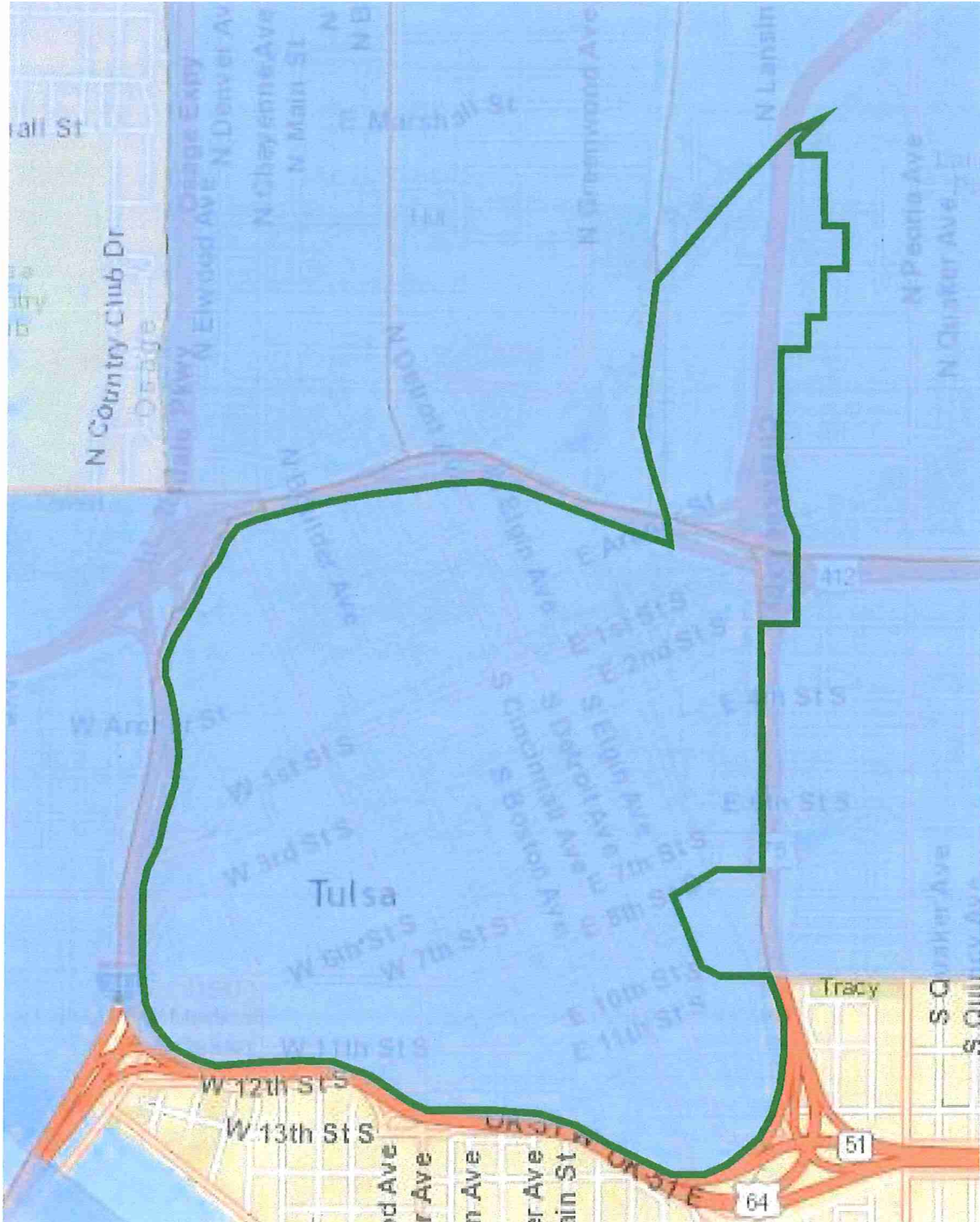
EXHIBIT A: PROJECT AREA AND INCREMENT DISTRICTS



NOTE: Abatements in existence at adoption of the Project Plan are not included in the Increment Districts

EXHIBIT B

Enterprise Zone Map



Enterprise Zone

Project Area

**DOWNTOWN AREA ECONOMIC DEVELOPMENT PROJECT PLAN
AND SUPPORTING INCREMENT DISTRICTS, CITY OF TULSA**

FINANCIAL IMPACTS REPORT

PREPARED BY:

THE CITY OF TULSA, OKLAHOMA



WITH THE ASSISTANCE OF:

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ANALYSIS OF THE FINANCIAL IMPACTS OF THE PROPOSED DOWNTOWN AREA ECONOMIC DEVELOPMENT PROJECT PLAN AND SUPPORTING INCREMENT DISTRICTS

I. THE NEED FOR ECONOMIC DEVELOPMENT

Over time, the City of Tulsa ("City") has undertaken a series of economic development strategies, both for the community as a whole and for the central city in particular. These strategies include the various urban renewal plans, economic development incentives such as the Downtown Development and Redevelopment Fund, and the adoption of Tax Incentive District No. 1 as authorized by Oklahoma's Local Development Act, 62 O.S. § 850, *et seq.* ("Act").

The City wishes to further its economic successes within the City's Inner Dispersal Loop and an area immediately adjacent to the northeast. This area includes most of Downtown Tulsa, as well as parts of several cultural districts, which had long been blighted until relatively recent interest and efforts for transformation. However, despite the renewed interest, Downtown Tulsa still has experienced significantly slower growth and encounters more legal and financial obstacles to redevelopment than other parts of the City. Over the 15-year period between 2000 and 2015, the residential population within the Inner Dispersal Loop declined 4.22%.

In 2010, the City adopted a Downtown Area Master Plan for the area. Prior to the adoption of that plan, the City's redevelopment efforts downtown had been adopted and administered in somewhat piecemeal fashion focused on individual subdistricts. The Downtown Area Master Plan aims to coordinate and expand those efforts to completely revitalize downtown, connect downtown to Tulsa's River Parks system, and initiate a transit system centered on downtown.

The Downtown Area Master Plan recommends capital projects to improve access, gateways to showcase the area as a destination, and urban design criteria to support high quality, contextual development and placemaking. Increased residential opportunities are desired to create a robust and active environment for downtown. Transportation improvements such as streetscaping, parking structures and transit facilities are needed to support a more densely developed downtown. Visual and physical connections between Downtown and the Arkansas River are important to tie together the City's most recognizable assets and activity areas. By providing public infrastructure and improvements, as well as other forms of support, the City can create the conditions necessary for quality private development of the area and expand upon its prior economic development successes.

II. HOW TAX INCREMENT FINANCING WORKS

Under the mechanism of tax increment financing, two geographic areas are defined. The first is the "project area." A project area is the area in which project expenditures may be made. The second geographic area is the increment district. This is the area from which the tax increment is generated. The project area and increment district(s) may or may not be co-extensive.

The value of property within an increment district is determined upon the effective date of the increment district. This becomes the base assessed value of property within the increment district. The ad valorem tax revenue generated from this base assessed value of property within the increment district is distributed to a variety of taxing jurisdictions according to prescribed formulas. Throughout the life of

the project, this revenue will continue to flow to the taxing jurisdictions. In the event of a general reassessment of property values within the increment district, the ad valorem tax revenue received by the taxing jurisdictions will be proportionately adjusted. To this extent, the taxing jurisdictions are not affected by the implementation of tax increment financing through ad valorem apportionment.

Once development of the property within the increment district occurs, the market value and (consequently) the assessed value of that property increases. The difference between the ad valorem tax revenue produced by this increased value and that produced by the base assessed value—the incremental increase or increment—is apportioned to an apportionment fund which is used to pay the eligible public costs of the project, either directly or through the issuance of bonds.

The apportionment of ad valorem tax increments continues for a period of up to 25 fiscal years from the date the increment district commences or until all eligible public costs are paid, whichever is less. Once the tax apportionment period expires, the revenue from the increased assessed value of property within the increment district is divided among the taxing jurisdictions according to their proportional levies, in addition to the revenue from the base assessed value that the taxing entities received throughout the apportionment period.

III. THE PROPOSED PROJECT

The Downtown Area Economic Development Project Plan and Supporting Increment Districts, City of Tulsa ("Project Plan") is a financing tool necessary for the successful implementation of the City's vision in the Downtown Area Master Plan. This is a project plan as defined under the Oklahoma Local Development Act, 62 O.S. § 850, *et seq.* ("Act"). This Project Plan focuses on an area consisting of approximately 958 acres at the heart of the City, including several cultural districts: the Arts District (formerly Brady Arts District), Greenwood, Blue Dome, East Village, Oil Capital / CBD, Deco, and Gunboat Park. Historic Rt. 66, "America's Main Street," also traverses the area.

The Project Plan seeks to provide an economic structure and tax increment funding mechanism authorized by the Act for a substantial portion of the local public investment necessary to provide the public improvements recommended by the Downtown Area Master Plan and to generate additional private investment throughout the Project Area. Public investments are planned for: approved public infrastructure, development financing assistance, and support for public education. The Project Plan also authorizes a revenue sharing formula to support the Tulsa Public Schools (Independent School District No. I-1, "TPS"). Funding for these public investments will be generated primarily by the implementation of eight ad valorem increment districts, five of which are also sales and use tax increment districts, all of which will begin within the next ten years.

Implementation of the Project Plan is anticipated to result in an increase in investment and development in the area in the range of \$800 million to \$1 billion over approximately thirty years. The following economic impact analysis is based on the impacts of \$850 million in stimulated private taxable investment. Projects such as those contemplated by the Project Plan have both direct and induced economic benefits. They have design and construction impacts, which are generally one-time impacts, and continued annual impacts after completion.

IV. IMPACTS AND EFFECTS ON TAXING JURISDICTIONS

A. Overall Financial Impacts on Affected Taxing Jurisdictions

A majority of increment generated from the increment districts will be apportioned to pay authorized project costs. However, ten percent (10%) of the ad valorem increment generated from seven of the increment districts—proposed Increment Districts A, C, D, E, F, G, and H, as defined in the Project Plan—will be apportioned directly to TPS on an ongoing basis as a specific revenue source for that entity. The benefits of the proposed development under this Project will be significant for the taxing jurisdictions located in the Project Area and increment districts, and for the community as a whole. The actual increase in demand for services upon those taxing jurisdictions is expected to be limited, and to the greatest extent possible offset by the public development assistance component of the Project Plan.

The increment districts currently contain a significant number of vacant parcels and an additional (also significant) number of buildings in highly deteriorated condition that generate very little ad valorem tax revenue in their present condition and could easily become vacant. Portions of the increment districts are currently held in public ownership, contributing nothing to the ad valorem tax revenue of the area.

The current assessed value within each increment district as of its commencement date will continue as the basis for allocating the tax revenue to the taxing jurisdictions during the life of the proposed Project. Since funding rates for bonded indebtedness are calculated using the base assessed value within the increment district, repayment of bonded indebtedness is not affected.

Redevelopment of the area is unlikely to occur without public assistance, as the history of the area shows. Concentrated and continuous stimulation of the redevelopment of the area, as contemplated by the Project Plan, will result in a greatly enhanced ad valorem tax base, from which all of the affected taxing jurisdictions will benefit. In addition, the benefits of new employment in the community and the annual tax revenue that it generates will result in additional benefits to the involved taxing jurisdictions.

B. Specific Effects of \$850 Million Private Growth

1. Tulsa Public Schools

The type of development and redevelopment that is a primary goal of this Project is likely to generate, over time, a slightly increased demand upon services for TPS. Typically, residential redevelopment in a city core appeals to singles and empty-nesters, rather than to families with school-age children. In some cities, the families eventually follow—and Tulsa has seen some of that—but even in these cities, city-core residential development continues to be predominated by residents without school-age children.

If the anticipated residential redevelopment does eventually increase the demand for services upon the public schools, the 10% specific revenue stream will help offset the financial impact of such increase in demand, if any. To illustrate fully the positive net impacts of 10% distribution to TPS, the state school aid formula must be accounted for. Without an increment district and without taking into account offsets in the state school aid formula, TPS currently receives approximately \$0.55 out of every ad valorem tax dollar collected within its jurisdiction.¹ However, sinking fund levies are not available for operating

¹ 74.27 = total TPS mill levy, including sinking fund and allocated countywide 4-mill;
134.25 = total mill levy;

purposes (and levies are always calculated to be sufficient to amortize debt), so TPS only gets approximately \$0.34 out of every tax dollar for operating purposes.² When taking into account offsets in state school funding, the net benefit TPS receives from every ad valorem tax dollar collected decreases further to \$0.05.³ With the proposed Project and increment districts, TPS will continue to receive \$0.34 (\$0.05 net of school aid offsets) out of every tax dollar for operating purposes from values up to the base assessed value, but will receive an apportioned revenue stream from taxes generated above that amount—\$0.10 of every tax increment dollar from seven of the proposed TIF districts. Each tax increment dollar apportioned to TPS, specifically, is worth two times the value of a non-increment dollar derived through ordinary ad valorem processes when accounting for state school aid offsets. Specific revenue sources under a TIF Project Plan consist of project funds to be used for purposes of the Project Plan and are appropriately classified as gifts, grants, or donations, depending on whether those funds are given for purposes of capital or noncapital expenditures, and are not subject to offset in the state school aid formula.⁴

	Amount Collected	TPS Operational Share	
		TPS Operational Share	TPS Operational Share Net of School Aid Offsets
<i>Ad Valorem</i>	\$100	\$34	\$5
<i>Increment Revenue</i>	\$100	\$10	\$10

The residential portion of development may generate, over time, a small increase in demand for services from Tulsa Public Schools, although the type of residential development will likely be more in demand by non-child households. Residential development in a mixed-use, medium density environment often appeals to a younger and near-retirement demographic.

TPS should experience a positive fiscal impact from the project. During the effective lives of the Increment Districts, the 10% specific revenue stream should provide TPS with non-offset revenue averaging \$92,000 annually in the near term and up to \$1.8 million annually over the long term.

Stimulation of residential redevelopment of the downtown area is critically linked to the conditions and perception of the inner-city schools that would serve such residential development. As illustrated above, TPS will experience little or no negative impact as result of the Project because nearly all of the new development within the increment districts will occur only because it is stimulated by public assistance and investment in the area (for example, because of the construction and development of new adjacent public or private facilities) and because TPS will benefit from the 10% specific revenue stream.

74.30/134.25 = 55.32% = TPS's overall percentage share of tax dollars for all purposes.

² 45.20 = TPS operating levies (does not include sinking fund but includes countywide 4-mill);

134.25 = total mill levy;

45.20/134.25 = 33.67% = TPS's percentage share of tax dollars for operating purposes.

³ By offsetting TPS's 15.45-mill certification of need levy and 75% of the countywide 4-mill levy in its Foundation Aid calculation, and a theoretical 20-mill levy in its Salary Incentive Aid calculation, the state school aid formula effectively offsets 85% of TPS's operating levies, with the end result that TPS's net effective operating mill levy is only 6.75 mills, which is only 5% of the total 2016 mill levy of 134.25 mills.

⁴ See 62 O.S. § 864; 70 O.S. § 1-117(G), (H).

2. Tulsa County

No specific measurable demand for increased services upon Tulsa County is anticipated to result from this project.

3. Tulsa County Health Department

The Tulsa County Health Department is positively affected by new employment that the project will generate. The promotion of the Project Area as a highly walkable district will support public health initiatives, and substantial new employment is anticipated, as discussed in Section V herein.

4. Tulsa City-County Library

The Central Library facility serves not only downtown, but the entire metropolitan area. The residential portion of the mixed-use developments will likely contribute to the most immediate, day-to-day clientele for this facility. The proposed commercial portion of the developments will likely not contribute to immediate, day-to-day clientele for the Library system.

5. Tulsa Technology Centers

The nature of the project makes it likely to create some increased demand for educational services and training by Tulsa Technology Center. Any increased demand for services and job training occasioned by the project is likely to be complementary in its impact upon Tulsa Tech.

6. Tulsa Community College

The residential portion of the mixed-use development may generate increased demand for educational services from Tulsa Community College, but the commercial portion will be unlikely to generate any increased demand upon services for Tulsa Community College.

V. IMPACTS ON BUSINESS ACTIVITIES

Construction and development economic impacts stimulated by the private and public development within the Increment District are estimated to be as follows:

PROJECTED DEVELOPMENT:	\$ 850,000,000
TEMPORARY JOBS SUPPORTED ⁵ :	12,750
TEMPORARY PAYROLL SUPPORTED ⁶ :	\$ 492,481,500

The continued annual impact of the proposed development on the community is of greater significance. Isolating the specific impacts of the Increment Districts are not possible, but through correlation of anticipated demands for residential and commercial space within the Increment Districts, a meaningful calculation of effects on business activities is possible. Residential and Commercial developments reflect corresponding growth in economic demands for a spectrum of business activities in the retail, commercial, technical, industrial and office categories. The continuing and cumulative economic impacts stimulated by the new development are estimated to be as follows:

⁵ 1,000 FTEs/\$100 million total investment; 1.5 impact multiplier.

⁶ Average wage of supported job = \$18.57/hour (\$38,626/year).

PROJECTED DEVELOPMENT:	\$ 850,000,000
NEW POPULATION ⁷ :	2,625
ANNUAL HOUSEHOLD INCOME ⁸ :	\$ 123,388,125
PERMANENT JOBS SUPPORTED ⁹ :	2,550
ANNUAL AD VALOREM REVENUE ¹⁰ :	\$ 11,411,250

VI. CONCLUSION

The projected project will have a positive long-term financial benefit for the Tulsa community, affected taxing jurisdictions, and business activities. Correspondingly, no appreciable adverse impact is likely to result from the project for the taxing jurisdictions or business activities within the Project Area. The impact of anticipated development on the provision of governmental services is balanced by the public improvements and infrastructure component in the Project Plan, which addresses public costs associated with the project and minimizes the burden of providing additional government services.

⁷ 1,500 new residential units; average 1.75 residents/unit.

⁸ Median Household Income = \$47,005.

⁹ 250 FTEs/\$100 million nonresidential investment; 40% nonresidential investment; 3.0 impact multiplier. This calculation may be significantly higher in the event a large employment-generating business is recruited into the area.

¹⁰ Mill Levy = 134.25.

**FINDINGS AND RECOMMENDATION OF
THE DOWNTOWN AREA ECONOMIC DEVELOPMENT PROJECT PLAN
REVIEW COMMITTEE**

After review of the proposed Downtown Area Economic Development Project Plan ("Project Plan"), the proposed creation of multiple tax increment districts, and other relevant information, the Downtown Area Economic Development Project Plan Review Committee ("Review Committee") makes the following findings and recommendation:

A. Findings Regarding Eligibility of the Proposed Project Area and Increment Districts

1. The proposed Project Area and the proposed Increment Districts A through H ("Increment Districts"), are within a state designated enterprise zone and therefore meet the definition of an "enterprise area" under the Oklahoma Local Development Act ("Act") (62 O.S. § 853(5)).
2. The proposed Project Area and the proposed Increment Districts meet the definition of an "reinvestment area" under the Act (62 O.S. § 853(17)).
3. The level of investment, development, and economic growth desired by the City of Tulsa is difficult, but possible, within the proposed Project Area and Increment Districts if the provisions of the Act are utilized.
4. Tax increment financing is a necessary component in stimulating reinvestment in the proposed Project Area and Increment Districts.
5. Tax increment financing will be used to supplement and not supplant or replace normal public functions and services in the proposed Project Area and Increment Districts.
6. Tax increment financing will be used in conjunction with existing programs and efforts and other locally implemented economic development efforts.
7. The Project Plan emphasizes conservation, preservation, and rehabilitation.

B. Findings Regarding Financial Impact on the Affected Taxing Jurisdictions and Business Activities Within the Proposed Project Area and Increment Districts

1. As described in Section XI of the Project Plan, the anticipated private development will generate tax increments sufficient to pay a substantial portion of the authorized project costs of the project proposed by the Project Plan. Without the Project Plan and Increment Districts, the development described in the Project Plan and the resulting increases in tax revenues would not occur.
2. The development anticipated by the project will not result in a measurable

increase in demand for services by or in costs to the affected taxing jurisdictions, other than Tulsa Public Schools (TPS), which might experience a small increase in demand due to residential development in the Project Area; however, the specific revenue stream provided to TPS under the Project Plan should more than outweigh the costs of such demand, causing TPS to experience a positive impact overall from the project.

3. The public revenue anticipated to result from the development described in the Project Plan includes increased tax revenue beyond the revenues being apportioned to pay Project Costs, as defined in the Project Plan, and includes economic growth and benefits outside the Increment Districts.
4. The economic benefits of the Project Plan for the affected taxing jurisdictions and the community as a whole offset any adverse financial impacts of the Project Plan on the affected taxing jurisdictions.
5. The aggregate impacts on the affected taxing jurisdictions and on business activities from implementation of the Project Plan are positive and include the achievement of the objectives set forth in Section IV of the Project Plan.

Resolution Recommending Approval

NOW, WHEREAS, the Review Committee has reviewed the proposed Project Plan and Increment Districts; and

WHEREAS, the findings of the Review Committee demonstrate that the proposed Project Area and Increment Districts meet the conditions for eligibility; and

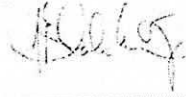
WHEREAS, the findings of the Review Committee demonstrate that the financial impacts on the affected taxing jurisdictions and business activities from implementation of the Project Plan are positive; and

WHEREAS, the findings of the Review Committee demonstrate that approval of the Project Plan is appropriate.

NOW, THEREFORE, BE IT RESOLVED by the Downtown Area Economic Development Project Plan Review Committee that approval of the proposed Downtown Area Economic Development Project Plan, including creation of the proposed Increment Districts, is hereby recommended.

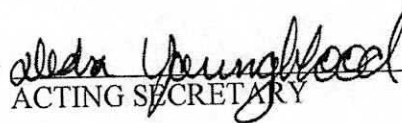
ADOPTED by the Downtown Area Economic Development Project Plan Review Committee this 17 day of October, 2017, and **SIGNED** by its Chairperson.

APPROVED:



CHAIRPERSON

I, Tesha Youngblood, Acting Secretary of the Downtown Area Economic Development Project Plan Review Committee, certify that the foregoing resolution was duly adopted at a special meeting of the Downtown Area Economic Development Project Plan Review Committee, held at City Hall in Tulsa, Oklahoma, on the 17 day of October, 2017; that said meeting was held in accordance with the Open Meeting Act of the State of Oklahoma; that any notice required to be given of such meeting was properly given; that a quorum was present at all times during such meeting; and that said resolution was adopted by a majority of those present.


ACTING SECRETARY