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Tuesday April 19, 2016

ORDINANCE NO. 23462

AN ORDINANCE APPROVING AND ADOPTING THE SANTA FE SQUARE ECONOMIC DEVELOPMENT PROJECT PLAN PURSUANT TO THE OKLAHOMA LOCAL DEVELOPMENT ACT; DESIGNATING AND ADOPTING PROJECT AREA AND INCREMENT DISTRICT BOUNDARIES; ESTABLISHING A DATE FOR THE CREATION OF INCREMENT DISTRICT NO. 8, CITY OF TULSA; ADOPTING CERTAIN FINDINGS; AUTHORIZING THE CITY OF TULSA TO CARRY OUT AND ADMINISTER THE PROJECT PLAN; ESTABLISHING A TAX APPORTIONMENT FUND; DECLARING APPORTIONED FUNDS TO BE SPECIAL FUNDS OF THE CITY OF TULSA OR THE TULSA INDUSTRIAL AUTHORITY; AUTHORIZING THE USE OF INCREMENT REVENUES FOR THE PAYMENT OF CERTAIN PROJECT COSTS; AUTHORIZING THE TULSA INDUSTRIAL AUTHORITY TO CARRY OUT CERTAIN PROVISIONS OF THE PROJECT PLAN; 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 Santa Fe Square 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 help the City achieve its development objectives by authorizing the appropriate and necessary public support and assistance for the development of a mixed-use project including a substantial retail component, apartments, Class A office space, a full-service boutique hotel, and over 1,100 structured parking spaces ("Project"); and

WHEREAS, the Project Plan supports 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 ad valorem and sales tax revenues; and

WHEREAS, the Santa Fe Square Economic Development Project Plan Review Committee ("Review Committee"), comprised of a representative of the City, a representative of the Tulsa Metropolitan Area Planning Commission ("Planning Commission"), representatives of each of the affected taxing jurisdictions (including Tulsa County, 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 is a retailer or a representative of a retail organization, has reviewed the Project Plan; and

WHEREAS, the Review Committee has reviewed the proposed Project Area and the proposed ad valorem and sales tax Increment District No. 8, the City of Tulsa (as defined in Section 6 and Section 7, respectively, of this ordinance) ("Increment District No. 8"), in accordance with the criteria specified in the Act and has determined that Increment District No. 8 is eligible for designation as an increment district 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 proposed Increment District No. 8; 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 proposed Increment District No. 8; and

WHEREAS, the Project Area, including Increment District No. 8, is 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 District No. 8 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 District No. 8; and

WHEREAS, the apportioned increment revenues derived from Increment District No. 8 shall be used to finance eligible project costs contained in Section VIII of the Project Plan; and

WHEREAS, the establishment of the proposed Increment District No. 8 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 Increment District No. 8 and to stimulate additional indirect economic benefits outside of Increment District No. 8 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 District No. 8 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 Tulsa Industrial Authority, a public trust, is authorized and designated to carry out certain provisions of the Project Plan, pursuant to the Act; 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 Increment District No. 8.

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 "Santa Fe Square Economic Development Project Plan" or "Project Plan" shall mean the document dated April 14, 2016, and comprised of one cover sheet, six pages of text, six exhibits labeled Exhibits A-1, A-2, B, C, D, and E, and titled "Santa Fe Square 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, the name of the increment district, which is an ad valorem and sales tax increment district, shall be Increment District No. 8, the City of Tulsa.

SECTION 5. Increment District No. 8 is hereby created as of April 22, 2016.

SECTION 6. The boundaries of the Santa Fe Square Economic Development Project Area are shown on Exhibit A-1 and Exhibit A-2 of the Project Plan, described on Exhibit B of the Project Plan, and hereby designated and adopted as follows:

Project Area Legal Description

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 North Elgin Avenue Right-of-Way line with the northern Oklahoma State Department of Transportation Right-of-Way line;

THENCE eastward along the northern Oklahoma State Department of Transportation Right-of-Way line extending to a point of intersection with the southeast corner of Lot 2, Block 48, Original Townsite, City of Tulsa, Tulsa County, Oklahoma;

THENCE northeastward 80 feet +/- to the southwest corner of Lot 2, Block 49, Original Townsite, City of Tulsa, Tulsa County, Oklahoma;

THENCE southward across the Burlington Northern Right-of-Way to the point with the northwestward corner of Lot 5, Block 80, Original Townsite, City of Tulsa, Tulsa County, Oklahoma;

THENCE northeastward along Lots 4 and 5, Block 80, Original Townsite, City of Tulsa, Tulsa County, Oklahoma to the northernmost corner of Lot 4, Block 80, Original Townsite, City of Tulsa, Tulsa County, Oklahoma;

THENCE southeastward along Block 80 and Block 81, Original Townsite, City of Tulsa, Tulsa County, Oklahoma to the northeast corner of Lot 7, Block 81, Original Townsite, City of Tulsa, Tulsa County, Oklahoma;

THENCE southward along the east property lines of Lot 7 and Lot 12, Block 81, Original Townsite, City of Tulsa, Tulsa County, Oklahoma to the point of intersection of the southeast corner of Lot 12, Block 81, Original Townsite, City of Tulsa, Tulsa County, Oklahoma with the northern East First Street Right-of-Way line;

THENCE southward 60 feet +/- across the East First Street Right-of-Way to the point of intersection of the northeast corner of Lot 1, Block 4, Hodge Addition, City of Tulsa, Tulsa County, Oklahoma with the southern East First Street Right-of-Way line;

THENCE southward across the East First Place Right-of-Way to a point of intersection of the

southern East First Place Right-of-Way line with the northeastward corner of Lot 1, Block 4, Hodge Addition, City of Tulsa, Tulsa County, Oklahoma;

THENCE east 60 feet +/- across the Lansing Avenue Right-of-Way to a point of intersection with the eastern boundary of South Lansing Avenue Right-of-Way line;

THENCE southward along the East Lansing Avenue Right-of-Way line to a point 41.54 feet +/- east of the northeast corner of Lot 24, Block 7, Burnett Addition, City of Tulsa, Tulsa County, Oklahoma;

THENCE southward across Oklahoma State Department of Transportation Right-of-Way to the eastern corner point of Lot 1, Block 10, Burnett Addition, City of Tulsa, Tulsa County Oklahoma;

THENCE southward along Block 10, Burnett Addition, City of Tulsa, Tulsa County Oklahoma to the southeast corner of Lot 24, Block 10, Burnett Addition, City of Tulsa, Tulsa County, Oklahoma;

THENCE westward to the northern most point of intersection of Lot 1, Block 1, Home Depot North Tulsa Addition, City of Tulsa, Tulsa County, Oklahoma with the southern East Eighth Street Right-of-Way line;

THENCE westward along the southern East Eighth Street Right-of-Way line to the point of intersection with the western South Cincinnati Avenue Right-of-Way line;

THENCE northward along the western South Cincinnati Avenue Right-of-Way line to the point of intersection with the southern East Sixth Street Right-of-Way line;

THENCE westward along the southern East Sixth Street Right-of-Way line to the point of intersection with the eastern South Boston Avenue Right-of-Way line;

THENCE northward along the eastern South Boston Avenue Right-of-Way line to the point of intersection with the southern East Fifth Street Right-of-Way line;

THENCE eastward along the southern East Fifth Street Right-of-Way line to the point of intersection with the western South Cincinnati Avenue Right-of-Way line;

THENCE northward along the western South Cincinnati Avenue Right-of-Way line to the point of intersection with the southeastern corner of Lot 2, Block 118, Original Townsite, City of Tulsa, Tulsa County, Oklahoma;

THENCE westward to the southwestern corner of Lot 7, Block 118, Original Townsite, City of Tulsa, Tulsa County, Oklahoma;

THENCE northward along the eastern South Boston Avenue Right-of-Way line to the point of intersection with the southern East Third Street Right-of-Way line;

THENCE westward along southern East Third Street Right-of-Way line to the point of intersection with northeastern corner of Lot 7, Block 119, Original Townsite, City of Tulsa, Tulsa County

Oklahoma;

THENCE northward to the point of intersection with the northeastern corner of Lot 7, Block 105, Original Townsite, City of Tulsa, Tulsa County, Oklahoma;

THENCE eastward along the southern Second Street Right-of-Way line to the point of intersection with the western South Cincinnati Avenue Right-of-Way line;

THENCE northward along the western South Cincinnati Avenue Right-of-Way line to the point of intersection with the southeastern corner of Lot 3, Block 58, Original Townsite, City of Tulsa, Tulsa County, Oklahoma;

THENCE eastward along the northern Burlington Northern Santa Fe Frisco (BNSF) Rail Road Right-of-Way line to the point of intersection with southeastern corner of Lot 3, Block 56, Original Townsite, City of Tulsa, Tulsa County, Oklahoma;

THENCE northward along the western North Elgin Avenue Right-of-Way line to the POINT OF BEGINNING (P.O.B.).

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 and highway right-of-way lines and southeastern, southwestern, northeastern and northwestern are used to indicate the general location of points of intersection. Said described Project Area boundary includes the area of Increment District No. 8 and includes all street right-of-way, vacated right-of-way, railroad right-of-way, highway right-of-way, and all lots and blocks contained within the described Project Area boundary.

SECTION 7. The boundaries of Increment District No. 8 are shown on Exhibit A-1 and Exhibit A-2 of the Project Plan, described on Exhibit C of the Project Plan, and hereby designated and adopted as follows:

Increment District No. 8 Legal Description

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.

SECTION 8. The City Council hereby finds and determines:

(a) that the Project Area, including Increment District No. 8, 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 Increment District No. 8 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 62 O.S. §852, 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 9. The following Project and Increment District No. 8 authorizations are hereby approved:

(a) The City is designated as 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, and the City reserves the power to make minor amendments to the Project Plan in accordance with Section 858(D) of the Act. Changes in project costs incurred pursuant to Section VIII(B) of the Project Plan (those not to be financed with apportioned tax increments) do not require an amendment;

(b) The Tulsa Industrial Authority, a public trust with the City as its sole beneficiary, shall have the authority to carry out certain provisions of the Project Plan, including the authority to: (a) issue tax apportionment bonds or notes, or both; (b) pledge revenues from current and future fiscal years to repayment; (c) incur project costs pursuant to Section VIII of the Project Plan; (d) 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 (e) incur the cost of issuance of bonds for payment of such costs and to accumulate appropriate reserves, if any, in connection with them; and

(c) The City Manager, Jim Twombly, his successor in office, or his designee 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. The City Manager, his successor in office, or his designee is authorized to empower one or more designees to exercise responsibilities in connection with project implementation.

SECTION 10. The sales tax increment is a portion of the City's sales tax attributable to investment and development within Increment District No. 8. The sales tax increment shall be two percent (2%) of the gross proceeds or gross receipts derived from all sales in Increment District No. 8 that are taxable under the sales tax code of Oklahoma (including any and all amendments thereto and revisions thereof), regardless of whether the City modifies its sales tax rates. The ad valorem increment shall be those ad valorem taxes in excess of the base assessed value, as determined by the Tulsa County Assessor in accordance with the Oklahoma Local Development Act, 62 O.S. §862.

SECTION 11. The increment of the taxes generated by Increment District No. 8 may be used to pay project costs authorized by Section VIII of the Project Plan for a period not to exceed twenty-five (25) years from the effective date of Increment District No. 8, as provided by law, or the period required for payment of the project costs authorized by Section VIII of the Project Plan, whichever is less.

SECTION 12. During the period of apportionment, the tax apportionment fund (a) shall be available to pay project costs under Section VIII of the Project Plan, (b) shall constitute special funds of the City or the Tulsa Industrial Authority, a public trust, and (c) shall not be subject to annual appropriation as a part of the general fund of the City.

SECTION 13. Pursuant to Section 6C of Article X of the Constitution of the State of Oklahoma and the Act, the direction of apportionment shall continue beyond the current fiscal year

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for the duration of Increment District No. 8 or the period required for the payment of project costs authorized by the Project Plan, whichever is less.

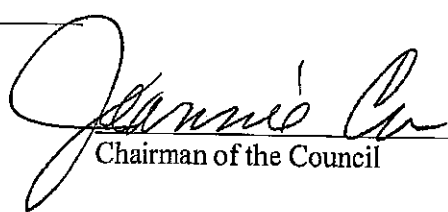
SECTION 14. The Project Plan is hereby determined to be desirable and is approved.

SECTION 15. 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 16. 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.*

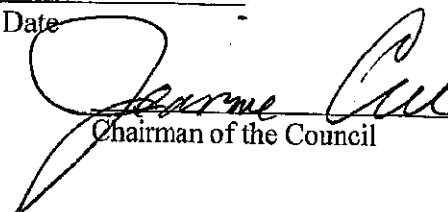
ADOPTED by the Council: APR 14 2016

Date


Chairman of the Council

ADOPTED as an emergency measure: APR 14 2016

Date


Chairman of the Council

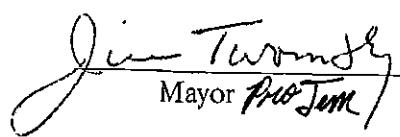
OFFICE OF THE MAYOR

Received by the Mayor: _____, at _____
Date Time

Mayor

By _____
Secretary

APPROVED by the Mayor of the City of Tulsa Oklahoma: APR 15 2016
at _____, Date
Time


Mayor Pro Tem

ADB

(Seal)

ATTEST:



[Handwritten signature]
City Clerk

APPROVED:

[Handwritten signature]
Asst City Attorney ADB