

ORDINANCE NO. 1361

AN ORDINANCE APPROVING AND ADOPTING THE DEL CITY EAGLE POINT APARTMENTS REMEDIATION PROJECT PLAN; DESIGNATING AND ADOPTING PROJECT AREA AND INCREMENT DISTRICT BOUNDARIES; ESTABLISHING A DATE FOR THE CREATION OF INCREMENT DISTRICT NO. TWO, CITY OF DEL CITY; ADOPTING CERTAIN FINDINGS; AUTHORIZING THE CITY OF DEL CITY TO CARRY OUT AND ADMINISTER THE PROJECT PLAN; ESTABLISHING A TAX APPORTIONMENT FUND; DECLARING APPORTIONED FUNDS TO BE SPECIAL FUNDS OF THE CITY OF DEL CITY OR ALTERNATIVE AUTHORIZED ENTITY; AUTHORIZING THE USE OF SALES, USE, AND HOTEL/MOTEL TAX INCREMENT REVENUES FOR THE PAYMENT OR FINANCING OF CERTAIN PROJECT COSTS; AUTHORIZING THE USE OF OTHER RESOURCES TO PAY FOR OR FINANCE PROJECT COSTS; AUTHORIZING THE DEL CITY ECONOMIC DEVELOPMENT AUTHORITY OR ALTERNATIVE AUTHORIZED ENTITY TO ISSUE BONDS OR NOTES AND CARRY OUT CERTAIN PROVISIONS OF THE PROJECT PLAN; RATIFYING AND CONFIRMING THE ACTIONS, RECOMMENDATIONS AND FINDINGS OF THE REVIEW COMMITTEE AND THE PLANNING COMMISSION; DIRECTING CONTINUING APPORTIONMENT; PROVIDING FOR SEVERABILITY; DECLARING AN EMERGENCY

BE IT ORDAINED BY THE PEOPLE OF THE CITY OF DEL CITY:

WHEREAS, the purpose of the Del City Eagle Point Apartments Remediation Project Plan (“Project Plan”) is to address the blighting elements present in this area of Del City, specifically, the hazardous conditions caused by the dilapidated and condemned Eagle Point Apartments and flood risk of the adjacent Crooked Oak Creek; and

WHEREAS, the heart of the project is the development of a hotel and conference center and combination of retail and restaurant businesses, at Scott Street and I-40; and

WHEREAS, the City of Del City (“City”) seeks to promote economic development in the Project Area in order to retain and expand employment in the area, attract major investment, enhance the tax base, stimulate economic growth, improve the quality of life in Del City, and strengthen the community; and

WHEREAS, the Project Plan supports the achievement of the economic development objectives of the City to serve as a catalyst to achieve its key 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 or impossible without the Project and the apportionment of sales tax revenues from within the increment district; and

WHEREAS, the Project Plan is an eligible project plan under the Oklahoma Local Development Act, Title 62, Oklahoma Statutes, Section 850, *et seq.*, as amended (the “Local Development Act”) because the proposed Project Area is a reinvestment area as defined by the Local

Development Act and is a blighted area within the meaning of the Local Development Act and the Urban Renewal Law, Title 11, Oklahoma Statutes, Section 38-101, *et seq.*; and

WHEREAS, the Del City Eagle Point Apartments Remediation Project Review Committee (“Review Committee”), comprised of a representatives of the City, the Planning Commission, and three members of the public at large, has considered the financial impacts of the Project on the City, the affected taxing jurisdiction, and has found that any adverse impacts are offset by the economic benefits of the development for the community as a whole; and

WHEREAS, the Review Committee has reviewed the proposed Project Area and the proposed sales tax Increment District No. 2, the City of Del City (as defined in Section 6 of this ordinance) (“Increment District No. 2”), in accordance with the criteria specified in the Local Development Act and has determined that Increment District No. 2 is eligible for designation as an increment district and for development under the Local Development Act, and has adopted a resolution recommending the approval of the proposed Project Plan, including proposed Increment District No. 2, to the City Council; and

WHEREAS, the Planning Commission has determined that the Project Plan conforms with the Comprehensive Plan for the City of Del City and recommends to the City Council the approval of the Project Plan; and

WHEREAS, the projected investment and development are difficult, but possible, within the proposed Project Area and Increment District No. 2 if the Project Plan is adopted and implemented; and

WHEREAS, tax apportionment financing is a necessary component in generating economic development in the proposed Project Area and Increment District No. 2; and

WHEREAS, the apportioned sales tax increment revenues derived from Increment District No. 2 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. 2 will be used 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 will stimulate substantial new investment within Increment District No. 2 and will generate additional indirect economic benefits outside of Increment District No. 2 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. 2 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 Local Development 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 proposed Project Plan, as prescribed by the Local Development Act, the Oklahoma Open Meetings Act, Title 25, Oklahoma Statutes, Section 301, *et seq.*, and other applicable law; and

WHEREAS, the City of Del City retains the right, pursuant to the Local Development Act, to make minor amendments to the Project Plan; and

WHEREAS, implementation of the Project Plan will be facilitated by authorizing the Del City Economic Development Authority, a public trust, or other entity designated by the City, to issue tax apportionment bonds or notes and to incur project costs as defined by the Project Plan, to be reimbursed for such costs, and to incur the costs of issuance of such bonds and to accumulate appropriate reserves, if any, in connection therewith; and

WHEREAS, it is in the best interest of the City of Del City and its citizens to approve the Project Plan, including the establishment of Increment District No. 2.

NOW, THEREFORE, BE IT ORDAINED by the People of the City of Del City:

SECTION 1. In order to redevelop the eligible Project Area, the City of Del City elects to utilize Article 10, Section 6C of the Constitution of the State of Oklahoma and the Local Development 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 Planning Commission and the Review Committee. As used herein “Del City Eagle Point Apartments Remediation Project Plan” or “Project Plan” shall mean the document dated August 20, 2012, comprised of one cover sheet, 7 pages of text, 4 exhibits labeled Exhibits A, B, C, and D, and titled “Del City Eagle Point Apartments Remediation Project Plan.”

SECTION 3. All actions taken and all recommendations and findings made in connection with the Project Plan by the Planning Commission and the Review Committee are hereby ratified and confirmed, including, but not limited to, designation and selection of representatives to the Review Committee from the City, the Planning Commission, and the public at large, recommendations for approval, findings of conformance with the Comprehensive Plan, eligibility of Increment District No. 2, and financial impacts upon the taxing jurisdiction.

SECTION 4. For identification purposes, the name of the increment district, which is a sales tax increment district, shall be Increment District No. 2, the City of Del City.

SECTION 5. Increment District No. 2, the City of Del City, is hereby created as of the date of the adoption of this ordinance.

SECTION 6. The boundaries of the Del City Eagle Point Apartments Remediation Project Area and the boundaries of Increment District No. 2, the City of Del City, are shown on Exhibit A of the Project Plan and are hereby designated and adopted as follows:

Project Area and Increment District No. 2
Legal Description

A tract of land being part of Blocks Eight (8), Nine (9), and Ten (10) of PAGE'S ADDITION and in the City of Del City, Oklahoma County, lying in the Northwest Quarter (NW/4) of Section Six (6), Township Eleven (11) North, Range Two (2) West, and part of the Southwest Quarter (SW/4) of Section Six (6), Township Eleven (11) North, Range Two (2) West, of the Indian Meridian, Oklahoma County, Oklahoma, being more particularly described as follows:

COMMENCING at the Northwest Corner of said Northwest Quarter (NW/4); THENCE S00°03'28"W along the West line of said NW/4 a distance of 1732.56 feet; THENCE N89°45'16"E a distance of 33.00 feet to the Northwest Corner of said Block 9 and the POINT OF BEGINNING:

THENCE N89°45'06"E along the North line of said Block 9 a distance of 252.80 feet to a point on the South right-of-way line of Interstate 40; THENCE S55°37'53"E along said right-of-way a distance of 189.77 feet; THENCE continuing along said right-of-way S58°27'21"E a distance of 115.46 feet; THENCE continuing along said right-of-way S52°17'43"E a distance of 430.05 feet to a point on the North line of said Block 8; THENCE S89°45'13"W along the North line of said Block 8 a distance of 16.51 feet; THENCE S00°14'47"E a distance of 210.00 feet; THENCE N89°45'13"E a distance of 356.10 feet to a point on the South right-of-way of Interstate 40; THENCE along a curve to the left having a radius of 3024.79 feet, and arc length of 133.01 feet, a chord bearing of S60°35'23"E and a chord distance of 133.00 feet; THENCE S00°14'47"E a distance of 151.09 feet to the South line of said Block 8 and the North line of said SW/4; THENCE S89°45'13"W along the South line of said Block 8 and the North line of said SW/4 a distance of 1139.35 feet; THENCE S00°14'47"E a distance of 120.01 feet; THENCE S89°45'13"W a distance of 75.00 feet; THENCE N00°14'47"W a distance of 120.01 feet to the North line of said SW/4 and the South line of said Block 8; THENCE S89°45'13"W a distance of 89.35 feet to the Southwest Corner of said Block 8; THENCE N00°05'36"W along the West line of said Block 8 a distance of 860.00 feet to the POINT OF BEGINNING, and said tract contains 16.19 acres, more or less.

SECTION 7. The City Council hereby finds:

(a) that the Project Area, including Increment District No. 2, is a reinvestment area as defined by the Local Development Act;

(b) that the Project Area, including Increment District No. 2, is a blighted area as defined by the Urban Renewal Law;

(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 applicable 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, as determined pursuant to the Local Development Act, 62 O.S. § 862, within the City of Del City does not exceed 35% of the total net assessed value of the taxable property within Del City;

(f) that the aggregate net assessed value of the taxable property in all increment districts, as determined pursuant to the Local Development Act, 62 O.S. § 862, within the City of Del City does not exceed 25% of the total net assessed value of any affected school districts located within Del City;

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

(h) that the Del City Eagle Point Apartments Remediation Project Plan is feasible and conforms to the Comprehensive Plan for the City of Del City.

SECTION 8. The City is authorized to carry out and administer the provisions of the Project Plan and to exercise all powers necessary or appropriate thereto pursuant to the Local Development Act, 62 O.S. § 854; and the City reserves the power to make minor amendments to the Project Plan in accordance with the Local Development Act, 62 O.S. § 858(D). 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.

SECTION 9. The Del City Economic Development Authority, a public trust, and any other public entity designated by the City 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) incur project costs, pursuant to Section VIII of the Project Plan; (c) provide funds to or reimburse the City of Del City for the payment of project costs and other costs incurred in support of the implementation of the project; and (d) incur the cost of issuance of bonds for payment of such costs and to accumulate appropriate reserves, if any, in connection with them.

SECTION 10. The sales tax increment is a portion of the City's non-dedicated sales tax attributable to investment and development within the Increment District. The sales tax increment shall be seven-eighths ($\frac{7}{8}$) of the City's two percent (2%) non-dedicated sales tax revenues (resulting in a 1.75% effective incremental tax rate), one hundred percent (100%) of the City's three and a half

percent (3.5%) use tax, and fifty percent (50%) of the City's three and a half percent (3.5%) hotel-motel tax (resulting in a 1.75% effective incremental tax rate) generated by commercial transactions in Increment District No. 2. Regardless of whether the City raises its sales, use, or hotel-motel tax rates, the incremental tax rate shall remain the same for the purposes of calculating the sales tax increment generated by Increment District No. 2.

SECTION 11. The increment of the sales taxes generated by Increment District No. 2, the City of Del City, 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. 2, the City of Del City, 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. During the period of apportionment, the sales 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 of Del City, or, at the direction of the City, the Del City Economic Development Authority, a public trust, or another public entity designated by the City, and (c) shall not be subject to annual appropriation as a part of the general fund of the City of Del City.

SECTION 12. The following project and Increment District No. 2 authorizations are hereby approved:

(a) The City of Del City is designated as the entity principally responsible for the implementation and administration of the provisions of the Project Plan, in accordance with the provisions, authorizations, and respective delegations of responsibilities contained herein or hereafter authorized pursuant to the Project Plan.

(b) The City Manager, his successor in office or the City Manager's 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 the City Manager's designee is authorized to empower one or more designees to exercise responsibilities in connection with project implementation.

SECTION 13. Pursuant to Section 6C of Article X of the Constitution of the State of Oklahoma and the Local Development Act, the direction of apportionment shall continue beyond the current fiscal year for (a) the duration of Increment District No. 2, or (b) the period required for the payment of project costs and the discharge of indebtedness that may be incurred by the public entities authorized by the Project Plan, whichever is less.

SECTION 14. 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.

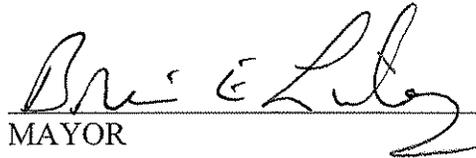
SECTION 15. EMERGENCY. WHEREAS, it being immediately necessary for the preservation of the peace, health, safety, and public good of the City of Del City, and the inhabitants thereof, that the provisions of this ordinance be put into full force and effect, an emergency is hereby

declared to exist, by reason whereof this ordinance shall take effect and be put in full force from and after the date of its passage as provided by law.

INTRODUCED and CONSIDERED in open meeting of the Council of the City of Del City on this 6th day of August, 2012.

PASSED by the Council of the City of Del City this 20th day of August, 2012.

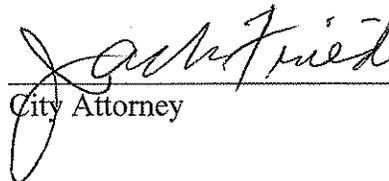
SIGNED by the Mayor of Del City on the 20th day of August, 2012.


MAYOR

ATTEST:


CITY CLERK

Reviewed on this 20 of August, 2012.


City Attorney