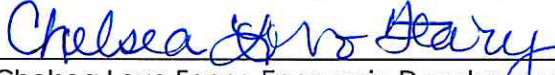


**PUBLIC NOTICE OF THE MEETING OF THE
OWASSO ECONOMIC DEVELOPMENT AUTHORITY**

RECEIVED
JAN 04 2019
City Clerk's Office 

TYPE OF MEETING: Regular
DATE: Thursday, January 10, 2019
TIME: 10:00 a.m.
PLACE: Owasso City Hall, Community Room
200 S. Main
Owasso, Oklahoma

Notice and agenda filed in the office of the City Clerk and posted at City Hall at 5:00 PM on Monday, January 7, 2019.


Chelsea Levo Feary, Economic Development Director

AGENDA

1. **Call to Order**
Dr. Thomas, Chair
2. **Consideration and appropriate action relating to a request for Trustee approval of the Consent Agenda. All matters listed under "Consent" are considered by the Trustees to be routine and will be enacted by one motion. Any Trustee may, however, remove an item from the Consent Agenda by request. A motion to adopt the Consent Agenda is non-debatable.**
 - A. Approve minutes of the December 13, 2018 regular meeting
Attachment
 - B. Approve claims
Attachment
 - C. Accept monthly financial reports
Attachment
3. **Consideration and appropriate action relating to items removed from the Consent Agenda**
4. **Presentation and Discussion related to the Economic Development Incentive Policy Guide**
Ms. Levo Feary
5. **Presentation of the 2018 Economic Development Strategic Plan (EDSP) Annual Report**
Ms. Levo Feary
6. **Report from OEDA Director**
Ms. Levo Feary
Attachment
** Business Development Report*
** Monthly Building Report*
** Public Works Project Status Report*
** Monthly Sales Tax Report*

7. **Report from OEDA Manager**
Mr. Lehr
8. **Report from OEDA Trustees**
9. **New Business (New Business is any item of business which could not have been foreseen at the time of posting of the agenda.)**
10. **Adjournment**

The City of Owasso encourages citizen participation. To request an accommodation due to a disability, contact the City Clerk at least 48 hours prior to the scheduled meeting by phone 918-376-1502 or by email to jstevens@cityofowasso.com

OWASSO ECONOMIC DEVELOPMENT AUTHORITY
MINUTES OF REGULAR MEETING
Thursday, December 13, 2018

The Owasso Economic Development Authority met in regular session on Thursday, December 13, 2018, at City Hall in the Lower Level Conference Room, 200 S Main Street, Owasso, Oklahoma per the Notice of Public Meeting filed December 15, 2017, and the Agenda filed in the office of the City Clerk and posted at City Hall, 200 S Main Street at 5:00 PM on Tuesday, December 11, 2018.

1. Call to Order

Dr. Dirk Thomas, Chair, called the meeting to order at 10:05 am.

PRESENT

Dirk Thomas, Chair
Dee Sokolosky, Vice Chair
Gary Akin, Secretary
Bryan Spriggs, Trustee

ABSENT

Lyndell Dunn, Trustee
David Charney, Trustee
Skip Mefford, Trustee

A quorum was declared present.

2. Consideration and appropriate action relating to a request for Trustee approval of the Consent Agenda. All matters listed under "Consent" are considered by the Trustees to be routine and will be enacted by one motion. Any Trustee may, however, remove an item from the Consent Agenda by request. A motion to adopt the Consent Agenda is non-debatable.

- A. Approve minutes of the October 18, 2018, special meeting
- B. Approve claims
- C. Accept monthly financial reports

Mr. Sokolosky moved to approve the Consent Agenda, seconded by Dr. Spriggs.

YEA: Akin, Sokolosky, Spriggs, Thomas

NAY: None

Abstain: None

Motion carried: 4-0

3. Consideration and appropriate action relating to items removed from the Consent Agenda

None

4. Presentation and Discussion related to Economic Development Incentive Policy & Procedures

Ms. Levo Feary presented a brief overview of the Economic Development Incentive Policy and Procedures. Discussion was held. Ms. Levo Feary advised that an item will be placed on the January 2019 meeting for additional discussion.

5. Report from OEDA Director

Ms. Levo Feary

Attachment

* *Business Development Report*

* *EDSP Report*

* *Monthly Building Report*

* *Public Works Project Status Report*

* *Monthly Sales Tax Report*

Ms. Levo Feary referred to the g reports contained in the agenda packet. Trustees asked questions regarding the Public Works Project Status Report and discussion was held. Linda Jones presented the Monthly Sales Tax Report.

6. Report from OEDA Manager

Mr. Lehr expressed appreciation to the Trustees for their volunteer service on the Authority; announced Ms. Levo Feary received accreditation as a Certified Economic Developer (CEcD), and that the City Council will be considering a waterline relocation project at East 76th Street North and HWY 169.

7. Report from OEDA Trustees

Mr. Sokoloksy commented on the street repair project near the Owasso Post Office.

8. New Business (New Business is any item of business which could not have been foreseen at the time of posting of the agenda.)

None

9. Adjournment

Dr. Spriggs moved, seconded by Dr. Thomas to adjourn the meeting.

YEA: Akin, Sokolosky, Spriggs, Thomas

NAY: None

Abstain: None

Motion carried: 4-0 and the meeting adjourned at 10:50 am.

Juliann M. Stevens, City Clerk



TO: THE HONORABLE CHAIR AND TRUSTEES
OWASSO ECONOMIC DEVELOPMENT AUTHORITY

FROM: CHELSEA LEVO FEARY
ECONOMIC DEVELOPMENT DIRECTOR

SUBJECT: CLAIMS, OEDA

DATE: January 10, 2019

No claims for December 2018.

OEDA
Financial Statement
will be provided
at 1/10/19 meeting



TO: THE HONORABLE CHAIR AND TRUSTEES
OWASSO ECONOMIC DEVELOPMENT AUTHORITY

FROM: CHELSEA LEVO FEARY
ECONOMIC DEVELOPMENT DIRECTOR

SUBJECT: Economic Development Incentive Policy Guide

DATE: January 4, 2019

BACKGROUND:

The City of Owasso adopted and began implementing an Economic Development Strategic Plan (EDSP) in February 2018. One of the strategies in the EDSP is to establish incentive guidelines and policy.

Incentives can be a highly controversial topic for communities, while incentives only serve to “tip the scale” for a business location decision when all factors are equal among competing communities. Strategic communities utilize incentives as tools if it helps the community achieve their economic development goals. The importance of this strategy is to thoughtfully consider how incentives will help Owasso advance efforts towards what the community needs to achieve maximizing returns on investments.

Staff researched incentive policies, guidelines, applications, and case studies from several economic development resources, organizations, and cities across the United States. The Research was reviewed and discussed within an internal staff committee including members from the Economic Development, Community Development, Finance, Public Works, and Managerial Departments. The Policy Guide is a compilation of this work.

RECOMMENDATION:

Staff recommends Trustee review of the Economic Development Incentive Policy Guide. This will be placed on the January 10, 2019 agenda for Trustee discussion.

ATTACHMENTS:

Economic Development Incentive Policy Guide



**ECONOMIC DEVELOPMENT
INCENTIVE
POLICY GUIDE**

DRAFT



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INTRODUCTION

Economic development incentives are inducements – often in the form of financing, but sometimes in the form of services – meant to persuade companies to build new structures, purchase equipment, design new products, enter new markets, and above all, create new jobs in places where they would not have otherwise.

Economic incentives play an important role for localities in developing their position for capital investment and job creation. Economic incentives are components of a government’s toolkit designed to address various business needs in a competitive environment through job creation, job retention, and capital investment.

How Incentives Work:

Incentive programs must be designed to ensure a return on investment for a community and reflect local and regional economic objectives. From a business perspective, a company must assess the value of an incentive by analyzing the potential cost of locating or expanding at a particular site. When incentives include job training, grants, loans, and tax credits, costs in capital and operation are affected. The government’s responsibility is to understand how far businesses will go to take advantage of incentives because the incentive must go to the applicant who maximizes its full potential.

A report published by the Brookings Institute in March 2018 states: “*Cities should target incentives based on core principles of inclusive economic development.*” It states cities can master their productive potential by instilling four principles:

- Grow from within
- Boost trade
- Connect people and skills
- Connect place (Placemaking)

In order to ensure an incentive is a good economic investment and contributes to the productive potential, a thorough assessment, screening process, expected job creation, and program evaluation will be conducted, analyzed, and reviewed.

The role of the public sector is to invest in ventures or projects where the economic and social benefits outweigh the risk of financing. The public sector should not supplant private sector financing.

Why are Incentives Good for Economic Development?

Incentives expand local employment opportunities and provide a competitive edge toward business attraction and expansion in locations that otherwise wouldn’t be competitive. Employment expansion, personal income expansion, community income expansion and business revenues/sales expansions are the benefits from incentives within local economies. Once a new business facility has located and become operational, money will be spent directly on certain items, including:

- Payroll
- Service contracts with local vendors
- Local purchases of supplies and equipment

These expenditures set in motion a series of spending flows that affect many areas of a local economy. In this cycle, employees of local businesses begin to earn salaries and wages that will be spent on local goods and services from other businesses. The ripple effects of the activity are classified in three different areas:

- Direct effects – Initial changes in employment, income, or output that trigger the first round of spending (i.e. the value of a firm’s initial change in payroll or production).
- Indirect effects – Changes in employment, income, or output in subsequent rounds of spending that arise through purchase from local supplier industries (inter-industry purchases).
- Induced effects – When payrolls increase and workers in affected industry sectors spend more on local goods and services (household spending effect).

“But-For” Determination:

The “But-For” Determination is the final test in determining whether to grant incentives to a company that is considering a relocation or expansion outside the community or cannot expand inside the community “but for” the incentive in question. Once determined the possibility is real, the Owasso Economic Development staff must decide whether it is worth the cost of the incentives to retain the firm in the community.

Disclosure Statement:

The City will not consider any incentive unless the applicant submits a full and complete application and provides any additional information as requested by the City. The accuracy of the information provided in the application shall be verifiable by the City or its designees, which may include third-party consultants or entities with expertise in the field of economic development. Any information provided by the applicant in the course of the application process will be considered confidential and undisclosable to the public upon completion of a non-disclosure agreement. Any applicant who provides incorrect or incomplete information, or allows their representative to do so, either in the economic incentive agreement application process or the annual compliance review of such an agreement, may cause the application to be declared null and void and shall be required to immediately repay the entire amount of the economic incentive agreement to the City of Owasso upon discovery of the false information.

CURRENTLY AVAILABLE GRANTS AND INCENTIVES

Federal Incentives:

The federal government provides a number of significant sources for financing economic development activities. Sources of financing include:

- The Small Business Administration (SBA) www.sba.gov
- The Economic Development Administration (EDA) www.eda.gov
- The United States Department of Housing and Urban Development (HUD) www.hud.gov
- The United States Department of Agriculture (USDA) www.usda.gov
- The Export-Import Bank of the United States www.exim.gov
- Various other United States government agencies

Opportunity Zone – Federal Opportunity Zones are a new community development program intended to spur investment in impoverished and economically distressed areas. This is a federal incentive that benefits local and state investors. By investing in an Opportunity Zone, through a qualifying Opportunity Fund, investors can defer and/or reduce their federal capital gains tax liability. If an investor's capital is left in a qualifying fund for 5 years, the investor will defer their federal capital gains taxes. In the fifth year they investor can reduce their capital gains tax. There is an additional reduction in year 7. If they leave the money in the fund for 10 years, then any appreciation in the asset from the time they invest through 10 years is not subject to any additional capital gains tax. This deferral and/or reduction on federal capital gains taxes will improve return on investment and also direct capital to areas that need investment. See Appendix B for a map of the existing Opportunity Zone in Owasso.

State Incentives: (See Appendix A for a full list of all incentives offered by the State of Oklahoma)

Enterprise Zone – Enterprise Zones are designated by the Oklahoma Department of Commerce and identified on a list of eligible counties, cities, and census tracts. Enterprise Zones can be designated in disadvantaged counties, cities, or portions of cities. Businesses located in an Enterprise Zone are eligible to receive double the Investment/New Jobs Tax Credit. Additionally, companies obtaining ad valorem exemptions from local taxing entities could be exempted for up to 6 years, rather than 5. See Appendix C for a map of the existing Enterprise Zone in Owasso.

Local Incentives:

Technical Assistance – This is an alternative incentive offering counseling and networking guidance that addresses the specific needs of businesses. It includes, but is not limited to, aid with preparing business plans, navigating the extensive lists of available grant and incentive programs, grant applications, training staff, applying for loans, market research, connectivity, marketing the product, site selection, and workforce development assistance. It may also include assisting a small business to improve the design of its product or manufacturing process. Technical assistance is generally aimed at providing specific services that small businesses typically cannot afford. This is a means of providing customized business assistance or research separate from purely financial incentives.

Tax Increment Financing District (TIF) – The Owasso Redbud District Project Plan is a project plan as defined under the Oklahoma Local Development Act. The project is being undertaken by the City of Owasso, Oklahoma to develop the area surrounding Main Street, known as the Redbud District, achieve the City's development objectives, improve the quality of life for its citizens, stimulate private investment, and enhance the tax base. At the heart of this project is the creation of the Redbud District as a special and unique place within Owasso, a place to live, work, shop, and play. Beginning with the Downtown Master Plan in 2001, the City has prioritized the revival of its Main Street and surrounding area. Since that time, through several planning

documents, including approval of the Downtown Overlay District promoting smart development in the area, and robust branding, the Redbud District is ripe for its transformation. The City, through this Project Plan, is continuing its effort to revive its downtown and make the Redbud District a destination area for residents and visitors. The effort to create such a place requires public assistance to stimulate private development. An increment district provides funding for public sector costs to stimulate private development and provide improvements to and beautification of the area to create the dense, high-quality development that the City contemplates. The project will be financed from a combination of public and private sources, including apportionment of ad valorem and sales tax increments from Increment District No. 1, City of Owasso.

Workforce Development/Training:

Workforce development is the range of activities, policies, and programs used to “create, sustain, and retain a viable workforce” that can support current and future business and industry across a state, region, or municipality. This may include education and training, job matching, and employer engagement. It also involves the coordination of public- and private-sector efforts, providing individuals with career opportunities and supporting business and industry workforce needs.

Tribes:

Owasso is located in the Cherokee Nation. The Cherokee Nation is a valuable partner in economic development. The Cherokee Nation Small Business Assistance Center (SBAC) supports Indian-owned businesses by providing access to capital for new business start-ups and business expansion projects. The Cherokee Nation Economic Development Authority lends to businesses and individuals located within the contiguous 14 counties of the Cherokee Nation.

For more information and assistance with any of the sources listed above, please contact the Owasso Economic Development at (918) 376-1500 or info@chooseowasso.com.

STANDARD OPERATING PROCEDURES – SMALL BUSINESS PROJECTS

A Small Business Project involves a business that has less than 50 employees. A business is determined by the City to be a small Business Project at a Pre-Application Meeting held with the Economic Development Department Staff. These types of businesses are typically not eligible for a monetary economic incentive from the City, but the City has several other services, including Technical Assistance, that it can offer to Small Businesses. These services can include assistance with creating a business plan, help finding loans, acting as a loan guarantee, financing help, and Small Business Association (SBA) program assistance.

DRAFT

STANDARD OPERATING PROCEDURES – NEW RETAIL PROJECTS

A Pre-Application Meeting will be held with the Economic Development Director to determine if a project qualifies as a New Retail Project. A New Retail Project is a development that contains a retailer or group of retailers who will offer a product and/or good (subject to sales tax) that is unique to the market and which is not otherwise available for purchase at a retail business physically located in the City. A New Retailer is expected to attract new sales dollars or retain sales tax dollars that may otherwise go to nearby city or metropolitan area. Each New Retailer must have a minimum of \$5 million in annual sales (subject to sales tax).

Application Submittal:

In addition to a non-refundable application fee of \$200.00, all New Retail Project applicants shall provide a Trade Area Analysis that includes the following:

- Zip Code Analysis
- Market Analysis
- Feasibility Study
- Traffic Study
- Any other relevant information that will allow the City to make an informed decision

Tier 1 Review – Staff Review and Recommendation:

All New Retail Projects shall be evaluated using a Retail Impact Analysis, a Credit Analysis, and a City Fiscal Impact Analysis, all to be conducted by City staff. A City Fiscal Impact Analysis considers the following issues regarding the project in order to prove that the public benefits to the City will be positive within a projected time frame:

- Cost of the incentive (including labor costs of City staff).
- Cost of City services such as Police and Fire.
- Wear and Tear on City streets and roads.
- Increased burden on water, sewer, and storm systems.
- Estimated "Transfer losses" from existing merchants.

New Retail Projects are also evaluated using the Trade Area Analysis provided by the applicant. The expected capital investment and additional sales tax accumulation will also be taken into consideration. Once the application has been evaluated and staff has conducted all aforementioned analyses, staff will establish a recommendation that will be given to the Owasso Economic Development Authority and the City Council, along with all application and analysis materials, for their review and recommendation or final action.

Tier 2 Review – OEDA Review and Recommendation:

All application materials and analyses conducted by City staff, as well as the recommendation of City staff, are presented to the Owasso Economic Development Authority (OEDA) for their review, discussion, and recommendation.

Tier 3 Review – City Council Review and Final Action:

All application materials, analyses conducted by City staff, City staff recommendation, as well as the recommendation of the OEDA, are presented to the City Council for their review, discussion, and final action.

Tier 4 Review – Annual Review for Compliance:

On an annual basis, a Fiscal Impact Analysis will be conducted by City staff for recording and tracking purposes.

DRAFT

STANDARD OPERATING PROCEDURES – PRIMARY BUSINESS PROJECTS

A Pre-Application Meeting will be held with the Economic Development Director to determine if a project qualifies as a Primary Business Project. A Primary Business Project is an economic project that increases employment in an industry thereby increasing the dollars circulating in the local economy, which increases the demand for the products and services provided by retail and service industries. Owasso's Target Industry Clusters are metal manufacturing, aircraft parts, destination and/or research and development (R&D) medical, office/headquarters, and information technology. The Target Industries are not intended to exclude other primary business projects. The City of Owasso will assess all primary business project applicants to determine whether the projects will generate the desired jobs and economic impact for the community.

Application Submittal:

In addition to a non-refundable application fee of \$200.00, all Primary Business Project applicants shall submit a written Application Statement that includes the following information (at a minimum):

1. A comprehensive description of the applicant listing of all officers, directors, members, and key personnel that control 20% or more of the shares or other controlling interest.
2. A comprehensive description of the products and services of the applicant and/or project.
3. A Business Plan with comprehensive financial projections for not less than three successive years.
4. Three years of corporate tax returns and financial statements.
5. A detailed and well-articulated request of desired incentives including the amount requested and duration.
6. A statement describing all direct and indirect benefits to the City for providing incentives which shall include, but not be limited to:
 - Estimated taxes paid (all)
 - Purchases from local vendors
 - Utilizing local contractors
 - Hiring from the City workforce
 - Congruity with the goals of this Policy
 - Skills and technology advancement
 - Expanded infrastructure capacity
7. If applicable, precise location of the site to be developed accompanied by legal description, Assessor's parcel number, and a preliminary title report with all easements plotted.
8. If applicable, a copy of the Grant Deed or similar document showing ownership vested in the applicant or business requesting assistance.
9. If leased, a copy of the fully-executed lease along with any specific rules, use, or occupancy restrictions.
10. If applicable, a preliminary Site Plan in sufficient detail to evaluate appropriateness with City land use standards and zoning.
11. If applicable, conceptual Building Plans with elevations (front, side, and rear).

12. For speculative industrial development projects, a preliminary Master Plan in sufficient detail to conduct an Economic Impact Analysis (EIA) and determine marketability, absorption period, and viability of proposed financing structure.
13. Infrastructure needs/requirement estimate or value of improvements to be made by project that represent excess capacity that will support future development.
14. Total project costs.
15. Must include all on-site and off-site plus soft costs including architectural and engineering fees (A&E), machinery and equipment, land cost (or annual lease expense), and any other costs that will support a thorough EIA.
16. Construction schedule, and if phased, a phasing plan.
17. Estimated annual revenues.
18. If applicable, current assessed valuation of the property and any improvements.
19. Estimated post-development value of the property, equipment, and all other improvements (Cap Rate).
20. Estimated annual sales, composition (taxable vs. non-taxable) and whether goods and services primarily serve local or out-of-city/state consumers and businesses.
21. Estimated number of jobs created or retained by development, average wage per job, specific job classifications and minimum qualifications.
22. Listing of incentives provided by other agencies, or jurisdictions, regardless of whether they are tax or financial and whether they are committed and any security instruments or covenants that could impact the City's incentive evaluation.
23. Information required for an Economic Impact Analysis, a Credit Analysis, and a City Fiscal Impact Analysis.
24. Any other information deemed necessary by the City to substantiate the incentive request.

Tier 1 Review – Staff Review and Recommendation:

All Primary Business Project applications will be evaluated by City staff using a Point System Evaluation (shown below), a review of the Application Statement, and a City Fiscal Impact Analysis. A City Fiscal Impact Analysis considers the following issues regarding the project in order to prove that the public benefits to the City will be positive within a projected time frame:

- Cost of the incentive (including labor costs of City staff).
- Cost of City services such as Police and Fire.
- Wear and Tear on City streets and roads.
- Increased burden on water, sewer, and storm systems.
- Estimated "Transfer losses" from existing merchants.

Each applicant/project will be assigned a point score in each of the aforementioned Point System and a composite numerical score will be determined. That numerical score will be used in the evaluation to establish the amount and terms of the potential incentive award.

Once the Point System Evaluation and the City Fiscal Impact Analysis are complete, City staff will establish a recommendation that will be given to the Owasso Economic Development Authority and the City Council, along with all application and analysis materials, for their review and recommendation or final action.

CAPITAL INVESTMENT	POINTS
<\$999,999	5
\$1,000,000-\$4,999,999	10
\$5,000,000-\$9,999,999	20
\$10,000,000-\$14,999,999	30
\$15,000,000-\$19,999,999	40
>\$20,000,000	50

WAGE LEVEL OF NEW JOBS	POINTS
Less than MSA Average	0
Greater than MSA, < State Average	30
Above State Average	50

NUMBER OF NEW JOBS	POINTS
5-10	5
11-49	15
50-149	20
150-199	30
200-249	40
>250	50

POLICY PRIORITIES	POINTS
New Business	20
Expand Existing Businesses	30
Target Industry	50

Tier 2 Review – OEDA Review and Recommendation:

All application materials and analyses conducted by City staff, as well as the recommendation of City staff, are presented to the Owasso Economic Development Authority (OEDA) for their review, discussion, and recommendation.

Tier 3 Review – City Council Review and Final Action:

All application materials, analyses conducted by City staff, City staff recommendation, as well as the recommendation of the OEDA, are presented to the City Council for their review, discussion, and final action.

Tier 4 Review – Annual Review for Compliance:

On an annual basis, a Fiscal Impact Analysis will be conducted by City staff for recording and tracking purposes.

APPENDIX A

MAJOR FINANCIAL AND PROPERTY TAX INCENTIVES (Cash Payment Rebates)
The Oklahoma Quality Jobs Program
The 21st Century Quality Jobs Program
Oklahoma Quality Events Program
ECONOMIC DEVELOPMENT AND INFRASTRUCTURE FUNDING
Oklahoma Quick Action Closing Fund
Oklahoma Community Economic Development Pooled Finance
State Small Business Credit Initiative
TAX EXEMPTIONS AND CREDITS
Ad Valorem Exemption
Ad Valorem Exemption for Warehouse and Distribution Facilities
Exempt Inventory
Intangible Property
Aircraft Manufacturers Exemption License
Local Incentive
The Investment/New Jobs Income Tax Credit
Quality Jobs + Investment Tax Credits
Aerospace Industry Engineer Workforce Tax Credit
Federal Tax Incentives on Former Indian Reservation Lands
Alternative Energy Sources Tax Credits
Insurance Premium Tax Credit
Clean Burning Fuel Vehicle Credit
Clean Burning Fuel Vehicle Infrastructure Credit
Ethanol Fuel Retailer Tax Credit
INCOME TAX CREDITS AND EXEPTIONS FOR INVESTORS
Technology Transfer Income Tax Exemption
Income Tax Exemption for Interest Paid on Bonds Issued by or on Behalf of Public Agencies
Historic Rehabilitation Tax Credit
INCOME TAX CREDITS AND EXEMPTIONS FOR ENTREPRENEURS
Incubator Site Tenant Tax Exemption
The Work Opportunity Tax Credit Program (WOTC)
SALES TAX EXEMPTIONS AND REFUNDS
Manufacturers
Computer Services and Data Processing
Sales at Aircraft Maintenance Facilities
Aircraft Repairs and Modifications
Aircraft Maintenance or Manufacturing Facility
Excise Tax on Aircraft Sales
Telecommunications
Spaceport
Sales Tax Refunds
Computer Services/Data Processing/Telecommunications Equipment
Construction Materials
TRANSPORTATION AND DISTRIBUTION BENEFITS
Industrial Access Roads
Truck Registration Benefits
Benefits Under IFTA/IRP
Foreign Trade Zones

MAJOR FINANCE ASSISTANCE PROGRAMS
Oklahoma Finance Authorities
Public Trust Financing: Industrial Revenue Bonds
General Obligation Limited Tax Bonds (GOLTBs)
Tax Increment Financing (TIF)
The Oklahoma Local Development and Enterprise Zone Incentive Leverage Act
Sales Tax Financing
Private Activity Bond Allocation
Small Business Linked Deposit Program
Small Business Loan Guarantees
TECHNOLOGY FINANCE ASSISTANCE
Technology Partnerships
I2E - Innovation to Enterprise
Basic and Applied Research and Technology Programs
OCAST Commercialization Programs
INVESTMENT PROGRAMS
Oklahoma Capital Investment Board
Quality Jobs Investment Program
Infrastructure Finance Community Development Block Grants (CDBG)
WORKFORCE ASSISTANCE
Advanced Degree Programs
Job Matching and Job Search Assistance
Workforce Innovation and Opportunity Act (WIOA)
Governor's Council for Workforce and Economic Development
Job Matching and Job Search Assistance
Workers' Compensation Insurance
EMPLOYEE TRAINING OPPORTUNITIES
Training for Industry Program (TIP)
Customized Industry Training Program
Industrial Safety Training Program
BUSINESS FILING FEES
Domestic Corporations
Foreign Corporations
Domestic Limited Liability Companies (LLCs)
Foreign Limited Liability Companies
Domestic Limited Partnerships (LPs)
Foreign Limited Partnerships
Limited Liability Partnerships (LLPs)
Business Licenses
OVERVIEW OF OKLAHOMA TAX SYSTEM
Franchise Tax
Personal Income Tax
Corporate Income Tax
General Property (Ad Valorem) Tax
Unemployment Compensation Tax
Oklahoma Business Activity Tax
Workers' Compensation Assessment
Retail Sales and Use Tax
Corporate State Income Tax
OVERVIEW OF INCENTIVES
Incentive Overview Chart
Business Incentive Analysis Examples
Enterprise Zones

**Economic Development Strategic Plan
(EDSP)**

**2018 Annual Report
will be presented
at 1/10/19 meeting**



TO: HONORABLE CHAIR & TRUSTEES
OWASSO ECONOMIC DEVELOPMENT AUTHORITY

FROM: CHELSEA LEVO FEARY, CEcD
DIRECTOR OF ECONOMIC DEVELOPMENT

SUBJECT: DIRECTOR'S REPORT

DATE: January 10, 2019

NEW BUSINESS DEVELOPMENT

- Glover Jeep – 10500 block of E US-169 Service Road
 - Specific Use Permit (SUP) request reviewed by TAC on 12/19
- Slim Chickens – 8712 N Garnett Road, Ator Center II
 - Site plan request reviewed by TAC on 12/19
- Boxpark on Main – 4th S Main St
 - Site plan request reviewed by TAC on 12/19
- Trinity Church – NW corner of E 76th St N and N Memorial Dr
 - Annexation request reviewed by TAC on 11/21
 - **Council adopted Ordinance 1143 approving annexation on 12/18**
- Johnson Farms – E 100th St N and N 129th E Ave
 - PUD reviewed by TAC on 11/21
 - **Council adopted Ordinance 1142 approving PUD on 12/18**
- Robinson Property – NE corner of HWY 169 and E 106th St N
 - Rezoning request and a lot split reviewed by TAC on 11/21
 - **Council adopted Ordinance 1141 adopting rezoning on 12/18**
- S&B Burgers – 9541 N Owasso Expressway, Tyann Plaza IV
 - Site plan reviewed by TAC on 11/21
- Casey's General Store – SW corner of E 86th St N and N 145th E Ave
 - Site plan reviewed by TAC on 10/17
- Arvest Bank – 13716 E 106th St N
 - Final plat reviewed by TAC on 10/17
 - **Council approved Final Plat on 12/18**
- Black Bear Diner – 9039 N 121st E Ave
 - Former Applebee's location
 - Under remodel construction
- A New Leaf Community – SE corner of E 86th St N and N Memorial Dr
 - Agriculture and vocational training with housing designed to maximize the independence of individuals with developmental disabilities.
 - Council approved annexation of property
 - Council approved PUD
- City of Owasso Police Station – 111 N Main St
 - Site Plan approved by Council
 - Under construction
- Home2Suites – 8700 N Garnett Rd
 - Under construction
- Owasso Holiday Inn Express – Tyann Plaza VII, Block 1, Lot 1
 - 48,803 sf building
 - Under construction

- Owasso Public Safety Operations and Training Complex – 11933 E 116th Street N
 - Council awarded a bid for construction to Timberlake Construction, Inc.
 - A groundbreaking ceremony was held on Friday, September 29
 - Site under construction
- Western Sun Federal Credit Union, 14010 E 116th St N
 - **Open for business**
- Morrow Elementary School – E 123rd St N and N 132nd E Ave
 - Final plat was reviewed by TAC in February
 - Final Plat approved.
 - Plans under review
- Kum & Go – 13704 E 106th St N
 - Under construction
- Owasso High School West Campus Addition – 8800 N 129th E Ave
 - Construction of a 31,310 sf building addition
 - Site plan reviewed by TAC
- Braum's – Garrett Creek Center – 11432 E 135 E Ave
 - Construction of a 6,062 sf building on a 1.52 acre lot
 - Site plan reviewed by TAC

REDBUD DISTRICT DEVELOPMENT

- **Fishbonz – 106 S. Atlanta**
 - **Plans to renovate and rebrand to The District Bar & Grill**
- Mowery Development – SW Corner of N Main St & W 1st Ave
 - Mixed use development to include restaurant, retail, office space on ground level with loft apartments on second floor level
 - Site under Construction
 - TIF Contract approved by Council/OPWA on Tuesday, September 19, 2017
- Seven6Main – SE Corner of Main St & E 76th St N
 - Announcement was made on June 6 announcing plans for a mixed-use development anchored by Smoke restaurant.
 - TIF Contract approved by Council/OPWA on Tuesday, October 17
 - Groundbreaking Ceremony held on Tuesday, November 28 at 12:00 PM on site
 - MAD Eats restaurant was announced as second restaurant in 76Main. Chef/Owner Erik Reynolds of SMOKE Woodfire Grill is bringing a second concept to the Seven6Main mixed-use development in the Redbud District.
 - SMOKE is open for business
 - Drip is open for business
 - **MAD Eats will open in January**
 - **Hillis Hollow will open in January**
- Redbud Park
 - Under construction
- 2nd & Birch
 - Property purchased and existing structure demolished

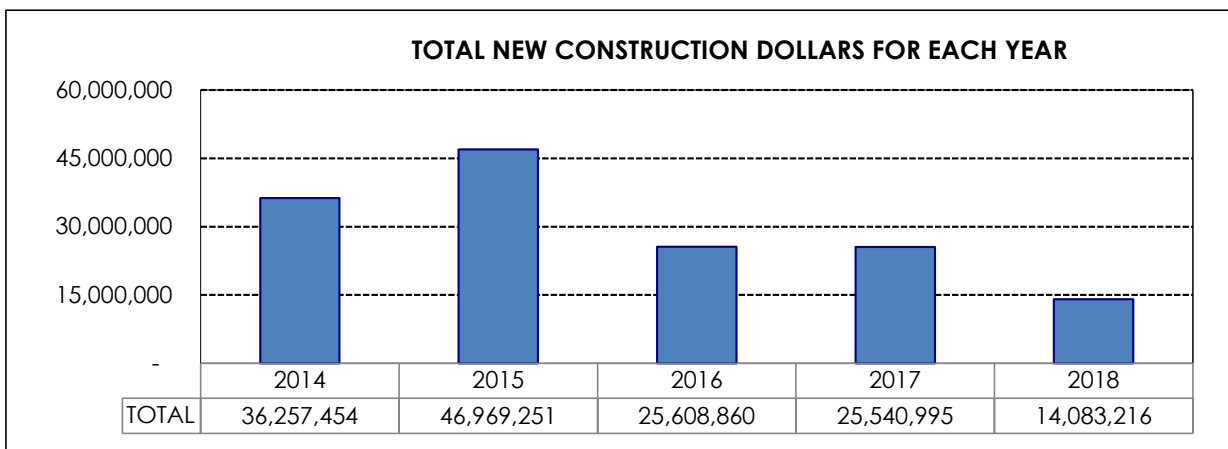
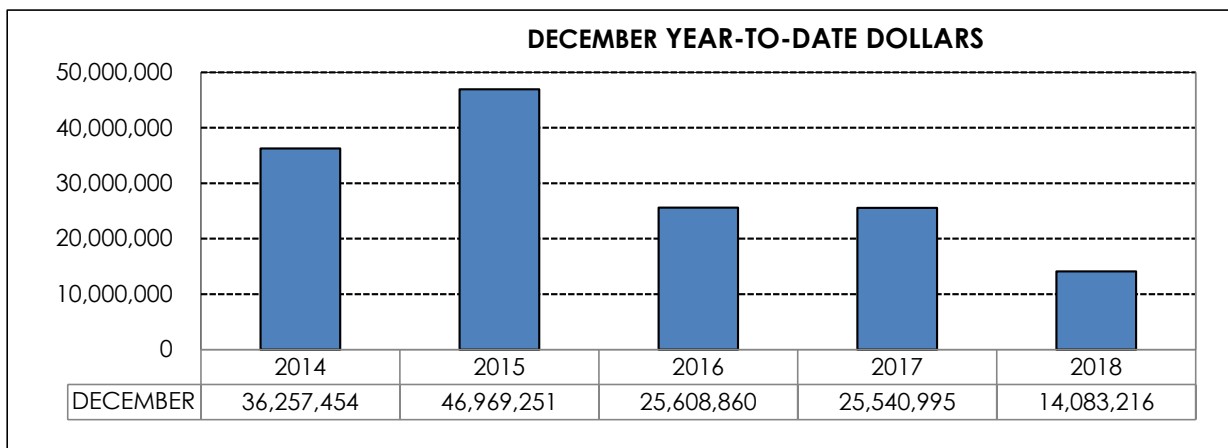
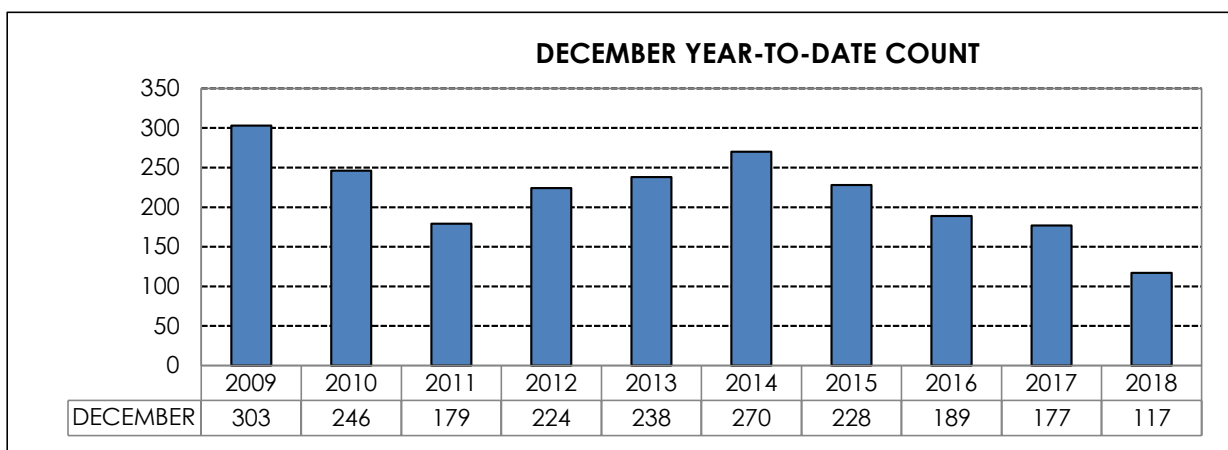
BUSINESS RETENTION & EXPANSION (BR&E)

- Attic Storage – 11500 E 80th St N
 - Expansion site plan reviewed by TAC on 11/21
- Baptist Village – Owasso Memory Care – 7410 N 128th E Ave
 - Under construction
- Mingo Aerospace – 8141 N 116th E Ave
 - Expansion project
 - Site Plan under review

RESIDENTIAL SINGLE FAMILY NEW CONSTRUCTION MONTH END REPORT DECEMBER 2018

Month	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
1 January	15	17	18	19	15	22	12	15	9	8
2 February	23	29	17	15	26	21	19	26	15	8
3 March	30	46	14	27	27	31	23	18	55	19
4 April	36	31	19	26	26	36	27	23	20	17
5 May	27	30	20	23	19	17	15	9	11	20
6 June	34	23	19	24	19	12	11	31	5	7
7 July	28	17	20	15	27	23	20	16	9	14
8 August	28	19	12	15	18	19	33	15	12	6
9 September	20	11	12	12	28	15	13	15	6	2
10 October	36	13	10	21	15	19	23	12	7	3
11 November	13	1	8	11	7	21	25	6	19	7
12 December	13	9	10	16	11	34	7	3	9	6
Totals	303	246	179	224	238	270	228	189	177	117

YTD	303	246	179	224	238	270	228	189	177	117
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**CITY OF OWASSO
RESIDENTIAL LOT INVENTORY STATUS
December 31, 2018**

<u>SUBDIVISION</u>	<u># OF LOTS</u>	<u># DEVELOPED</u>	<u># AVAILABLE</u>
Abbott Farms I (12/16)	65	60	5
Camelot Estates (4/07)	139	137	2
Carrington Pointe I (1/11)	171	170	1
Carrington Pointe II (11/16)	93	55	38
Estates at Morrow Place (9/17)	98	0	98
Hawthorne at Stone Canyon	56	0	56
Keys Landing II (1/17)	98	0	98
Miscellaneous Lots	9	2	7
Morrow Place (9/17)	89	64	25
Nottingham Hill (6/09)	58	20	38
TOTALS	876	508	368

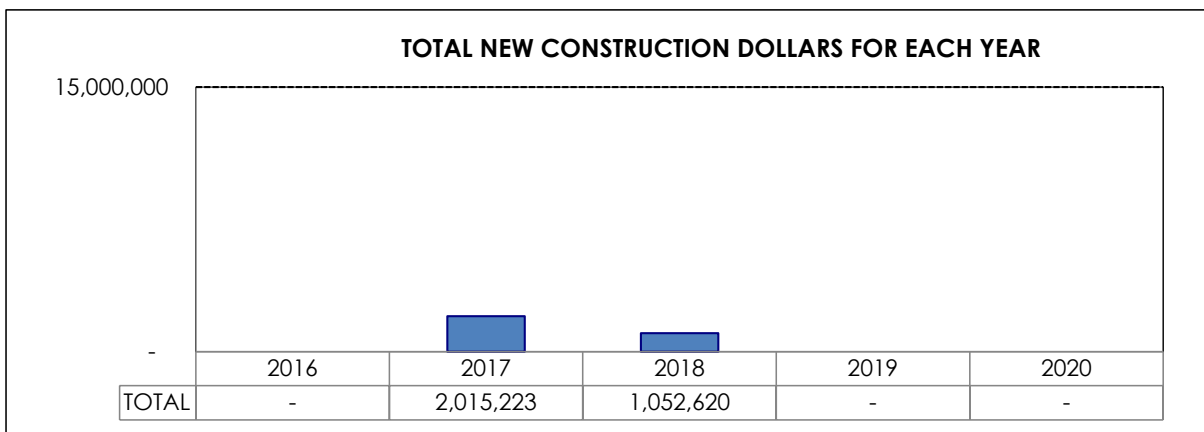
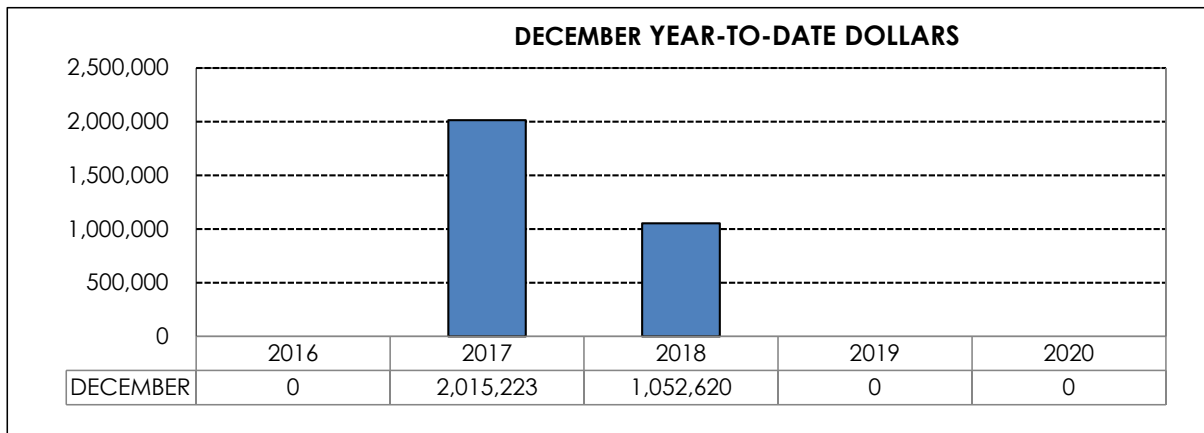
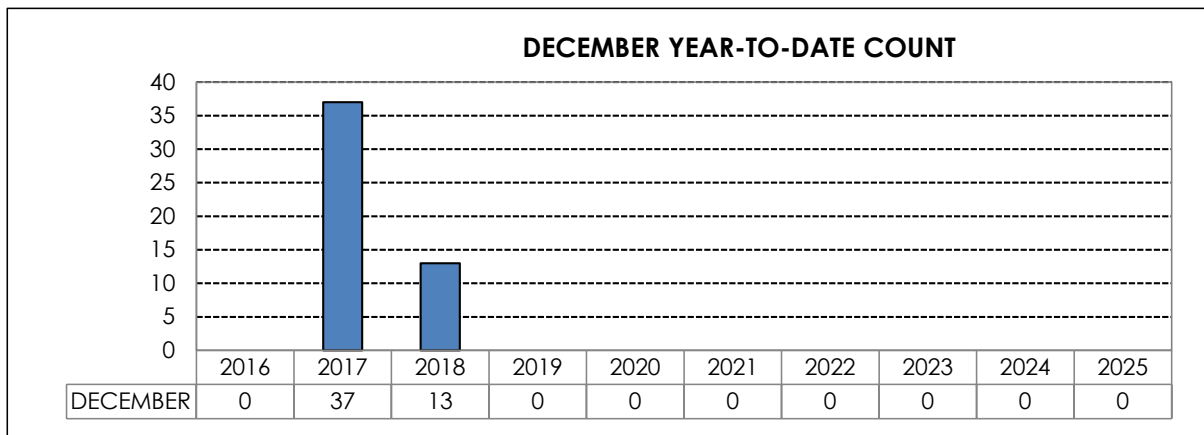
RESIDENTIAL MULTI-FAMILY NEW CONSTRUCTION MONTH END REPORT DECEMBER 2018

(Initial recording began May 2016)

Month	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
1 January		4	0							
2 February		6	0							
3 March		*13	0							
4 April		0	4							
5 May	0	0	0							
6 June	0	0	0							
7 July	0	0	0							
8 August	0	0	0							
9 September	0	4	9							
10 October	0	0	0							
11 November	0	0	0							
12 December	0	*10	0							
Totals	0	37	13	0	0	0	0	0	0	0

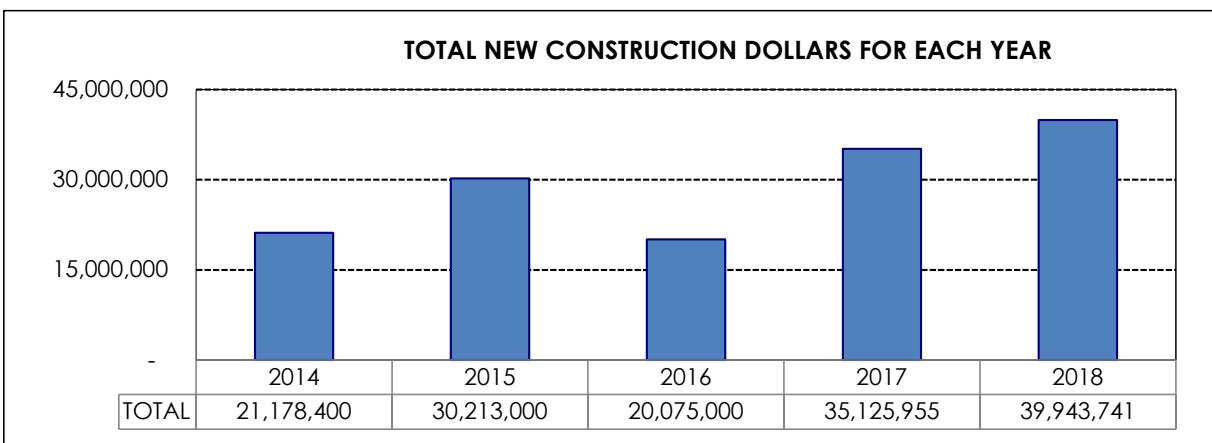
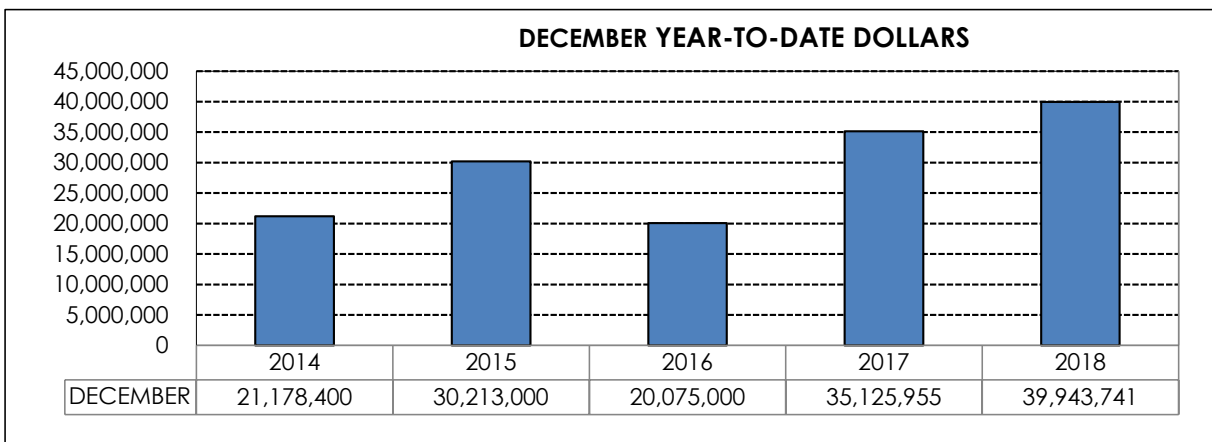
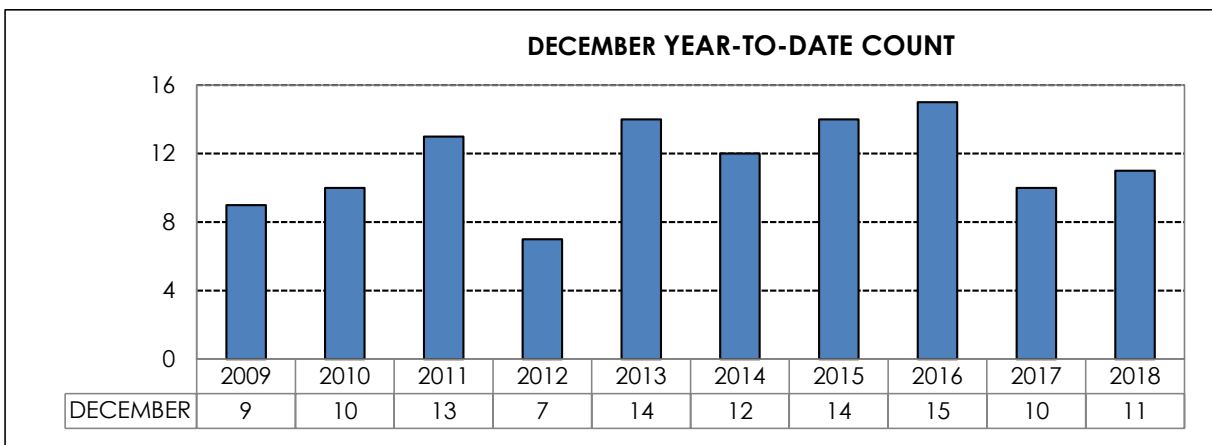
YTD **0** **37** **13** **0** **0** **0** **0** **0** **0** **0**

*Units part of mixed use projects. Construction dollars counted towards new commercial.



COMMERCIAL NEW CONSTRUCTION MONTH END REPORT DECEMBER 2018

Month	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
1 January	1	1	3	1	1	1	1	2	2	0
2 February	0	1	3	1	1	0	2	1	0	0
3 March	1	3	0	0	0	1	2	0	2	3
4 April	1	1	1	0	4	0	2	0	0	0
5 May	2	1	2	1	0	0	0	0	1	2
6 June	2	0	0	2	1	2	3	2	0	1
7 July	0	0	0	0	1	0	0	2	0	2
8 August	0	0	2	2	0	0	0	2	2	1
9 September	0	0	0	0	0	3	2	3	1	1
10 October	0	0	1	0	4	0	1	2	0	0
11 November	2	2	1	0	1	3	1	1	2	1
12 December	0	1	0	0	1	2	0	0	0	0
Totals	9	10	13	7	14	12	14	15	10	11
YTD	9	10	13	7	14	12	14	15	10	11



Certificate of Occupancy Monthly List

NAME	ADDRESS	DATE	COMPLETE
DECEMBER 2018			
Spectrum Paint	11560 N 135 E Ave#109	12/12/2018	Yes
Mari MED	9200 N Garnett Rd	12/18/2018	Yes
Kum & Go	13704 E 106 St N	12/18/2018	Yes
NOVEMBER 2018			
Smoke	201 S Main St #100	11/12/2018	Yes
The Drip Beverage Lab	201 S Main St #150	11/14/2018	Yes
The Greenery	7800 N Owasso Exp #A	11/15/2018	Yes
Seven6Main Building	201 S Main St	11/30/2018	Yes
OCTOBER 2018			
Western Sun	14010 E 116 St N	10/10/2018	Yes
Le Petit	13720 E 86 St N #120	10/15/2018	Yes
Waffle House (remodel)	503 E 2 Ave	10/16/2018	Yes
Owasso Learning Center	11510 E 83 St N	10/31/2018	Yes
SEPTEMBER 2018			
SolidaritUS	14601 E 88 PI N	9/10/218	Yes
Garrett Creek Wine & Spirits	11560 N 135 E Ave #103	9/19/2018	Yes
Ding Tea	12500 E 86 St N #108	9/13/2018	Yes
AUGUST 2018			
St. Francis Physical Therapy	11560 N 135 E Ave #101-C	8/10/2018	Yes
Pie Five	9700 N Garnett Rd #A	8/10/2018	Yes
Golden Biscuit	10350 E 86 St N	8/15/2018	Yes
First Baptist Mission Owasso	11341 N Garnett Rd	8/15/2018	Yes
Aldi (remodel)	9395 N Owasso Exp	8/17/2018	Yes
JULY 2018			
Party City	9002 N 121 E Ave #600	7/18/2018	Yes
Dollar General (remodel)	505 E 2 Ave	7/17/2018	Yes
JUNE 2018			
MAY 2018			
Lee Nails Spa	9100 N Garnett Rd #H	5/31/2018	Yes
Ulta Beauty	9018 N 121 E Ave #500	5/16/2018	Yes
APRIL 2018			
Dazzling Nail Bar	9455 N Owasso Exp #F	4/11/2018	Yes
Casey's General Store	9699 E 86 St N	4/12/2018	Yes
NoLimits Church	403 W 2nd Ave #108	4/12/2018	Yes
TipToe Nail Salon	8751 N 117 E Ave #K	4/17/2018	Yes
Owasso Public School~Athletic Center	12901 E 86 St N	4/23/2018	Yes
MARCH 2018			
McDonald's (remodel)	11604 N 135 E Ave	3/2/2018	Yes
Encompass Home Health	403 W 2 Ave #100	3/21/2018	Yes
Allergy Clinic of Tulsa-Owasso	8510 N 123 E Ave	3/30/2018	Yes
FEBRUARY 2018			
1:11 Supplements	11230 N Garnett Rd #C	2/7/2018	Yes
LePetit Salon	13720 E 86 St N #110	2/7/2018	Yes
Plush Nail & Spa	8525 N 129 E Ave	2/23/2018	Yes
JANUARY 2018			
Owasso Family Animal Medicine	10302 N Owasso Exp.	1/26/2018	Yes
Cali Culture	7703 N Owasso Exp	1/31/2018	Yes

PERMITS APPLIED FOR IN DECEMBER 2018

ADDRESS	BUILDER	ADD/ZONE	VALUE	A.S.F.	PERMIT#
12214 N 130 E Ave	Simmons Homes	MP/RS3	\$ 122,540	2,228	18-1201-X
12211 N 131 E Ave	Capital Homes	MP/RS3	\$ 158,895	2,889	18-1202-X
106 S Atlanta St	Encino 3D Signs	OT/CH	\$ 4,000	173	18-1203-S
8263 N Owasso Exp	A-Max Signs	3LIP/IL	\$ 4,500	29	18-1204-S
13005 E 123 PI N	Simmons Homes	MP/RS3	\$ 133,265	2,423	18-1205-X
12216 N 130 E Ave	Simmons Homes	MP/RS3	\$ 111,760	2,032	18-1206-X
12306 N 131 E Ave	Capital Homes	MP/RS3	\$ 111,265	2,023	18-1207-X
12218 N 131 E Ave	Capital Homes	MP/RS3	\$ 162,030	2,946	18-1208-X

6 Single Family	\$ 799,755	14,541 SqFt
2 Signs	\$ 8,500	202 SqFt
8 Total Building Permits	\$ 808,255	14,743 SqFt

NEW HOME PERMITS APPLIED FOR WITHIN OWASSO FENCELINE - DECEMBER 2018

ADDRESS	COUNTY	BUILDER	TYPE	VALUE
12207 E 110 St N	Tulsa	Epic Custom Homes	New Home	\$525,000.00
8204 N 149 E Ave	Rogers	Old School Construction	New Home	\$233,000.00
11370 N 166 E Ave	Rogers	Simmons Homes	New Home	\$146,100.00
11334 N 163 E Ave	Rogers	Simmons Homes	New Home	\$132,420.00
17764 E 108 St N	Rogers	Hayes Custom Homes	New Home	\$125,000.00
15504 E 82 St N	Rogers	1st Choice Builders	New Home	\$300,000.00
19432 E Slate Dr	Rogers	Executive Homes	New Home	\$200,000.00

7 Single Family		\$1,661,520.00
0 Multi Family		
7 Total		\$1,661,520.00

City of Owasso Public Work Department
STATUS REPORT
January 4, 2019

- **E 76 St N Widening (from U.S. Hwy169 to N 129 E Avenue)**
 - Engineering design is approximately 95% complete.
 - Right of way acquisition is complete.
 - **Private utility relocation continues. AT&T is currently splicing their new cables; AEP/PSO has installed the new mainline poles and is currently installing the electrical cable; Cox will commence once AEP/PSO is complete with their relocation; and ONG is expected to commence with relocation in February 2019.**
 - **Private utility relocation is expected to be complete in June 2019; followed by roadway construction in the fall of 2019.**
- **Garnett Road Widening (from E 96 St N to E 106 St N)**
 - Engineering design is approximately 99% complete.
 - Right of way acquisition and utility relocation is complete.
 - **Per ODOT, bid advertisement for roadway improvements will occur in February 2019 with bid opening in March 2019; followed by construction.**
- **Garnett Road Widening (E 106 St N to E 116 St N)**
 - Engineering design is 95% complete.
 - Right of way and easement acquisition began in January 2017. Of the 32 parcels, 29 have been obtained and staff continues negotiations with the remaining property owners.
 - Upon the acquisition of Right of Way and necessary easements, utility relocation will begin; followed by roadway construction.
- **E 106 St N and N 145 E Avenue Intersection Improvements**
 - Engineering design is 95% complete.
 - **Private utility relocation continues. AT&T is splicing cables; AEP/PSO is setting new poles; VVEC is getting supplies together and ONG are scheduled to commence in the spring of 2019.**
 - **Private utility relocation is expected to be complete by May 2019; followed by roadway construction.**
- **E 116 St N & N 129 E Ave Intersection Improvements**
 - Engineering design is 95% complete.
 - Per Tulsa County, the right of way and easement acquisition is complete.
 - **Private utility relocation is expected to commence in January 2019 with completion by July 2019; followed by roadway construction.**
- **FY 2018 Street Rehabilitation Program**
 - City Council approved priority sites include the following locations: Country Estates Phase I, Southern Links and Original Town.

- Phase I - In April 2018, City Council awarded the construction bid for the alleyway improvements to Grade Line Construction; construction commenced in June with completion in September 2018.
 - Phase II (Country Estates and Southern Links) – In August 2018, City Council awarded the construction contract to KSL Dirt Works; construction commenced in October 2018 with completion by March 2019.
 - **Base repairs are complete in Southern Links. Contractor has begun milling and asphalt overlay work. Weather permitting; asphalt overlay work is anticipated to be complete within the next 30 days.**
- **Central Park / Lakeridge Stormwater Improvements**
 - AEP completed relocation of underground powerlines.
 - In August 2018, ONG completed their utility relocation.
 - Staff is working through a potential legal issue on this project. Once resolved, staff will proceed with advertising and construction.
- **Rayola Park / Elm Creek Tributary 5A Stormwater Improvements**
 - **Engineering design is scheduled to commence in February 2019; followed by construction in July 2019.**
- **South Sports Park Regional Detention Facility**
 - City Council approved construction/mitigation permit November 2018. Mitigation plans due to USACE by mid-December 2018.
 - **Bid advertisement is scheduled to occur in spring 2019 with construction commencing in summer 2019.**
- **Mingo and E 116 St N Intersection/E 116 St N from Mingo to Garnett Road Improvements**
 - Engineering design is 90% complete.
 - Right of Way and easement acquisition commenced in May 2018 with completion expected by April 2019; followed by utility relocation.
- **E 116 St N and Garnett Intersection/E 116 St N from Garnett to N 129 E Ave Improvements**
 - E 116 St N roadway design is 60% complete.
 - E 116 St N and Garnett Intersection design is 90% complete.
 - Right of Way and easement acquisition commenced in May 2018 with completion expected by April 2019; followed by utility relocation.
- **E 116 St N from approximately N 129 E Ave to N 135 E Ave Improvements**
 - Engineering design is 90% complete.
 - Right of Way and Easement acquisition commenced in May 2018 with completion in August 2018.
 - **Private utility relocation is scheduled to commence in January 2019 with completion by March 2019; followed by roadway construction.**

- **E 96 St N from approximately N 119 E Ave to N 129 E Ave Improvements**
 - Final decision on the engineering study for the Diverging Diamond interchange proposal is expected in the first quarter of 2019.
 - Engineering design of phase I commenced in September 2018 with preliminary plans due in March 2019.

- **N 135 E Ave Service Road Improvements**
 - In February, 2018, City Council awarded the construction bid to Grade Line Construction; construction began on February 28 with completion expected by November 2018.
 - On November 1st 2018, the new service road was opened to the public.
 - **Work continues behind the curb including final grading, sod and fence installation. Final completion is scheduled to occur by the end of February 2019.**

- **N 137th E Ave Service Road Improvements**
 - Bid advertisement occurred in October 2018 with bid opening in mid-November 2018.
 - City Council approved the construction contract in December 2018.
 - **A pre-construction meeting occurred on January 3, 2019 with construction scheduled to commence in early February 2019.**

- **Wastewater Treatment Plant Expansion**
 - Engineering design commenced in January 2018 with completion scheduled for May 2019.
 - **Engineering design is approximately 60% complete.**