

# **CITY OF WEWOKA DOWNTOWN REVITALIZATION PROJECT PLAN**



**PREPARED BY:**

**THE CITY OF WEWOKA**

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**CITY COUNCIL**

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**HARRY GRAY – WARD 2**

**TOM RYAN – WARD 3**

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**WITH THE SUPPORT AND ASSISTANCE OF:**



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# **CITY OF WEWOKA**

## **DOWNTOWN REVITALIZATION PROJECT PLAN**

### **I. DESCRIPTION OF PROJECT**

The City of Wewoka Downtown Revitalization Project Plan is a project plan as defined under the Local Development Act, 62 O.S. § 850, *et seq.*, and is referred to here as the “Project Plan.” The Project Plan provides the economic structure and funding to construct needed public improvements and stimulate additional private development within the Downtown Wewoka and immediately surrounding environs (the “Project”). The Project Plan is considered to be a critical element in fostering a public-private partnership to create a continuing stimulus for revitalization. The establishment of a new increment district will provide critical funding for public improvements and help induce private investment through the establishment of an active incentivization program focused on retail, office and residential growth. Public projects will also stimulate private investment in the area in the form of the renovation and restoration of existing buildings and façades.

Several recent transformative projects have resulted in new private investment, many buildings changing hands, and new excitement for downtown from the community at large. The redevelopment of the Aldridge Hotel and the construction of new affordable housing highlight this excitement and the outstanding issues with fostering new development in Downtown Wewoka. Together, these projects have set the stage for increased potential growth and prosperity at a time when favorable regional and national trends indicate more interest in a downtown environment as a place to live, work and play.

This Project Plan is also aspirational as there are many unknowns related to exactly how Downtown Wewoka will develop or precisely when various public and private improvements will occur. However, through committed adherence to this Plan and related efforts and the deliberate application of resources, continual progress towards a more livable Wewoka—a city with a thriving downtown as the very heart of the community—is achievable.

### **II. BOUNDARIES OF PROJECT AREA AND INCREMENT DISTRICT NO. 4**

The Project Area is shown on the illustration in the attached Exhibit A, “TIF District Boundaries.” The Project Area is generally bound by Mekusukey Avenue, Sixth Street, Compton Avenue, Fourth Street, Jackson, Avenue, and the Union Pacific rail line. Increment District No. 4, City of Wewoka (“Increment District No. 4”), includes all of the Project Area, except for the lots immediately facing Mekusukey Avenue in between First and Second Streets (Lots 19–30, Block 23, Original Town Addition) that are currently in Increment District No. 2, City of Wewoka. Increment District No. 4 is the area in which the increments will be generated, and is illustrated on Exhibit A. Legal descriptions for both Increment District No. 4 and the Project Area are provided in the attached Exhibit B, “Legal Descriptions.”

### **III. ELIGIBILITY OF PROJECT AREA**

The Project Area is located within an enterprise zone, as defined in the Oklahoma Local Development Act, 62 O.S. § 853(6), and qualifies as a reinvestment zone, as defined in 62 O.S. § 853(17).

### **IV. OBJECTIVES**

The principal objectives of the Projects and Increment District No. 4 are:

A. The construction of infrastructure necessary to catalyze retention and expansion of employment opportunities, to attract major investment in the area, and to reverse economic stagnation.

B. To preserve and enhance the tax base and make possible investment, development, and economic growth that would otherwise be difficult without the Projects and the apportionment of incremental tax revenues.

C. To stimulate private commitments to invest and reinvest in the Project Area.

D. To create an attractive viable commercial center, including retail and hotel uses, to serve residents and visitors.

E. To create a viable industrial park that provides a location for employers who hire skilled laborers to start and expand their operations.

F. To provide a spark to assist in redeveloping and revitalizing downtown Wewoka.

### **V. STATEMENT OF PRINCIPAL ACTIONS**

Implementation actions for the Project, including all necessary, appropriate and supportive steps will consist principally of the following, to be undertaken primarily by the Wewoka Industrial Authority (“WIA”):

A. Project planning, design, and approval.

B. Public infrastructure improvements.

C. Development and rehabilitation of retail, office, residential, and mixed-use projects.

D. Enhancement of existing businesses and encouragement of new businesses.

## **VI. ESTABLISHMENT OF INCREMENT DISTRICT NO. 4**

A. This Project Plan creates Increment District No. 4, which is an ad valorem tax increment district. Increment District No. 4 shall commence as of the effective date of this Project Plan.

B. The increment of ad valorem taxes from Increment District No. 4 in excess of the base assessed value of Increment District No. 4 may be apportioned from time to time to pay Project Costs (as defined in Section VIII, below) authorized by Section VIII of this Plan for a period not to exceed 25 fiscal years or the period required for the payment of such authorized Project Costs, whichever is less.

C. During the period of apportionment, the apportionment fund (1) shall be available to pay Project Costs under Section VIII, (2) shall constitute special funds of WIA, and (3) shall not be subject to annual appropriation as a part of the general fund of the City.

## **VII. PROJECT AND INCREMENT DISTRICT AUTHORIZATIONS**

A. WIA is designated and authorized as the principal public entity to carry out and administer the provisions of this Project Plan and to exercise all powers necessary or appropriate thereto as provided in the Local Development Act, 62 O.S. § 854. WIA or another public entity designated by the City pursuant to Section VI, is authorized and designated to carry out those provisions of the Project related to issuance of bonds or notes as provided in 62 O.S. §§ 854(B) and 863 of the Local Development Act, subject to approval of the governing body of the City of any specific notes or bonds. Such public entity of the City is authorized to assist in carrying out this Project Plan and to exercise all powers necessary or appropriate thereto pursuant to Sections 854, Title 62 of the Oklahoma Statutes, except for approval of this Project Plan and those powers enumerated in paragraphs 1, 2, 3, 4, 7, 13 and 16 of Section 854, Title 62. As a public entity designated by the City, WIA, or another public entity designated by the City is authorized to: (1) issue tax apportionment bonds or notes, or both; (2) incur Project Costs, pursuant to Section of this Project Plan; (3) 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 (4) incur the cost of issuance of bonds for payment of such costs and to accumulate appropriate reserves, if any, in connection with them. Project Costs shall mean (a) the public costs authorized to be paid by apportioned tax increments pursuant to Section of this Project Plan, and (b) costs necessary or appropriate to implement this Project Plan other than costs authorized by Section , which may be authorized without amendment to this Project Plan.

B. The City is designated as an additional public entity to assist in carrying out and administering the provisions of this Project Plan and to exercise any powers necessary or appropriate thereto as provided in 62 O.S. § 854, specifically including paragraphs 1, 2, 3, 4, 7, 13, and 16.

C. The City Manager of the City of Wewoka, Mark Mosley, 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

this 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.

**VIII. BUDGET OF ESTIMATED PROJECT COSTS TO BE FINANCED BY TAXES APPORTIONED FROM INCREMENT DISTRICT NO. 4.**

A. The Project Costs will be financed by the apportionment of tax increments from Increment District No. 4. The Project Costs categories are:

Public Improvements	\$	1,000,000.00
Development Financing Assistance	\$	1,500,000.00
Project Implementation and Contingency	\$	<u>500,000.00</u>
TOTAL PROJECT COSTS	\$	3,000,000.00

Plus financing costs, costs of issuance, necessary or appropriate reserves, and interest on repayment of Project Costs. Project Costs do not include the specific revenue source apportionments described in Section VIII.B. below.

B. Beginning in the thirteenth (13<sup>th</sup>) fiscal year following the creation of Increment District No. 4, or in any fiscal year in which the annual valuation growth within Increment District No. 4 exceeds two percent (2%), in aggregate, ten percent (10%) of the increment from Increment District No. 4 shall be apportioned to affected ad valorem taxing jurisdictions as specific revenue sources, as authorized by Article X, § 6C of the Oklahoma Constitution and 62 O.S. § 853(9) of the Local Development Act, in proportion to each taxing entity’s operational mill levy (i.e., excluding sinking fund levies).

C. Additional Costs.

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

**IX. FINANCING REVENUE SOURCES**

A. Financing Authorizations.

The implementation of the Project Plan shall be financed in accordance with financial authorizations, including both fund and asset transfers, authorized from time to time by WIA.

B. Financing Revenue Sources.

The revenue sources expected to finance Project Costs authorized by Section VIII are the portion of the increments attributable to investment and development within the Increment Districts. Project Costs will be paid by the City and/or WIA.

C. Financial Reports and Audits.

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

D. Other Necessary and Supporting Costs.

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

**X. PRIVATE AND PUBLIC INVESTMENTS EXPECTED FOR THE PROJECT**

A. Private and Public Investments Expected from the Project and Increment District No. 4.

The total estimated private investment over the effective life of the Increment District is approximately \$10,000,000.00, in addition to the \$3,000,000.00 in public investment. Private investment in the area is expected to consist of business and commercial development. Public investment will include infrastructure improvements (especially roads, water lines and sewer lines), environmental remediation, and development financing assistance on appropriate private projects.

B. Public Revenue Estimated to Accrue from the Projects and Increment District No. 4.

The tax increment revenues which will serve as the revenue source for financing the Project Costs authorized by Section VIII, is the public revenue directly attributable to the Project defined by establishment of Increment District No. 4. The City and the State will experience increases in sales tax revenues that are not a part of the increment. Ad valorem taxing entities will experience additional revenues from increasing values near and adjacent to the Project.

Incremental tax revenues are estimated to range between \$6,500.00 annually in the near term and \$150,000.00 annually over the longer term. The anticipated development will not result in a measurable increase in demand for services by or in costs to the affected taxing entities. The public revenue anticipated includes increased tax revenue both inside and outside Increment

District No. 4. The economic benefits of the Project Plan for the City, Seminole County and the other affected taxing jurisdiction indicate positive financial impacts for the community as a whole. The aggregate impacts on the City and Seminole County from implementation of the Project Plan are positive and include the achievement of the objectives set forth in Section IV.

#### **XI. FINANCING PLAN**

The proposed private developments will generate tax increments necessary to pay authorized public costs of the Project.

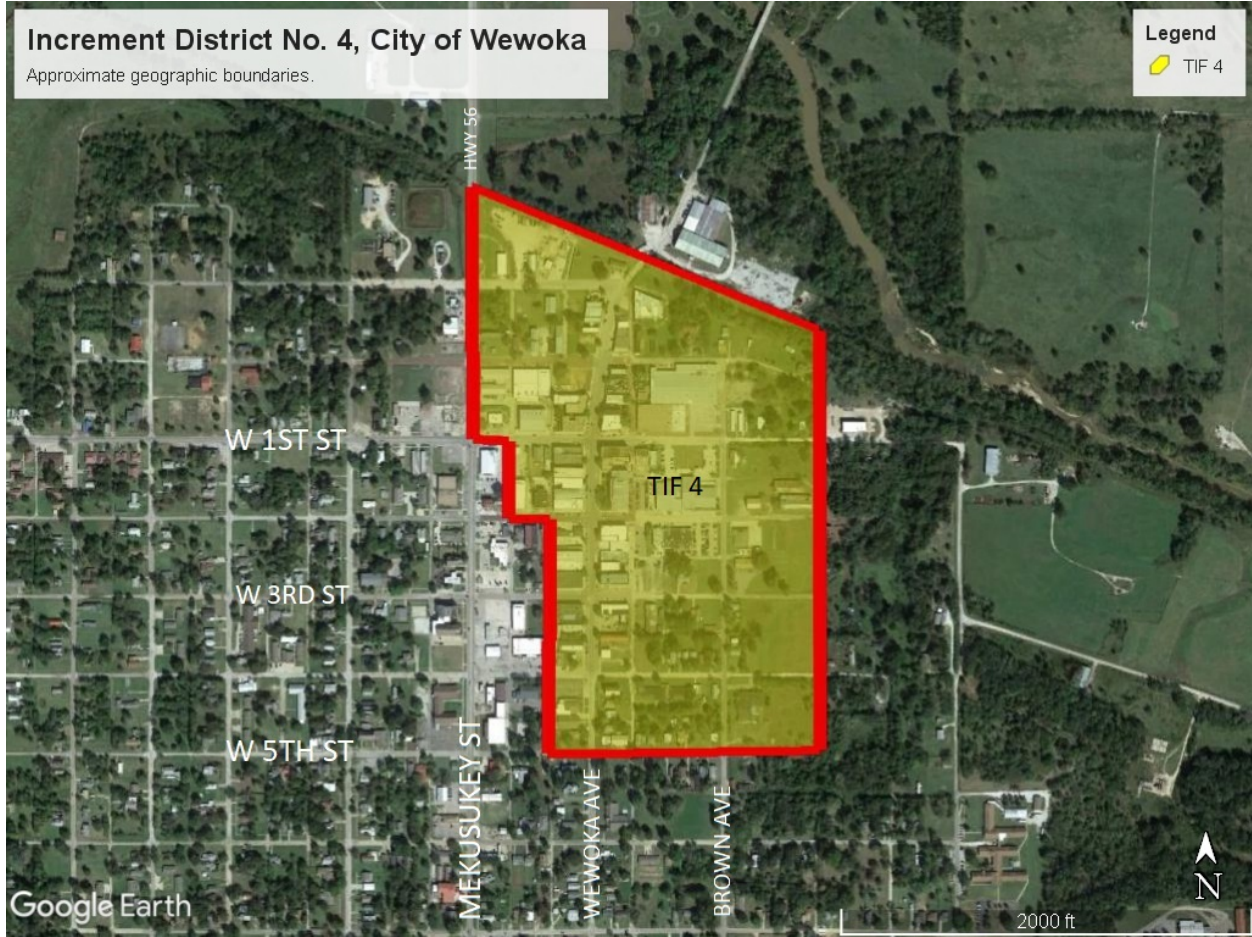
#### **XII. LAND USE**

Existing uses and conditions of real property in the Project Area are shown on the map attached as Exhibit C. The proposed improvements to and the proposed uses of the real property in the Project Area are shown on Exhibit D.

#### **XIII. MISCELLANEOUS PROVISIONS**

No changes in zoning are anticipated to be necessary to accommodate this Project. This Project Plan complies with the objectives and priorities of the Comprehensive Plan of the City of Wewoka, as amended, and the general objectives and priorities of the City of Wewoka.

**EXHIBIT A**  
**TIF DISTRICT BOUNDARIES**





**EXHIBIT B**  
**LEGAL DESCRIPTION**

The Project Area and Increment District share the same physical boundaries, described as follows:

The following described property in the Original Town of Wewoka, Seminole County, Oklahoma, according to the recorded plat thereof:

- All of Block One (1), Lots One (1) through Nine (9);
- All of Block Two (2), Lots One (1) through Forty (40);
- All of Block Twenty (20), Lots One (1) through Thirty-Six (36);
- All of Block Twenty-One (21), Lots One (1) through Twelve (12);
- All of Block Twenty-Two (22), Lots One (1) through Twelve (12);
- Block Twenty-Three (23), Lots One (1) through Sixteen (16) and Thirty-One (31) through Thirty-Six (36);
- Block Forty-Six (46), Lots One (1) through Twelve (12);
- Block Forty-Seven (47), Lots One (1) through Twelve (12);
- Block Forty-Eight (48), Lots One (1) through Twelve (12);
- Block Forty-Nine (49), Lots One (1) through Twelve (12);
- Block Sixty-Four (64), Lots One (1) through Twelve (12); and
- Block Sixty-Five (65), Lots One (1) through Twelve (12).

and

The following described property in the Aldridge Addition to the City of Wewoka, Seminole County, Oklahoma, according to the recorded plat thereof:

- All of Block Three (3), Lots One (1) through Thirty-Two (32); and
- All of Block Four (4), Lots One (1) through Thirty-Two (32);

and

The following described property in the Court House Addition to the City of Wewoka, Seminole County, Oklahoma, according to the recorded plat thereof:

- All of Block Three (3), Lots One (1) through Thirty-Two (32);
- All of Block Four (4), Lots One (1) through Thirty-Two (32);

and

The following described property in the Keith Extension to Court House Addition to the City of Wewoka, Seminole County, Oklahoma, according to the recorded plat thereof:

- All of Block Five (5), Lots One (1) through Thirty-Two (32);
- All of Block Six (6), Lots One (1) through Thirty-Two (32);

- All of Block Eleven (11), Lots One (1) through Thirty-Two (32);
- All of Block Twelve (12), Lots One (1) through Thirty-Two (32);
- All of Block Thirteen (13), Lots One (1) through Thirty-Two (32);  
and
- All of Block Fourteen (14), Lots One (1) through Thirty-Two (32);

and

The following described property in the East Side Addition to the City of Wewoka, Seminole County, Oklahoma, according to the recorded plat thereof:

- All of Block One (1);
- Block Two (2), Lots One (1) through Nineteen (19); and
- Block Three (3), Lots One (1) through Sixteen (16).

## EXHIBIT C EXISTING LAND USE AND CONDITIONS



Existing conditions and uses involve mostly a mixture of commercial and residential uses, with significant vacant land and dilapidated building structures throughout the Increment District boundaries.

## EXHIBIT D PROPOSED IMPROVEMENTS



The property in the Increment District is proposed to be redeveloped and rehabilitated into an occupied mixed-use residential, commercial, and industrial neighborhood. New development and redevelopment is anticipated, along with infrastructure improvements along major thoroughfares and pedestrian streets (esp. Wewoka Avenue). Any property redeveloped or rehabilitated will be subject to existing zoning, or may be rezoned in accordance with City procedures and policies.