

**OKLAHOMA CITY
URBAN RENEWAL AUTHORITY**

**FORTY-FIRST
ANNUAL REPORT
(DRAFT COPY)**

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CITY OF
OKLAHOMA CITY, OKLA
OFFICE OF
CITY CLERK

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2002**

ANNUAL REPORT FOR THE YEAR ENDING JUNE 30, 2002

The survivability of American cities has a direct relationship to their response to the ever changing needs of their people.

Oklahoma City recognized the on-going need for renewal forty-one years ago. The libraries of the City's planners as well as those of Authority staff testify to their desire to meet the needs of the people of Oklahoma City. The demand for renewal continues even as city planners and Authority staff change. It is a continual challenge that must be met if the value of urban life is to be realized.

What follows is a brief summary of the on-going efforts to meet the needs of the citizens of Oklahoma City. The summary will touch upon the more significant accomplishments of this forty-first year of the Renewal Authority's existence, as well as some of the more complex projects still awaiting completion.

JOHN F. KENNEDY URBAN RENEWAL AREA

The John F. Kennedy Project was approved by the U.S. Department of Housing and Urban Development in 1966. At the time it was the largest residential project west of the Mississippi River. Shortly after the Renewal Authority removed blighted and unsanitary housing, Federal housing programs experienced were curtailed with the result that plans for the revival of housing in the area were severely affected. Still later a near disastrous turn down in the local economy arrested residential development once more. Today, Renewal Authority owns 565 vacant parcels of land.

More recently, there has been a renewed interest in the lower John F. Kennedy project. The project area has been devoid of housing since the initial clearance of blight and is now the

subject of several housing developers. During the year 2002, the Renewal Authority continued its examination of environmental questions affecting the area as well as working with the Enterprise Community Housing Subcommittee under the auspices of HUD to prepare an acceptable plan for the development of housing. These efforts bore fruit when the Board of Commissioners in June, 2002, authorized a Request for Redevelopment Proposals for the area.

The Request for Proposal has been delayed pending the results of a more thorough investigation of the infrastructure of the project area. It is anticipated, however, that these questions will be resolved favorably and the Request for Proposal will be published by the end of September, 2002.

HARRISON-WALNUT URBAN RENEWAL AREA

July 31, 2001 witnessed a flurry of activity in the "Deep Deuce" area. Long before street work was completed, sidewalks installed and decorative lighting provided, the developer of the residential project had leased approximately 149 of the over 300 units in the apartment complex.

The Renewal Authority continued its assistance to the development throughout the year ending June 30, 2002. Sidewalks were completed, decorative lighting was added, and landscaping was completed. In addition, in an effort to secure the quality of the project, adjacent vacant property was acquired. It is anticipated that the remainder of all vacant property will be acquired in the forthcoming year and a new Request for Proposal will be solicited for mixed-use development.

Immediately to the north and east of the Deep Deuce area is what was formerly called the Oklahoma Health Center Research Park. The Research Park was recently renamed the Presbyterian Health Foundation Research Park. The name change was the result of the

elimination of the Medical Technology Research Authority, a statutory authority, and the assignment of the former Authority's redevelopment role to the Health Foundation. While the name of the park has changed the phenomenal growth pattern experienced in previous years continued throughout 2002. More than eight medical technology companies inhabit the Park, and the Presbyterian Health Foundation has continued to make additional space available for innovative research. At the close of fiscal year 2001, Research Park Building 3 was under construction. Since that time, the \$13M structure containing approximately 150,000 sq. ft. adjacent to a \$6,000,000, 840 space parking garage, has been completed. Prior to the conclusion of fiscal year 2002, the Health Foundation began the construction of Research Park Building 4. In design and size, Building 4 will be a replica of Building 3. In addition, early in fiscal year 2003, the Health Foundation promises to begin the construction of a smaller service building totaling 30,000 sq. ft.

If space has been on the mind of the Presbyterian Health Foundation, it is all the more so true of the Oklahoma School of Science and Mathematics. In early August of 2001, the science building was completed in time for the fall enrollment of students. Unfortunately, however, the expansion of the dormitory for the students has yet to get underway. The delay is due to the court challenge facing this and numerous other projects to be funded by a State bond issue.

**MAPS SPORTS-ENTERTAINMENT-PARKING SUPPORT
URBAN RENEWAL AREA**

When the Authority selected TMK/Hogan as the developer of the midsection of the Bricktown Canal, it did not anticipate that entertainment project would take 5 long years and be one of the most complicated in the history of the Urban Renewal Program in Oklahoma City.

The area to be redeveloped fits most aptly the description of a Brownfield. Decades ago, an oil refinery, railway yard, chemical manufacturing companies all inhabited the development site. In addition, some of the land was purchased and held in the name of the Renewal Authority while other portions of it belonged to the City of Oklahoma City. It certainly did not anticipate lawsuits challenging the Renewal Authority's Development Agreement and the actions of the City. Two visits to the Supreme Court ultimately would favor the Authority and the City. Lawsuits were to be filed during this period of time against both Hogan and the Executive Director of the Authority. As fiscal year 2002 came to its conclusion it appeared that what is now called the Bricktown Entertainment Center was well on its way. The developer, Bricktown Entertainment, L.L.C. (formerly TMK/Hogan), will soon begin construction of a 125,000 sq. ft. office facility adjacent to the canal. In addition, the City of Oklahoma City will finance the construction of a Bass Pro facility. The Bass Pro development will anchor the large development site in the east. The office structure will continue the momentum in the mid section of the canal. Bricktown Entertainment, L.L.C, will soon announce a hotel development to add to the development fabric along the canal between the office development and the Bass Pro structure. The cinema development, however, continues to be adversely affected by the economic conditions in the cinema industry. Bricktown, L.L.C., nevertheless, expects to announce a letter of intent from a major cinema developer in the very near future. Fiscal year 2003 will be a year of increasing accomplishments for the Bricktown Entertainment Center.

NORTH DOWNTOWN URBAN RENEWAL REDEVELOPMENT AREA

The long vacant Mercy Hospital structure was demolished and cleared in fiscal year 2001.

The remaining structures, a parking garage, a daycare center, a two-story apartment building and residential office building were demolished and cleared in the recently concluded fiscal year. By the time funds were available and the final demolition work was complete, the conditional developer of the site withdrew his proposal to construct residential units due to time delays and insufficient public funds to make the project feasible.

Early in fiscal year 2002, the Board of Commissioners of the Authority authorized an additional request for proposals for residential development in the area.

CENTRAL BUSINESS DISTRICT URBAN RENEWAL AREA

In October, 2001, the Board of Commissioners of the Authority approved a redevelopment agreement with the American Choral Directors Association for the development of their international headquarters building. This prestigious organization selected a location immediately north of the recently renovated Civic Center Music Hall. The Directors of the Association saw the location as natural "fit" with the purpose of their organization. Not far away, the Oklahoma City Art Museum opened its doors on land provided by the Oklahoma City Urban Renewal Authority. The limestone renovation and expansion of the old Center Theater is an outstanding addition to the downtown area. Further to the east, John Q. Hammons Industries has negotiated an agreement with the Renewal Authority for the construction of an eight story, full service, Marriott Courtyard hotel. The eighteen million dollar structure will contain 225 rooms and bring the total of hotel rooms in the immediate area of the Cox Convention Center and Ford Arena to almost 1000---a number considered beyond reach seven years ago.

Projects associated with the MAPS program such as the Ford Arena continued on the path to completion. Minor adjustments to seating and the sound system in the 21,000 seat Arena

are now under way. It is anticipated that the adjacent hotel to be built by Hammons Industries will provide some limited parking in its garage for patrons of the Arena. The Central Library, however, has experienced some delays and is targeted for completion in the latter part of the 2003 fiscal year.

CONCLUSION

The FY - 2002 was the 41st year of the Authority's operations. By all standards, it was a busy year and a productive one. The Bricktown Entertainment Center appears to be on the verge of construction activity. The Research Park continues to expand. The interest in housing is great both in the Lower John F. Kennedy and the Central Business District. The American Choral Directors Association has selected a location adjacent to the newly renovated Civic Center Music Hall. The Ford Arena is now open and construction of another downtown hotel is eminent. The Authority looks to even greater project activity in the year to come.

OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF INCREASES AND DECREASES IN FUND
BALANCES ARISING FROM CASH TRANSACTIONS
For the period July 1, 2001 to June 30, 2002

	CURRENT MONTH	YEAR-TO-DATE	BUDGET AMOUNT	DIFFERENCE
	-----	-----	-----	-----
REVENUES				
CDBG RECEIPTS	\$510,664.00	\$1,443,207.00	\$2,283,754.00	\$840,547.00
INTEREST	31,996.62	68,670.18	\$.00	(\$68,670.18)
PARKING, RENTAL REVENUE	5,095.00	34,855.00	\$.00	(\$34,855.00)
OKC REDEVELOPMENT AUTH FUNDS	.00	456,739.00	\$.00	(\$456,739.00)
DEQ PROPERTY FUNDS	17,550.00	64,800.00	\$.00	(\$64,800.00)
OCU ACTIVITY FUNDS	215,334.00	653,125.79	\$.00	(\$653,125.79)
	-----	-----	-----	-----
TOTAL RECEIPTS	\$780,639.62	\$2,721,396.97	\$2,283,754.00	(\$437,642.97)
	-----	-----	-----	-----
EXPENSES				
ADMIN SALARIES & BENEFITS	\$11,822.77	\$179,461.87	\$249,946.00	\$70,484.13
ADMIN SUPP SALARIES & BENEFITS	8,036.13	129,204.10	\$227,691.00	\$98,486.90
ADMIN OVERHEAD	1,755.90	80,630.62	\$103,250.00	\$22,619.38
PROP MGMT SALARIES & BENEFITS	9,863.25	156,452.35	\$171,790.00	\$15,337.65
PROP MGMT OVERHEAD	4,218.40	100,127.13	\$44,000.00	(\$56,127.13)
PROP MGMT INSURANCE	.00	1,986.00	\$6,500.00	\$4,514.00
CONTRACT SERVICES	.00	3,664.48	\$.00	(\$3,664.48)
GENERAL MAINTENANCE	979.56	8,655.12	\$12,000.00	\$3,344.88
PROFESSIONAL SERVICES	12,142.00	61,176.98	\$.00	(\$61,176.98)
LEGAL-HAMMONS HOTEL	985.28	9,519.24	\$.00	(\$9,519.24)
ACQUISITION-HAMMONS HOTEL	.00	4,941.84	\$.00	(\$4,941.84)
OCU ACTIVITY	172,158.43	613,762.13	\$.00	(\$613,762.13)
OK HLTH SVCS CREDIT UNION EXP	.00	980.00	\$.00	(\$980.00)
OKC REDEVELOPMENT AUTH EXP	.00	434,364.00	\$.00	(\$434,364.00)
ENVIRONMENTAL	8,180.55	44,104.65	\$95,577.00	\$51,472.35
ACQUISITION	23,987.50	177,370.55	\$600,000.00	\$422,629.45
DISPOSITION	3,459.16	167,694.91	\$50,000.00	(\$117,694.91)
LEGAL - TIF	.00	2,192.00	\$.00	(\$2,192.00)
SITE CLEARANCE	.00	11,369.50	\$125,000.00	\$113,630.50
SITE IMPROVEMENTS	22,742.36	128,778.98	\$468,000.00	\$339,221.02
DEQ FUNDS TO GSA	17,550.00	64,800.00	\$.00	(\$64,800.00)
OSSM	.00	13,922.67	\$130,000.00	\$116,077.33
	-----	-----	-----	-----
TOTAL EXPENSES	\$297,881.29	\$2,395,159.12	\$2,283,754.00	(\$111,405.12)
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DIFFERENCE	\$482,758.33	\$326,237.85	\$.00	(\$326,237.85)
	=====	=====	=====	=====

OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
As of June 30, 2002

For CLOSEOUT

ASSETS

CASH	\$1,499,501.45
GOOD FAITH DEPOSITS	\$18,677.32
INVESTMENTS	\$1,507,464.68
DUE FROM	(\$115,663.03)

TOTAL ASSETS	\$2,909,980.42
	=====

LIABILITIES AND FUND BALANCE

A/P - GOOD FAITH	\$5,131.49
DUE TO	(\$35,691.57)

TOTAL LIABILITIES	(\$30,560.08)
BEGINNING FUND BALANCE	\$2,835,308.99
EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES	\$105,231.51

TOTAL FUND BALANCE	\$2,940,540.50

TOTAL LIABILITIES AND FUND BALANCE	\$2,909,980.42
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OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF INCREASES AND DECREASES IN FUND
BALANCES ARISING FROM CASH TRANSACTIONS
For the period June 1, 2002 to June 30, 2002

For CLOSEOUT

	CURRENT MONTH -----	YEAR TO DATE -----
REVENUES		
CDBG RECEIPTS	\$239,667.00	\$647,572.00
INTEREST	31,996.62	68,670.18
PARKING, RENTAL REVENUE	5,095.00	34,855.00
OKC REDEVELOPMENT AUTH FUNDS	.00	456,739.00
DEQ PROPERTY FUNDS	17,550.00	64,800.00
OCU ACTIVITY FUNDS	215,334.00	653,125.79
	-----	-----
TOTAL RECEIPTS	\$509,642.62	\$1,925,761.97
	-----	-----
EXPENSES		
ADMIN SALARIES & BENEFITS	\$6,218.59	\$105,441.64
ADMIN SUPP SALARIES & BENEFITS	4,226.88	75,794.57
ADMIN OVERHEAD	923.57	50,436.82
PROP MGMT SALARIES & BENEFITS	9,863.25	156,452.35
PROP MGMT OVERHEAD	4,218.40	100,127.13
PROP MGMT INSURANCE	.00	1,986.00
CONTRACT SERVICES	.00	3,664.48
GENERAL MAINTENANCE	979.56	8,655.12
PROFESSIONAL SERVICES	12,142.00	55,583.48
LEGAL-HAMMONS HOTEL	985.28	9,519.24
ACQUISITION-HAMMONS HOTEL	.00	4,941.84
OCU ACTIVITY	172,158.43	613,762.13
OK HLTH SVCS CREDIT UNION EXP	.00	980.00
OKC REDEVELOPMENT AUTH EXP	.00	434,364.00
ENVIRONMENTAL	7,735.55	30,687.27
DISPOSITION	3,363.16	101,142.39
LEGAL - TIF	.00	2,192.00
DEQ FUNDS TO GSA	17,550.00	64,800.00
	-----	-----
TOTAL EXPENSES	\$240,364.67	\$1,820,530.46
	-----	-----
DIFFERENCE	\$269,277.95	\$105,231.51
	=====	=====

OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
As of June 30, 2002

For CULTURAL DISTRICT

ASSETS

DUE FROM	\$1,926.80

TOTAL ASSETS	\$1,926.80
	=====

LIABILITIES AND FUND BALANCE

TOTAL LIABILITIES	\$.00
BEGINNING FUND BALANCE	\$1,926.80
EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES	\$.00

TOTAL FUND BALANCE	\$1,926.80
TOTAL LIABILITIES AND FUND BALANCE	\$1,926.80
	=====

OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF INCREASES AND DECREASES IN FUND
BALANCES ARISING FROM CASH TRANSACTIONS
For the period June 1, 2002 to June 30, 2002

For CULTURAL DISTRICT

	CURRENT MONTH -----	YEAR TO DATE -----
REVENUES		
	-----	-----
TOTAL RECEIPTS	\$.00	\$.00
	-----	-----
EXPENSES		
	-----	-----
TOTAL EXPENSES	\$.00	\$.00
	-----	-----
DIFFERENCE	\$.00	\$.00
	=====	=====

OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
As of June 30, 2002

For SEPII (Formerly Lincoln-Byers)

ASSETS

GOOD FAITH DEPOSITS	\$34,844.91

TOTAL ASSETS	\$34,844.91
	=====

LIABILITIES AND FUND BALANCE

A/P - GOOD FAITH	\$34,844.91
DUE TO	\$40,607.52

TOTAL LIABILITIES	\$75,452.43
BEGINNING FUND BALANCE	(\$35,955.79)
EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES	(\$4,651.73)

TOTAL FUND BALANCE	(\$40,607.52)
TOTAL LIABILITIES AND FUND BALANCE	\$34,844.91
	=====

OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF INCREASES AND DECREASES IN FUND
BALANCES ARISING FROM CASH TRANSACTIONS
For the period June 1, 2002 to June 30, 2002

For SEPII (Formerly Lincoln-Byers)

	CURRENT MONTH -----	YEAR TO DATE -----
REVENUES		
CDBG RECEIPTS	\$19,265.00	\$43,459.00
TOTAL RECEIPTS	----- \$19,265.00 -----	----- \$43,459.00 -----
EXPENSES		
ADMIN SALARIES & BENEFITS	\$250.50	\$7,869.38
ADMIN SUPP SALARIES & BENEFITS	170.27	5,801.33
ADMIN OVERHEAD	37.21	4,449.87
PROFESSIONAL SERVICES	.00	5,593.50
ENVIRONMENTAL	445.00	13,187.38
DISPOSITION	.00	11,209.27
TOTAL EXPENSES	----- \$902.98 -----	----- \$48,110.73 -----
DIFFERENCE	----- \$18,362.02 =====	----- (\$4,651.73) =====

OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
As of June 30, 2002

For HARRISON/WALNUT

ASSETS

GOOD FAITH DEPOSITS	\$569.84

TOTAL ASSETS	\$569.84
	=====

LIABILITIES AND FUND BALANCE

DUE TO	(\$153,401.97)

TOTAL LIABILITIES	(\$153,401.97)
BEGINNING FUND BALANCE	(\$71,686.26)
EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES	\$225,658.07

TOTAL FUND BALANCE	\$153,971.81
TOTAL LIABILITIES AND FUND BALANCE	\$569.84
	=====

OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF INCREASES AND DECREASES IN FUND
BALANCES ARISING FROM CASH TRANSACTIONS
For the period June 1, 2002 to June 30, 2002

For HARRISON/WALNUT

	CURRENT MONTH -----	YEAR TO DATE -----
REVENUES		
CDBG RECEIPTS	\$251,732.00	\$752,176.00
TOTAL RECEIPTS	----- \$251,732.00 -----	----- \$752,176.00 -----
EXPENSES		
ADMIN SALARIES & BENEFITS	\$5,353.68	\$66,150.85
ADMIN SUPP SALARIES & BENEFITS	3,638.98	47,608.20
ADMIN OVERHEAD	795.12	25,743.93
ENVIRONMENTAL ACQUISITION	.00	230.00
DISPOSITION	23,987.50	177,370.55
SITE CLEARANCE	96.00	55,343.25
SITE IMPROVEMENTS	.00	11,369.50
OSSM	22,742.36	128,778.98
	.00	13,922.67
TOTAL EXPENSES	----- \$56,613.64 -----	----- \$526,517.93 -----
DIFFERENCE	----- \$195,118.36 =====	----- \$225,658.07 =====

OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
As of June 30, 2002

For OLD MERCY HOSPITAL SITE

ASSETS

TOTAL ASSETS

\$.00
=====

LIABILITIES AND FUND BALANCE

DUE TO

\$6,109.63

TOTAL LIABILITIES

\$6,109.63

BEGINNING FUND BALANCE

(\$221,004.26)

EXCESS (DEFICIENCY) OF RECEIPTS
OVER EXPENDITURES

\$214,894.63

TOTAL FUND BALANCE

(\$6,109.63)

TOTAL LIABILITIES AND
FUND BALANCE

\$.00
=====

OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF INCREASES AND DECREASES IN FUND
BALANCES ARISING FROM CASH TRANSACTIONS
For the period June 1, 2002 to June 30, 2002

For OLD MERCY HOSPITAL SITE

	CURRENT MONTH -----	YEAR TO DATE -----
REVENUES		
CDBG RECEIPTS	\$100,301.00	\$1,186,635.00
TOTAL RECEIPTS	----- \$100,301.00 -----	----- \$1,186,635.00 -----
EXPENSES		
ADMIN SALARIES & BENEFITS	\$2,569.36	\$23,976.29
ADMIN SUPP SALARIES & BENEFITS	1,746.43	17,089.31
ADMIN OVERHEAD	381.60	10,880.41
PROFESSIONAL SERVICES	.00	1,984.00
ENVIRONMENTAL	47,610.00	49,325.34
ACQUISITION	.00	486,651.10
RELOCATION	16,693.99	40,280.75
SITE CLEARANCE	.00	341,553.17
TOTAL EXPENSES	----- \$69,001.38 -----	----- \$971,740.37 -----
DIFFERENCE	----- \$31,299.62 =====	----- \$214,894.63 =====

