

**OKLAHOMA CITY
URBAN RENEWAL AUTHORITY**

CITY OF
OKLAHOMA CITY, OKLA
OFFICE OF
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**THIRTY-NINTH
ANNUAL REPORT
(DRAFT COPY)**

**FOR THE FISCAL YEAR
JUNE 30, 2000**

ANNUAL REPORT FOR THE YEAR ENDING JUNE 30, 2000

A city is much like a human organism. When it ceases to develop it begins a process of deterioration that ends in death. Therefore, one should never ask, "When is the city going to be finished." A city must always renew itself if it is to survive. The effort to renew our great American cities is easily traced through the "buzz" words of Federal legislation: Urban Renewal, Model Cities, Block Grants, Action Grants, Enterprise Zones, HOPE and HOME programs to name only a few. The abundance of legislation and modest amounts of money appropriated to fund these programs, evidences both the continual need for renewal and the difficulties encountered in doing so.

As the Oklahoma City Urban Renewal Authority concludes its thirty-ninth year, it can report some significant accomplishments as well as development projects fraught with complexity and still incomplete.

DEEP DEUCE

The so called Deep Deuce area of Oklahoma City is for many sacred ground. The earth has buried within it the sound of jazz, the sounds of thousands who called it home when Jim Crow laws allowed them to live nowhere else, the sound of Charlie Christian and Ralph Ellison. Given the nature of the area the Renewal Authority was reluctant to offer it for redevelopment. Early in 1998, however, there developed a consensus concerning proposed redevelopment uses. The Renewal Authority subsequently requested proposals for multi-family construction while at the same time requiring a guaranty that the historic character of the site would be preserved.

First Worthing Limited of Dallas, Texas was designated redeveloper later in 1998 and subsequently entered into a development agreement in June, 1999. In May, 2000, ground was

broken for the construction of 294 market rate units of multi family housing. The units will range in bedroom size from an efficiency unit to three bedrooms with two baths totaling 1280 square feet.

The City of Oklahoma City and the Renewal Authority have obligated themselves to make certain public improvements in support of the project. The City will make water, sewer and street improvements while the Renewal Authority has recently entered into a consultant contract to design lighting and sidewalk improvements which will ultimately be bid and paid for by the Renewal Authority.

BRICKTOWN ENTERTAINMENT: NOT SO EASY

Early in the 1996-97 program year the Renewal Authority received a development proposal for a cinema complex with associated commercial in what was then the Central City Industrial Urban Renewal project. Thus began a lengthy process that has eventually evolved into a cinema complex of 16 screens together with an I-MAX, commercial, retail, and restaurant facilities along with support parking. The project now encompasses not only the old Central City Industrial Urban Renewal Project, but additional land which has been designated the MAPS Sports-Entertainment-Parking Support Redevelopment Area. It also includes the public development of the MAPS Canal with functional and inviting amenities.

After the favorable resolution of a lawsuit brought by "Tax Payers Against Rip-Offs" (TAR), a small group of citizens, construction drawings for the project began in earnest. Unfortunately this activity was brought to a halt once more by a second lawsuit filed by TAR in the latter part of the 1999-2000 program year. While the District Court found the case to be "res judicata" and again sided with the City and Renewal Authority, the case has been appealed by TAR to the State Supreme Court. Meanwhile construction plan work is on hold, and the southern portion of the Canal remains to be developed.

By the close of the 1999-2000 year a maintenance and operations agreement as well as a reciprocal easement agreement were being prepared for City approval.

EASY AS ONE, TWO, THREE

The development of the Oklahoma Health Center Research Park has been as easy as the Bricktown Entertainment District has been difficult. The Research Park build out anticipates over 1 million square feet of bio medical research space. When the Presbyterian Health Foundation developed the first Research Park building in 1995, it was assumed future buildings would be 5 to 10 years in the future. The Health Foundation announced its intention to construct yet a second research facility in April, 1997. As work proceeded on the second building, planning was under way to determine the placement of surface parking and the possible location of a third building with a parking structure.

In early 1999, the Presbyterian Health Foundation broke ground for the third building. The 150,000 square foot research building together with its 840 space parking garage is estimated to cost 18 million dollars. The construction of the third building in the Research Park will make available approximately 25,000 square feet of incubator space. With the completion of the building in February, 2001, an estimated 400,000 square feet of space will be available for bio medical research and related activity.

ONLY FOR THE STRONG OF HEART

High density housing has been one of the outstanding features of the last decade of urban redevelopment. There has been a growing awareness that an urban setting with its mix of cultures, consequent diversity and opportunities provides an attractive setting for housing redevelopment. It is axiomatic that cities can not sustain redevelopment without downtown housing. Oklahoma City is no exception to this movement as demonstrated by the interest in the "Deep Deuce" downtown housing project and the Old Mercy Hospital project in midtown.

As early as January, 1999, the Renewal Authority conditionally designated a housing redeveloper for the area commonly known as the Old Mercy Hospital block. While the area had been made eligible for acquisition by the approval of the North Downtown Redevelopment Plan, funding for acquisition of property had not been appropriated at that time. A giant step forward was taken when the City of Oklahoma City made funds available for the removal of asbestos and

demolition of the old hospital. The demolition contract was awarded in the first quarter of program year 1999-2000. The Renewal Authority anticipates the clearance of the Old Mercy Hospital to be complete in November, 2000.

While the Deep Deuce project moved forward, and the redeveloper maintained interest in the Old Mercy project, there still remained the question: "Was there a market for such housing in Oklahoma City." In conjunction with the City Planning Department, the Renewal Authority engaged CDS Market Research to determine the depth of the Oklahoma City urban housing market. The report issued in April, 2000, demonstrated an aggregate demand for 8000 housing units in the downtown and midtown area.

At the same time efforts were on-going to develop a source of revenue to reimburse any Federal loans incurred to acquire the balance of the development site. A tax increment finance district was proposed to provide the basis for this and other improvements in the downtown/midtown area. Unfortunately, shortly after the City Council's approval of such a district, a challenge of Tax Increment Finance District Number One established in support of the Medical Center and Research Park was sustained by the State Supreme Court. City and Renewal Authority attorneys, however, remain hopeful that tax increment financing, utilizing the language and guidance of the State Supreme Court, will ultimately provide the means to sustain the City's redevelopment projects.

The redevelopment interest in the Old Mercy project remains quite high. Indeed the success of the project is looked upon by others as an indication midtown and downtown housing is possible in Oklahoma City. The Market Study has indicated there are good prospects of success. As the year drew to an end, the Authority began to take steps to proceed with the project.

WORTH THE WAIT

When redevelopment of the downtown core came to a stand still in 1993 due to a drastic down turn in the local economy, few realized the planned hotel north of Myriad Convention Center would take 17 years to develop. In late 1994, however, the citizens of Oklahoma City

approved an interim sales tax increase to fund a variety of public improvements. The Metropolitan Area Projects (MAPS) caught the eye of the nation and sparked among other private developments renewed interest in a new downtown hotel.

The Renewal Authority together with the City played a vital role in the successful development of the new four star Marriott Renaissance Hotel. Construction began in August, 1988, and the new 311 room Renaissance was formally opened in February, 2000. In the interim the Renewal Authority staff worked with the developer to bring about a product which reflects the hope and pride of the citizens of Oklahoma City.

THE RENEWAL GOES ON

The program year 1999-2000 was memorable for the completion or initiation of long awaited development projects. Only a few of these projects have been addressed. There are other projects such as the Oklahoma City Art Museum, the MAPS learning center on the City Centre site, or the final plans for the affordable housing project in the Lower John F. Kennedy Neighborhood equally memorable. It was a difficult but productive year!

OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF INCREASES AND DECREASES IN FUND
BALANCES ARISING FROM CASH TRANSACTIONS
For the period July 1, 1999 to June 30, 2000

For ALL FUNDS

| | CURRENT MONTH | YEAR-TO-DATE | BUDGET AMOUNT | DIFFERENCE |
|--------------------------------|---------------|----------------|----------------|----------------|
| | ----- | ----- | ----- | ----- |
| REVENUES | | | | |
| CDBG RECEIPTS | \$317,455.00 | \$1,274,202.39 | \$1,510,700.00 | \$236,497.61 |
| INTEREST | 19,351.21 | 124,577.12 | \$.00 | (\$124,577.12) |
| REAL ESTATE SALES | .00 | 67,713.00 | \$.00 | (\$67,713.00) |
| PARKING LOT REVENUE AND RENTAL | 14,890.00 | 152,879.17 | \$193,160.00 | \$40,280.83 |
| DEQ PROPERTY FUNDS | 12,600.00 | 12,600.00 | \$.00 | (\$12,600.00) |
| MISCELLANEOUS RECEIPTS | 640.00 | 1,030.00 | \$.00 | (\$1,030.00) |
| | ----- | ----- | ----- | ----- |
| TOTAL RECEIPTS | \$364,936.21 | \$1,633,001.68 | \$1,703,860.00 | \$70,858.32 |
| | ----- | ----- | ----- | ----- |
| EXPENSES | | | | |
| ADMIN SALARIES & BENEFITS | \$15,744.22 | \$187,514.48 | \$189,343.00 | \$1,828.52 |
| ADMIN SUPP SALARIES & BENEFITS | 14,685.38 | 166,581.59 | \$268,962.00 | \$102,380.41 |
| ADMIN OVERHEAD | 6,295.72 | 83,947.86 | \$82,100.00 | (\$1,847.86) |
| PROP MGMT SALARIES & BENEFITS | 12,404.77 | 137,948.83 | \$147,203.00 | \$9,254.17 |
| PROP MGMT OVERHEAD | 5,158.69 | 41,139.93 | \$68,000.00 | \$26,860.07 |
| PROP MGMT INSURANCE | 6,989.22 | 10,090.61 | \$8,200.00 | (\$1,890.61) |
| CONTRACT SERVICES | 4,825.00 | 44,374.28 | \$29,510.00 | (\$14,864.28) |
| GENERAL MAINTENANCE | 1,585.50 | 23,643.83 | \$38,000.00 | \$14,356.17 |
| PROFESSIONAL SERVICES | 19,390.00 | 76,106.43 | \$.00 | (\$76,106.43) |
| LEGAL-HAMMONS HOTEL | .00 | 13,518.50 | \$.00 | (\$13,518.50) |
| ACQUISITION-HAMMONS HOTEL | .00 | 180,879.58 | \$.00 | (\$180,879.58) |
| REAL ESTATE PURCHASES | 9,843.75 | 9,843.75 | \$.00 | (\$9,843.75) |
| RELOCATION (I-40) | .00 | 391.79 | \$.00 | (\$391.79) |
| ENVIRONMENTAL | 11,514.30 | 181,951.16 | \$68,830.00 | (\$113,121.16) |
| ACQUISITION | 51,546.00 | 105,328.75 | \$219,000.00 | \$113,671.25 |
| DISPOSITION | 48,980.97 | 392,731.21 | \$75,000.00 | (\$317,731.21) |
| LEGAL - TIF | .00 | 30,737.50 | \$.00 | (\$30,737.50) |
| SITE CLEARANCE | 205.61 | 802.21 | \$.00 | (\$802.21) |
| SITE IMPROVEMENTS | 565.55 | 124,468.61 | \$300,712.00 | \$176,243.39 |
| OSSH | 10,306.41 | 19,954.26 | \$209,000.00 | \$189,045.74 |
| | ----- | ----- | ----- | ----- |
| TOTAL EXPENSES | \$220,041.09 | \$1,831,955.16 | \$1,703,860.00 | (\$128,095.16) |
| | ----- | ----- | ----- | ----- |
| DIFFERENCE | \$144,895.12 | (\$198,953.48) | \$.00 | \$198,953.48 |
| | ===== | ===== | ===== | ===== |

OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF ASSETS AND LIABILITIES
 ARISING FROM CASH TRANSACTIONS
 As of June 30, 2000

For CLOSEOUT

ASSETS

| | |
|---------------------|----------------|
| CASH | \$1,738,070.52 |
| GOOD FAITH DEPOSITS | \$17,567.44 |
| INVESTMENTS | \$791,273.09 |
| DUE FROM | \$123,354.84 |
| | ----- |
| TOTAL ASSETS | \$2,670,265.89 |
| | ===== |

LIABILITIES AND FUND BALANCE

| | |
|---|----------------|
| A/P - GOOD FAITH | \$4,021.61 |
| DUE TO | (\$84,713.79) |
| | ----- |
| TOTAL LIABILITIES | (\$80,692.18) |
| BEGINNING FUND BALANCE | \$2,868,076.40 |
| EXCESS(DEFICIENCY) OF RECEIPTS OVER EXPENDITURES | (\$117,118.33) |
| | ----- |
| TOTAL FUND BALANCE | \$2,750,958.07 |
| TOTAL LIABILITIES AND FUND BALANCE | \$2,670,265.89 |
| | ===== |

OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF INCREASES AND DECREASES IN FUND
BALANCES ARISING FROM CASH TRANSACTIONS
For the period June 1, 2000 to June 30, 2000

For CLOSEOUT

| | CURRENT MONTH ----- | YEAR TO DATE ----- |
|--------------------------------|------------------------|-----------------------|
| REVENUES | | |
| CDBG RECEIPTS | \$118,726.00 | \$574,260.16 |
| INTEREST | 19,351.21 | 124,577.12 |
| REAL ESTATE SALES | .00 | 67,713.00 |
| PARKING LOT REVENUE AND RENTAL | 14,890.00 | 152,879.17 |
| DEQ PROPERTY FUNDS | 12,600.00 | 12,600.00 |
| MISCELLANEOUS RECEIPTS | 640.00 | 1,030.00 |
| | ----- | ----- |
| TOTAL RECEIPTS | \$166,207.21 | \$933,059.45 |
| | ----- | ----- |
| EXPENSES | | |
| ADMIN SALARIES & BENEFITS | \$10,989.75 | \$126,220.67 |
| ADMIN SUPP SALARIES & BENEFITS | 9,351.65 | 107,754.47 |
| ADMIN OVERHEAD | 5,100.88 | 57,490.40 |
| PROP MGMT SALARIES & BENEFITS | 12,404.77 | 137,948.83 |
| PROP MGMT OVERHEAD | 5,158.69 | 41,139.93 |
| PROP MGMT INSURANCE | 6,989.22 | 10,090.61 |
| CONTRACT SERVICES | 4,825.00 | 44,374.28 |
| GENERAL MAINTENANCE | 1,585.50 | 23,643.83 |
| PROFESSIONAL SERVICES | 19,390.00 | 75,546.43 |
| LEGAL-HAMMONS HOTEL | .00 | 13,518.50 |
| ACQUISITION-HAMMONS HOTEL | .00 | 180,879.58 |
| RELOCATION (I-40) | .00 | 391.79 |
| ENVIRONMENTAL | .00 | 3,150.00 |
| DISPOSITION | 34,872.51 | 185,529.95 |
| LEGAL - TIF | .00 | 30,737.50 |
| SITE CLEARANCE | 205.61 | 205.61 |
| SITE IMPROVEMENTS | .00 | 11,555.40 |
| | ----- | ----- |
| TOTAL EXPENSES | \$110,873.58 | \$1,050,177.78 |
| | ----- | ----- |
| DIFFERENCE | \$55,333.63 | (\$117,118.33) |
| | ===== | ===== |

OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
As of June 30, 2000

For CULTURAL DISTRICT

ASSETS

TOTAL ASSETS

\$.00
=====

LIABILITIES AND FUND BALANCE

DUE TO

(\$1,926.80)

TOTAL LIABILITIES

(\$1,926.80)

BEGINNING FUND BALANCE
EXCESS(DEFICIENCY) OF RECEIPTS
OVER EXPENDITURES

\$1,926.80

\$.00

TOTAL FUND BALANCE

\$1,926.80

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, 2000 to June 30, 2000

For CULTURAL DISTRICT

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

OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
As of June 30, 2000

For SEPII (Formerly Lincoln-Byers)

ASSETS

| | |
|---------------------|-------------|
| GOOD FAITH DEPOSITS | \$32,965.47 |
| | ----- |
| TOTAL ASSETS | \$32,965.47 |
| | ===== |

LIABILITIES AND FUND BALANCE

| | |
|---|---------------|
| A/P - GOOD FAITH DUE TO | \$32,965.47 |
| | \$37,540.64 |
| | ----- |
| TOTAL LIABILITIES | \$70,506.11 |
| BEGINNING FUND BALANCE | (\$25,397.46) |
| EXCESS(DEFICIENCY) OF RECEIPTS OVER EXPENDITURES | (\$12,143.18) |
| | ----- |
| TOTAL FUND BALANCE | (\$37,540.64) |
| TOTAL LIABILITIES AND FUND BALANCE | \$32,965.47 |
| | ===== |

OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF INCREASES AND DECREASES IN FUND
BALANCES ARISING FROM CASH TRANSACTIONS
For the period June 1, 2000 to June 30, 2000

For SEPII (Formerly Lincoln-Byers)

| | CURRENT MONTH ----- | YEAR TO DATE ----- |
|--------------------------------|------------------------|-----------------------|
| REVENUES | | |
| CDBG RECEIPTS | \$12,463.00 | \$64,048.13 |
| | ----- | ----- |
| TOTAL RECEIPTS | \$12,463.00 | \$64,048.13 |
| | ----- | ----- |
| EXPENSES | | |
| ADMIN SALARIES & BENEFITS | \$532.25 | \$6,219.51 |
| ADMIN SUPP SALARIES & BENEFITS | 111.69 | 4,504.77 |
| ADMIN OVERHEAD | 19.97 | 2,291.81 |
| | | |
| ENVIRONMENTAL | .00 | 6,412.38 |
| ACQUISITION | .00 | 9,271.36 |
| DISPOSITION | 7,678.90 | 46,512.53 |
| SITE IMPROVEMENTS | .00 | 978.95 |
| | ----- | ----- |
| TOTAL EXPENSES | \$8,342.81 | \$76,191.31 |
| | ----- | ----- |
| DIFFERENCE | \$4,120.19 | (\$12,143.18) |
| | ===== | ===== |

OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
As of June 30, 2000

For HARRISON/WALNUT

ASSETS

| | |
|---------------------|----------|
| GOOD FAITH DEPOSITS | \$569.84 |
| | ----- |
| TOTAL ASSETS | \$569.84 |
| | ===== |

LIABILITIES AND FUND BALANCE

| | |
|---|---------------|
| DUE TO | \$70,752.84 |
| | ----- |
| TOTAL LIABILITIES | \$70,752.84 |
| BEGINNING FUND BALANCE | (\$10,046.45) |
| EXCESS(DEFICIENCY) OF RECEIPTS OVER EXPENDITURES | (\$60,136.55) |
| | ----- |
| TOTAL FUND BALANCE | (\$70,183.00) |
| TOTAL LIABILITIES AND FUND BALANCE | \$569.84 |
| | ===== |

OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
As of June 30, 2000

For OSSM

ASSETS

TOTAL ASSETS

\$.00
=====

LIABILITIES AND FUND BALANCE

TOTAL LIABILITIES

\$.00

EXCESS(DEFICIENCY) OF RECEIPTS
OVER EXPENDITURES

\$.00

TOTAL FUND BALANCE

\$.00

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, 2000 to June 30, 2000

For HARRISON/WALNUT

| | CURRENT MONTH ----- | YEAR TO DATE ----- |
|--------------------------------|-------------------------------|--------------------------------|
| REVENUES | | |
| CDBG RECEIPTS | \$90,381.00 | \$303,690.82 |
| TOTAL RECEIPTS | ----- \$90,381.00 ----- | ----- \$303,690.82 ----- |
| EXPENSES | | |
| ADMIN SALARIES & BENEFITS | \$4,222.22 | \$49,792.55 |
| ADMIN SUPP SALARIES & BENEFITS | 5,222.04 | 49,115.24 |
| ADMIN OVERHEAD | 1,174.87 | 22,324.33 |
| REAL ESTATE PURCHASES | 9,843.75 | 9,843.75 |
| ENVIRONMENTAL | .00 | 9,230.00 |
| ACQUISITION | 51,546.00 | 92,549.39 |
| DISPOSITION | 6,322.28 | 72,499.35 |
| SITE IMPROVEMENTS | 565.55 | 38,518.50 |
| OSSM | 10,306.41 | 19,954.26 |
| TOTAL EXPENSES | ----- \$89,203.12 ----- | ----- \$363,827.37 ----- |
| DIFFERENCE | ===== | ===== |
| | \$1,177.88 | (\$60,136.55) |
| | ===== | ===== |

OKLAHOMA CITY URBAN RENEWAL AUTHORITY

STATEMENT OF ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
As of June 30, 2000

For MERCY HOSPITAL

ASSETS

TOTAL ASSETS

\$.00
=====

LIABILITIES AND FUND BALANCE

DUE TO

\$9,555.42

TOTAL LIABILITIES

\$9,555.42

EXCESS(DEFICIENCY) OF RECEIPTS
OVER EXPENDITURES

(\$9,555.42)

TOTAL FUND BALANCE

(\$9,555.42)

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, 2000 to June 30, 2000

For MERCY HOSPITAL

| | CURRENT MONTH ----- | YEAR TO DATE ----- |
|--------------------------------|-------------------------------|--------------------------------|
| REVENUES | | |
| CDBG RECEIPTS | \$95,885.00 | \$332,203.28 |
| TOTAL RECEIPTS | ----- \$95,885.00 ----- | ----- \$332,203.28 ----- |
| EXPENSES | | |
| ADMIN SALARIES & BENEFITS | \$.00 | \$5,281.75 |
| ADMIN SUPP SALARIES & BENEFITS | .00 | 5,207.11 |
| ADMIN OVERHEAD | .00 | 1,841.32 |
| PROFESSIONAL SERVICES | .00 | 560.00 |
| ENVIRONMENTAL ACQUISITION | 11,514.30 | 163,158.78 |
| DISPOSITION | .00 | 3,508.00 |
| SITE CLEARANCE | 107.28 | 88,189.38 |
| SITE IMPROVEMENTS | .00 | 596.60 |
| TOTAL EXPENSES | ----- \$11,621.58 ----- | ----- \$341,758.70 ----- |
| DIFFERENCE | ----- \$84,263.42 ===== | ----- (\$9,555.42) ===== |

