

**NOTICE OF SPECIAL MEETING
OF THE
TAX INCREMENT DISTRICT REVIEW COMMITTEE OF THE
CITY OF BLANCHARD, OKLAHOMA**

DATE OF MEETING: Monday, December 2, 2024

TIME OF MEETING: 1:00 o'clock p.m.

PLACE OF MEETING: Old City Hall
114 West Broadway Street
Blanchard, Oklahoma 73010

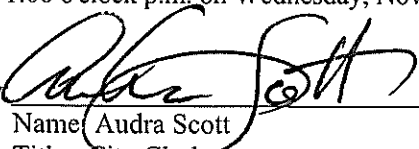
AGENDA

**TAX INCREMENT DISTRICT REVIEW COMMITTEE OF THE
CITY OF BLANCHARD, OKLAHOMA**

Special Meeting of the Tax Increment District Review Committee of the City of Blanchard, Oklahoma
Monday, December 2, 2024, at 1:00 o'clock p.m.
Old City Hall
114 West Broadway Street
Blanchard, Oklahoma 73010

1. DETERMINATION OF QUORUM AND CALL TO ORDER.
2. DISCUSSION OF STATUS OF INCREMENT DISTRICT NO. 3, CITY OF BLANCHARD.
3. CONSIDER AND TAKE ACTION WITH RESPECT TO A RESOLUTION RECOMMENDING THAT THE CITY OF BLANCHARD, OKLAHOMA, THROUGH ITS CITY COUNCIL AMEND INCREMENT DISTRICT NO. 3, CITY OF BLANCHARD (THORPE NATIONAL ECONOMIC DEVELOPMENT PROJECT PLAN) TO UPDATE AND ADD CERTAIN AUTHORIZED PROJECT COSTS.
4. SELECTION OF NEXT MEETING TIME.
5. ADJOURNMENT

The undersigned received notice of the Special Meeting referenced herein prior to Tuesday, November 26, 2024, at 1:00 o'clock p.m., and this Notice of Special Meeting and Agenda was posted in prominent public view at the City of Blanchard City Hall (2008 North Council Avenue) and at Old City Hall (114 West Broadway Street – location of the meeting), prior to 1:00 o'clock p.m. on Wednesday, November 27, 2024.

By 
Name: Audra Scott
Title: City Clerk

**AMENDMENT NO. 1 TO
THORPE NATIONAL ECONOMIC DEVELOPMENT PROJECT PLAN
INCREMENT DISTRICT NO. 3, CITY OF BLANCHARD**

Prepared by:

CITY OF BLANCHARD, OKLAHOMA

**MAYOR AND BOARD OF COMMISSIONERS
MICHAEL SCALF, MAYOR, WARD 2
CHUCK KEMPER, VICE-MAYOR, WARD 4
BEN WHITT, WARD 1
ALBERT RYANS, WARD 3
CHRISTINA SHORT, WARD 5**

ROBERT FLOYD, CITY MANAGER

**THE PUBLIC FINANCE LAW GROUP PLLC
5657 N. CLASSEN BOULEVARD, SUITE 100
OKLAHOMA CITY, OKLAHOMA 73118
(405) 235-3413**

AMENDMENT NO. 1 TO

THORPE NATIONAL ECONOMIC DEVELOPMENT PROJECT PLAN

SUMMARY

This Amendment No. 1 to the Thorpe National Economic Development Project Plan (the “**Amendment No. 1**”) hereby amends that certain Thorpe National Economic Development Project Plan dated December 27, 2023 (as amended herein, collectively referred to as the “**Project Plan**”), in the manner herein set forth. Unless otherwise defined herein, all terms used herein shall have the definition accorded thereto in the Project Plan and in Ordinance No. 803 of the City of Blanchard, Oklahoma (the “**City**”), as it creates Increment District No. 3, City of Blanchard (the “**Increment District**”), all pursuant to the Local Development Act, 62 O.S. §850, *et seq.* (the “**Local Development Act**”).

Formatted: Space After: 6 pt

The purpose of this Amendment No. 1 is to accomplish the following objectives: (i) update the costs of the TIF Projects to be initially incurred by the City and reimbursed from the TIF Revenues, and (ii) to authorize certain additional Project Costs appropriate to enhance the Project in order to maximize available state matching funds under the Local Development Act and the Enterprise Zone Incentive Leverage Act, 62 O.S. §840, *et seq.* (the “**Leverage Act**”). This Amendment No. 1 increases the total authorization of Project Costs to a total amount of ~~\$101.57 million, plus~~ interest and related financing costs and administration costs associated with the Increment District in an amount not to exceed ~~\$83.97 million, for a total authorized cost of \$185,419,000.~~ This Amendment No. 1 does not modify the boundaries of the Increment District or the Project Area, each as described in the Project Plan.

Deleted: 91.45

Deleted: 89.22

Deleted: 180,672,000

Increase to Authorized Project Costs

Formatted: Space After: 6 pt

The original Project Plan authorized total Project Costs in the amount of \$42,668,000, ~~plus~~ administration, interest, and financing costs. These costs included approximately \$16,016,000 for water and sewer infrastructure, \$13,504,000 for traffic infrastructure, \$9,548,000 for other costs including 15% contingency, 12% engineering, and 5% for inspections, testing, advertising, and other ancillary construction costs, \$3,000,000 for Blanchard Public Schools, and \$600,000 for McClain-Grady EMS District. Construction inflation and related economic factors have continued to cause significant upwards pressure on the costs of infrastructure. In recognition thereof, the following adjustments to the Project Costs authorized pursuant to the original Project Plan are hereby adopted:

Deleted: 688

- Water and Sewer Infrastructure (\$17,615,000)
 - \$2,265,000 Extend waterline to serve Middleberg School District
 - \$805,000 Extend waterlines to serve Increment District area
 - \$14,545,000 Pump sewage to existing City treatment facility, or in the alternative construct new treatment facilities and necessary sewer line extensions

Thorpe National Project Plan Amendment No. 1 Dated: 11/12/2024
Revised 11/21/2024 and Adopted _____

- **Traffic Infrastructure (\$14,635,000)**
 - \$5,200,000 17,269.95 L.F. of Road Improvements – Old US-62 at \$300/L.F.
 - \$1,160,000 Intersection Modification and Signalization (US-62 @ Morgan Road) including drainage improvements
 - \$25,000 Traffic Impact Analysis (TIA)
 - \$8,250,000 27,496 L.F. of Road Improvements – Sara Road to I-44 at \$300/L.F.
- **Public Safety Infrastructure (\$4,000,000)**
 - \$4,000,000 Construction of a new fire station serving southwest areas of Blanchard
- **Other Project Costs related to the above cost elements (\$13,888,000)**
 - \$6,510,000 Contingency (15%)
 - \$5,208,000 Engineering (12%)
 - \$2,170,000 Inspections/Testing/Advertising (5%)
- **Blanchard School District Infrastructure (\$3,000,000)**
 - The following projects will represent a TIF contribution (payable from the Ad Valorem Increment Revenues) to offset potential capital impacts to Blanchard High School. The listed project may supplement funding from proceeds of a future general obligation bond issue of the Blanchard School District, subject to voter approval.
 - \$3,000,000 High School Classroom Addition with Safe Room (\$10,500,000 estimated total project cost)
- **Middleberg School District Infrastructure (\$10,000,000)**
 - The following projects will represent a TIF contribution (payable from the Ad Valorem Increment Revenues) to offset potential capital impacts to Middleberg School District. Growth in the Middleberg School District resulting in part from the Project may necessitate the addition of a Middleberg High School, which would also potentially alleviate some of the projected capital impact to Blanchard High School. The listed project may supplement funding from proceeds of a future general obligation bond issue of the Middleberg School District, subject to voter approval.
 - \$10,000,000 High School Facility Classrooms with Safe Room (\$50,000,000 preliminary estimated total project cost)
- **McClain-Grady EMS District Infrastructure (\$600,000)**
 - The following projects will represent a TIF contribution (payable from the Ad Valorem Increment Revenues) to offset potential capital impacts to McClain-Grady EMS District. The amount is derived from a calculation of the present

value of one percent (1.0%) of the projected aggregate Ad Valorem Increment Revenues over the term of the Increment District, assuming a discount factor of 2.356% annually.

- \$600,000 Capital equipment costs related to providing ambulance service, including but not limited to ambulance rigs and emergency response equipment.
- Investment Incentives (\$40,000,000)
 - Quality of Life Infrastructure and Amenities (\$9,438,000) including certain capital infrastructure improvements to be constructed by the Developer for the benefit of and available to the general public. The City may enter into one or more development agreements for the construction of said improvements, to provide payment or reimbursement of the costs thereof as assistance in development financing, which may include an interest component. Specific improvements include, but are not necessarily limited to the following:
 - \$3,600,000 Construction of a Blanchard visitors center
 - \$250,000 Buffalo Preserve/Paddock
 - \$750,000 Mountain Bike Range
 - \$50,000 Archery Range
 - \$150,000 Disc Golf Course
 - \$1,000,000 Nature Trails
 - \$1,200,000 Botanical Garden
 - \$150,000 ATV/UTV Course
 - \$2,288,000 Approximately 32% for contingency, engineering, and related improvement costs
 - Leverage Act Incentives (\$30,562,000) include the payment of qualifying incentives under the Leverage Act pursuant to one or more development agreements authorized by the City with specific businesses that will result in attractions and amenities that will enhance the Project as well as the quality of life for Blanchard residents. Targeted examples include, but are not limited to, a full-service grocery store, full-service hotel, high-end dining establishments, and casual-dining restaurants with table service. Incentives are contemplated to be paid in arrears in the form of a tax rebate, and may be in varying amounts, durations, and subject to annual limitations as may be agreed upon by the City.
- Organizational, Administrative and Financing Costs (\$83,969,000)
 - Interest and related financing costs in the amount of approximately \$83,594,000, assuming financing of all project costs except for Blanchard School, McClain Grady EMS, and Leverage Act Incentives over the term of the Increment District, at a fixed interest rate of 8%, and including two years of capitalized interest. This amount is intended to be a not-to-exceed maximum,

Thorpe National Project Plan Amendment No. 1 Dated: 11/12/2024
Revised 11/21/2024 and Adopted _____

and the City will endeavor to finance Project Costs in the most efficient manners possible. The estimated portion of the interest and related financing costs pertaining to the Quality of Life Infrastructure and Amenities is \$13,771,000.

- o Annual administration costs associated with the Increment District in the amount of approximately \$250,000, not in excess of \$10,000 per year
- o Organizational costs of the Increment District in the amount of approximately \$125,000.

Formatted: Space After: 6 pt

The total amount of Project Costs, excluding interest and financing costs, under the original Project Plan was \$42,668,000. The revised total of authorized Project Costs is \$101,575,000, excluding interest and financing costs.

Deleted: 688

Deleted: 91,575,000

The total amount of all Project Costs, including interest and financing costs, is \$185,419,000. The total amount of Investment Incentives, including allocable interest and financing costs, is \$53,771,000. The City has received confirmation from the Oklahoma Department of Commerce that the project will qualify for state sales tax matching funds under the Leverage Act. It is expected that the eligible matching funds that could be received from the State will exceed the costs of the Investment Incentives, including allocable interest and financing costs.

Deleted: 175,419,000

Financial Impacts of the Additional Authorized Project Costs

Formatted: Space After: 6 pt

The total TIF Revenues collected through the end of the 2024 tax year are expected to be \$0. (Construction of the Project has commenced and the initial phases are expected to open in approximately February 2026). The initial development tax revenue projections were based on \$638.7 million capital investment (with a taxable value of \$511.5 million) and \$2.68 billion in total taxable sales. Revised projections as of the date of this Amendment are based on \$640.7 million capital investment (with a taxable value of \$513.1 million) and \$2.85 billion in total taxable sales. The revised TIF Revenue projection is as follows:

- Ad Valorem Increment Revenues
 - o Approximately \$87.45 million could be generated by the incremental increase in ad valorem tax revenue during the term of the Increment District, with approximately \$43.725 million available for allocation to Project Costs and approximately \$43.725 million apportioned to the affected ad valorem taxing jurisdictions. The initial projections of Ad Valorem Increment Revenues are based upon an estimated \$513.1 million aggregate taxable capital investment, an 11% assessment rate for real property, an 11% assessment rate for business personal property, and an approximately 8.062% millage levy within the Increment District (based on the 2024 levy rate for property located within Middleberg School District), or an approximately 10.841% millage levy within the Increment District (based on the 2024 levy rate for property located within Blanchard School District), allocated based on the projected development.
- Sales Tax Increment Revenues
 - o Approximately \$142.88 million could be generated by the incremental increase in City sales and use tax revenue during the term of the Increment District, with approximately \$71.44 million available for allocation to Project Costs and

approximately \$71.44 million retained by the City. The initial projections of incremental sales and use tax revenue are based upon the projected revenues generated within the Increment District from the levy of an aggregate total of five percent (5.0%) sales and use tax on new construction within the Increment District and new retail and other space generating approximately \$2.85 billion in gross taxable sales during the term of the Increment District.

- Hotel Tax Increment Revenue

- Approximately \$67.78 million could be generated by the incremental increase in City hotel/motel tax revenue during the term of the Increment District, with approximately \$33.89 million available for allocation to Project Costs and approximately \$33.89 million retained by the City and allocated. The initial projections of incremental hotel/motel tax revenue are based upon the revenues generated within the Increment District from the levy of five percent (5.0%) room occupancy tax, and occupancy generating approximately \$1.35 billion in gross occupancy sales during the term of the Increment District.

- Leverage Act Increment Revenues

- The Oklahoma Department of Commerce determined, based on the original TIF Revenue projections, that the Thorpe National Economic Development Project Plan is revenue positive to the State through June 30, 2049, up to \$95,554,750. Based on the initial projections of revenue and the level of apportionment of sales and use tax and hotel/motel tax to Project Costs, state matching payments could make available up to an additional \$95.55 million for Project Costs.

Formatted: Space After: 6 pt

The Ad Valorem Increment Revenues, the Sales Tax Increment Revenues, the Hotel Tax Increment Revenues, and the Leverage Act Increment Revenues (estimated at a total of approximately \$244.61 million over the term of the Increment District based on the projected development of the Project), of which portions will serve as all or a portion of the revenue source for financing the Project Costs authorized by Section IX of this Project Plan, are the public revenues directly attributable to the project defined by establishment of the Increment District. Additionally, the various taxing jurisdictions may realize additional ad valorem tax and/or sales and use tax revenue from additional development outside the boundaries of the Increment District.

All other provisions of the Project Plan as adopted by the Mayor and City Council of the City of Blanchard, Oklahoma, shall remain in full force and effect, and are hereby incorporated by reference.

* * *

[Remainder of Page Left Blank Intentionally],

Deleted: ¶

Publish: Tulsa World – Sunday, November 17, 2024
Publish: Blanchard News – Thursday, November 21, 2024
Publish: Chickasha Express-Star – Thursday, November 21, 2024

NOTICE OF PUBLIC HEARINGS

REGARDING THE AMENDMENT OF A TAX INCREMENT DISTRICT: INCREMENT DISTRICT NO. 3, CITY OF BLANCHARD

THORPE NATIONAL ECONOMIC DEVELOPMENT PROJECT IN BLANCHARD, OKLAHOMA

6:00 PM MONDAY, DECEMBER 2, 2024
6:00 PM TUESDAY, DECEMBER 10, 2024

TO ALL INTERESTED INDIVIDUALS:

The City of Blanchard, Oklahoma (the “City”) invites and encourages all interested citizens and other interested parties to attend two public hearings scheduled for Monday, December 2, 2024, at 6:00 P.M. (during a regular meeting of the Blanchard Economic Trust Authority), and Tuesday, December 10, 2024, at 6:00 P.M. (during a regular meeting of the Blanchard City Council), both hearings to be held in the Council Chambers located at the Blanchard Municipal Courthouse, 300 N. Main Street, Blanchard, Oklahoma 73010.

The purpose of the first hearing shall be for information and questions, and the second hearing shall be for persons to have an opportunity to be heard concerning the proposed amendment of Increment District No. 3, City of Blanchard (referred to herein as the “Increment District”) on the following described tracts, and the Thorpe National Economic Development Project Plan (the “Project Plan”). The Increment District was originally established by Ordinance No. 803 dated January 30, 2024 (the “TIF Ordinance”). The purpose of the Increment District is to promote the development of a vibrant destination resort golf course with upscale residential and commercial amenities to attract visitors and long-term residents alike to Blanchard. The purpose of Amendment No. 1 to Thorpe National Economic Development Project Plan (the “Amendment No. 1”) is to accomplish the following objectives: (i) update the costs of the TIF Projects to be initially incurred by the City and reimbursed from the TIF Revenues, and (ii) authorize certain additional Project Costs appropriate to enhance the Project in order to maximize available state matching funds under the Local Development Act, 62 O.S. §850, *et seq.* (the “Local Development Act”), and the Enterprise Zone Incentive Leverage Act, 62 O.S. §840, *et seq.* (the “Leverage Act”).

Increment District No. 3, City of Blanchard

The boundaries of the Increment District contain an area generally described as the property north of State Highway 62, east of County N2960 Rd (extended), south of County E1295 Rd (Extended), and mostly west of County N2970 Rd/Sara Road (extended). The legal description of the Increment District is as follows:

A Tract of land located in Sections Thirty-four (34), Twenty-seven (27), and Thirty-five (35), Township Eight (8) North, Range Five (5) West of the Indian Meridian, Grady County, Oklahoma.

COMMENCING at the Southwest Corner of said Section 34, Thence on the West line of the Southwest Quarter (SW4) of said Section 34 as the Basis of Bearing; Thence N00°12'01"W a distance of 111.88 feet to the North line of the Existing Right of Way of Old Highway 62, 277, 9 and the POINT OF BEGINNING; Thence continuing, N00°12'01"W a distance of 2534.11 feet to the Southwest Corner of the NW4 of said Section 34; Thence N00°07'24"W a distance of 2640.23 feet to the Northwest Corner of Section 34 and the Southwest Corner of Section 27; Thence N00°17'41"W a distance of 2650.75 feet to the Northwest Corner of the SW4 of Section 27; Thence N00°11'09"W a distance of 570.00 feet; Thence S89°48'17"E a distance of 1320.00 feet; Thence

S00°11'09"E a distance of 570.00 feet; Thence S89°48'17"E a distance of 3963.33 feet to the Northeast Corner of the SE4 of Section 27; Thence S00°10'06"E a distance of 2618.84 feet to the Southeast Corner of Section 27; Thence N89°42'30"E a distance of 659.99 feet to the West Line of Rolling Hills Estates; Thence on the Border of Rolling Hills Estates for the Next Four (4) Calls located in Section 35, S00°11'07"E a distance of 1320.21 feet; Thence N89°43'31"E a distance of 1980.05 feet; Thence S00°11'19"E a distance of 660.39 feet; Thence N89°43'41"E a distance of 2640.13 feet to the East line of the SE4 of Section 35; Thence S00°11'47"E a distance of 470.61 feet to the North Right of Way line of Old Highways 62, 277 and 9; Thence on the North line of said Right of Way for the next Twelve calls, S89°47'00"W a distance of 1775.57 feet; Thence N86°28'19"W a distance of 253.23 feet; Thence on a curve turning to the left with an arc length of 1140.02 feet, a radius of 4144.43 feet, a chord bearing of S81°45'01"W, and a chord distance of 1136.42 feet; Thence S89°39'30"W a distance of 294.21 feet; Thence on a curve turning to the left with an arc length of 782.72 feet, a radius of 1195.92 feet, a chord bearing of S70°58'31"W, and a chord distance of 768.83 feet; Thence S52°14'09"W a distance of 72.89 feet; Thence on a curve turning to the right with an arc length of 526.25 feet, a radius of 1359.90 feet, a chord bearing of S63°19'19"W, and a chord distance of 522.97 feet; Thence S74°24'29"W a distance of 755.53 feet; Thence on a curve turning to the right with an arc length of 458.39 feet, a radius of 1405.22 feet, a chord bearing of S83°45'42"W, and a chord distance of 456.36 feet; Thence N86°54'28"W a distance of 1444.56 feet; Thence on a curve turning to the left with an arc length of 998.05 feet, a radius of 1482.07 feet, a chord bearing of S73°48'06"W, and a chord distance of 979.30 feet; Thence S54°33'26"W a distance of 2808.16 feet back to the POINT OF BEGINNING.

This description contains 40,685,873 Square Feet or 934.02 Acres more or less.

Project Area

The boundaries of the Project Area associated with the Increment District contain an area comprising 68 square miles, roughly bordered on the south by E 1320 Rd, on the west by the H.E. Bailey Turnpike (I-44), on the north by E 1250 Rd (Sandrock Road), and on the east by N. Rockwell Ave. The legal description of the Project Area is as follows:

An area located in Grady County, Oklahoma, and McClain County, Oklahoma, more particularly described as follows:

All of Sections One (1) through Six (6), Township 7 North, Range 5 West of the Indian Base and Meridian, Grady County, Oklahoma.

All of Sections One (1) through Thirty Six (36), Township 8 North, Range 5 West of the Indian Base and Meridian, Grady County, Oklahoma.

All of Sections Twelve (12) through Fourteen (14), Twenty Two (22) through Twenty Eight (28), and Thirty Three (33) through Thirty Six (36), Township 8 North, Range 6 West of the Indian Base and Meridian, Grady County, Oklahoma.

All of Sections Five (5) through Eight (8), Seventeen (17) through Twenty (20), and Twenty Nine (29) through Thirty Two (32), Township 8 North, Range 4 West of the Indian Base and Meridian, McClain County, Oklahoma.

Maps of the Increment District boundaries and Project Area boundaries are provided below. The Increment District is the area within which Ad Valorem Increment Revenues, Sales Tax Increment Revenues, Hotel Tax Increment Revenues, and Leverage Act Increment Revenues (collectively, the "TIF Revenues") may be captured and utilized for the payment of Project Costs as described in the Project Plan. The Project Area is the broader area within which project activities, including construction of the supporting public improvements, will take place. Amendment No. 1 does not modify the existing boundaries of the Increment District or the Project Area.

The Project Plan and a draft of Amendment No. 1 to the Project Plan may be reviewed by any person interested, in the Office of the City Clerk at the Blanchard City Hall, 2008 N. Council Ave., Blanchard,

Oklahoma 73010, during normal business hours from 9:00 a.m. to 5:00 p.m., Monday through Friday, and at the following web address: www.cityofblanchard.us.

Amendment No. 1 to Thorpe National Economic Development Project Plan increases the authorized Project Costs from \$42,688,000, plus administration, interest and financing costs, to \$91,450,000, plus administration, interest and financing costs. This increase includes an approximately 10% increase to the utility and traffic infrastructure improvements proposed under the Project Plan, plus an additional public safety infrastructure project (new fire station serving southwest areas of Blanchard). The increase also includes potential Investment Incentives totaling \$40 million, comprised of Quality of Life Infrastructure and Amenities (\$9,438,000) for capital infrastructure improvements to be constructed by the Developer for the benefit of and available to the general public, and Leverage Act Incentives (\$30,562,000) to be utilized to attract specific businesses and amenities to enhance the Project as well as the quality of life for Blanchard residents. All Investment Incentives would require separate approval of a development agreement by the City Council. Increment District No. 3 has qualified under the Leverage Act administered through the Oklahoma Department of Commerce to receive up to \$95.55 million in state matching funds based on local sales and hotel tax TIF revenues contributed by the City. These potential matching funds exceed the total cost of the Investment Incentives, including allocable interest and financing costs. TIF Revenue projections based on the Developer's master development plan contemplate a capital investment of approximately \$640.7 million, generating approximately \$2.85 billion in taxable sales through the expiration of the Increment District on June 30, 2049. The Project Costs (as described in the Project Plan, as amended) total an aggregate amount not-to-exceed \$91,450,000 for infrastructure improvements and investment incentives, plus an estimated \$375,000 for organizational and administration costs related to the Increment District, plus potential debt service costs not-to-exceed \$83,594,000, for a maximum total of \$175,419,000. The City expects to phase the expenditure of Project Costs in coordination with the project, and intends to apply other available funds as appropriate to offset the costs of the Increment District. The Increment District will capture a portion of the incremental ad valorem tax revenue, sales and use tax revenue, and hotel tax revenue generated within the Increment District over the approximately twenty-five (25) year term of the Increment District. Based on the preliminary development projections, it is anticipated that approximately \$87.45 million in ad valorem tax TIF Revenues will be generated during the term of the Increment District, with approximately \$43.725 million available for the payment of Project Costs, and the balance of approximately \$43.725 million apportioned to Middleberg Schools, Blanchard Schools, Grady County, Grady County Health Department, McClain Grady EMS District, Grady County EMS District, and Mid-America Technology Center. It is anticipated that approximately \$142.88 million in City sales and use tax TIF Revenues will be generated during the term of the Increment District, with approximately \$71.44 million available for the payment of Project Costs, and the balance of approximately \$71.44 million apportioned to the City. It is anticipated that approximately \$67.78 million in City hotel tax TIF Revenues will be generated during the term of the Increment District, with approximately \$33.89 million available for the payment of Project Costs, and the balance of approximately \$33.89 million apportioned to the City. Combined with the potential \$95.55 million in Leverage Act TIF revenues, the projected TIF revenues through the June 30, 2049 expiration date of the Increment District total approximately \$244.61 million.

Audra Scott, City Clerk
City of Blanchard, Oklahoma
2008 N. Council Ave.
Blanchard, Oklahoma 73010
Phone: (405) 485-9392

MAP OF INCREMENT DISTRICT NO. 3 BOUNDARIES



MAP OF PROJECT AREA BOUNDARIES



PURSUANT TO THE LEGAL NOTICE AS IS REQUIRED BY THE OKLAHOMA OPEN MEETING ACT INCLUDING THE POSTING OF NOTICE AND AGENDA AS IS REQUIRED BY THE TERMS THEREOF, THE TAX INCREMENT FINANCE REVIEW COMMITTEE OF THE CITY OF BLANCHARD, OKLAHOMA, MET IN SPECIAL SESSION AT OLD CITY HALL, LOCATED AT 114 WEST BROADWAY STREET, BLANCHARD, OKLAHOMA, 73010, ON THE 2ND DAY OF DECEMBER, 2024, AT 1:00 O'CLOCK P.M.

PRESENT:

ABSENT:

(OTHER PROCEEDINGS)

Thereupon, the following resolution was introduced and caused to be read by title by the City Clerk. Committee Member _____ moved passage of the Resolution and Committee Member _____ seconded the motion. The motion carrying with it the approval of said Resolution was approved by the following vote:

AYE:

NAY:

The Resolution so approved is as follows:

[RESOLUTION ON FOLLOWING PAGE]

RESOLUTION

A RESOLUTION RECOMMENDING THAT THE CITY OF BLANCHARD, OKLAHOMA, THROUGH ITS CITY COUNCIL AMEND INCREMENT DISTRICT NO. 3, CITY OF BLANCHARD (THORPE NATIONAL ECONOMIC DEVELOPMENT PROJECT PLAN) TO UPDATE AND ADD CERTAIN AUTHORIZED PROJECT COSTS.

WHEREAS, the City Council of the City of Blanchard, Oklahoma (the “City”) has heretofore adopted and approved the Thorpe National Economic Development Project Plan (as amended, the “Project Plan”) by Ordinance No. 803 dated January 30, 2024, and as may be further amended from time to time (collectively, the “TIF Ordinance”), pursuant to the Oklahoma Local Development Act, Title 62, Oklahoma Statutes, Section 850, *et seq.* as amended (the “Local Development Act”); and

WHEREAS, the City, by virtue of the TIF Ordinance, as commenced pursuant to Resolution No. 2024-05 adopted and approved by the City on January 30, 2024, has created Increment District No. 3, City of Blanchard (the “Increment District”), pursuant to the Local Development Act; and

WHEREAS, the City in its Resolution No. 2024-84 dated November 12, 2024, reconvened the Tax Increment Financing Review Committee (the “Review Committee”) to review and make recommendations concerning the amendment of the Increment District; and

WHEREAS, the Local Development Act provides that the Project Plan may be amended by the City upon recommendation of Review Committee; and

WHEREAS, it is necessary that the Increment District be amended to (i) update the costs of the TIF Projects to be initially incurred by the City and reimbursed from the TIF Revenues, and (ii) authorize certain additional Project Costs appropriate to enhance the Project in order to maximize available state matching funds under the Local Development Act and the Enterprise Zone Incentive Leverage Act, 62 O.S. §840, *et seq.* (the “Leverage Act”), which are expected to attract additional business interests with the potential to invest expanded residential, recreational, and commercial opportunities; and

WHEREAS, the membership of this Review Committee is comprised of the following individuals: a representative of the City, a representative of the Blanchard Planning and Zoning Commission, representatives of each taxing jurisdiction within the proposed district whose taxes might be impacted by virtue of the adoption of a project plan, and three representatives of the public at large, all as required pursuant to Section 855(A) of the Local Development Act; and

WHEREAS, the Review Committee has the statutory duty to consider and make its findings and recommendations to the City with respect to the appropriateness of the amendment of the Increment District and the Project Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE REVIEW COMMITTEE THAT THE FOLLOWING RECOMMENDATION BE MADE TO THE CITY COUNCIL OF THE CITY OF BLANCHARD, OKLAHOMA, IN REGARD TO THE PROPOSED AMENDMENT OF INCREMENT DISTRICT NO. 3, CITY OF BLANCHARD, OKLAHOMA:

SECTION 1. AMENDMENT OF INCREMENT DISTRICT NO. 3, CITY OF BLANCHARD, OKLAHOMA. The Review Committee hereby recommends that Increment District No. 3, City of Blanchard be amended at the earliest possible time by the City, to (i) update the costs of the TIF Projects to be initially incurred by the City and reimbursed from the TIF Revenues, and (ii) authorize certain additional Project Costs appropriate to enhance the Project in order to maximize available state matching funds under the Local Development Act and the Enterprise Zone Incentive Leverage Act, 62 O.S. §840, *et seq.* (the “Leverage Act”), which are expected to attract additional business interests with the potential to invest expanded residential, recreational, and commercial opportunities, all consistent with the provisions of Amendment No. 1 to Thorpe National Economic Development Project Plan (the “Amendment No. 1”).

SECTION 2. FINDINGS. This Review Committee finds that the adoption of the Amendment is not expected to have an adverse financial impact on any of the impacted taxing jurisdictions. The revenue derived from the based assessed value of the Increment District will continue to accrue to the respective taxing entities. The Base Assessed Value of the Increment District was determined by the Grady County Assessor to be \$70,465.

The Amendment No. 1 increases the authorized Project Costs from \$42,668,000, plus administration, interest and financing costs, to \$101,575,000, plus administration, interest and financing costs. This increase includes an approximately 10% increase to the utility and traffic infrastructure improvements proposed under the Project Plan, plus an additional public safety infrastructure project (new fire station serving southwest areas of Blanchard), plus an additional school district infrastructure project (\$10 million contribution towards construction of a Middleberg High School facility). The increase also includes potential Investment Incentives totaling \$40 million, comprised of Quality of Life Infrastructure and Amenities (\$9,438,000) for capital infrastructure improvements to be constructed by the Developer for the benefit of and available to the general public, and Leverage Act Incentives (\$30,562,000) to be utilized to attract specific businesses and amenities to enhance the Project as well as the quality of life for Blanchard residents. All Investment Incentives would require separate approval of a development agreement by the City Council. The Increment District qualified under the Leverage Act administered through the Oklahoma Department of Commerce to receive up to \$95.55 million in state matching funds based on local sales and hotel tax TIF revenues contributed by the City. These potential matching funds exceed the total cost of the Investment Incentives, including allocable interest and financing costs.

TIF Revenue projections based on the Developer’s master development plan contemplate a capital investment of approximately \$640.7 million, generating approximately \$2.85 billion in taxable sales through the expiration of the Increment District on June 30, 2049. The Project Costs (as described in the Project Plan, as amended) total an aggregate amount not-to-exceed \$101,450,000 for infrastructure improvements and investment incentives, plus an estimated \$375,000 for organizational and administration costs related to the Increment District, plus potential debt service costs not-to-exceed \$83,594,000, for a maximum total of \$185,419,000. The City expects to phase the expenditure of Project Costs in coordination with the project, and intends to apply other available funds as appropriate to offset the costs of the Increment District. The Increment District will capture a portion of the incremental ad valorem tax revenue, sales and use tax revenue, and hotel/motel tax revenue generated within the Increment District over the approximately twenty-five (25) year term of the Increment District. Based on the preliminary

development projections, it is anticipated that approximately \$87.45 million in ad valorem tax TIF Revenues will be generated during the term of the Increment District, with approximately \$43.725 million available for the payment of Project Costs, and the balance of approximately \$43.725 million apportioned to Middleberg Schools, Blanchard Schools, Grady County, Grady County Health Department, McClain Grady EMS District, Grady County EMS District, and Mid-America Technology Center. It is anticipated that approximately \$142.88 million in City sales and use tax TIF Revenues will be generated during the term of the Increment District, with approximately \$71.44 million available for the payment of Project Costs, and the balance of approximately \$71.44 million apportioned to the City. It is anticipated that approximately \$67.78 million in City hotel/motel tax TIF Revenues will be generated during the term of the Increment District, with approximately \$33.89 million available for the payment of Project Costs, and the balance of approximately \$33.89 million apportioned to the City. Combined with the potential \$95.55 million in Leverage Act TIF revenues, the projected TIF revenues through the June 30, 2049 expiration date of the Increment District total approximately \$244.61 million.

The Project Plan provides that fifty percent (50%) of the incremental ad valorem tax, City sales and use tax, and City hotel tax revenue will be apportioned to the payment of Project Costs, with the remaining fifty percent (50%) allocated to the applicable taxing entities on a pro rata basis. The sales and use tax revenue projections are based upon the projected revenues generated within the Increment District from the levy of an aggregate total of five percent (5.0%) sales and use tax on new construction within the Increment District and new retail and other space generating approximately \$2.85 billion in gross taxable sales during the term of the Increment District. The hotel/motel tax revenue projections are based upon the revenues generated within the Increment District from the levy of five percent (5.0%) room occupancy tax, and occupancy generating approximately \$1.35 billion in gross occupancy sales during the term of the Increment District. The capture and apportionment of the incremental sales and use tax revenues and hotel/motel tax revenues are summarized in Exhibit "A" attached hereto.

The ad valorem revenue projections are based on an 11% assessment rate for real property, an 11% assessment rate for business personal property, and an approximately 8.062% millage levy within the Increment District (based on the 2024 levy rate for property located within Middleberg School District), or an approximately 10.841% millage levy within the Increment District (based on the 2024 levy rate for property located within Blanchard School District), allocated based on the projected development. The capture and apportionment of the incremental ad valorem tax revenues are summarized in Exhibit "B" attached hereto.

[Remainder of Page Left Blank Intentionally]

ADOPTED THIS 2ND DAY OF DECEMBER, 2024.

(SEAL)
ATTEST:

By: _____
Chairman

By: _____
City Clerk

STATE OF OKLAHOMA)
)SS
COUNTY OF MCCLAIN)

I, the undersigned, City Clerk of the City of Blanchard, Oklahoma, do hereby certify that the above and foregoing is a true, full and correct copy of an excerpt from the minutes of a meeting of the Tax Increment District Review Committee of said City held on the date above stated, all as recorded in the official minutes of such meeting. I further certify that the "Open Meeting Law" was complied with for such meeting.

GIVEN UNDER MY HAND THIS 2ND DAY OF DECEMBER, 2024.

(SEAL)

City Clerk

EXHIBIT A
Estimated Potential Impact on Certain Sales Tax Collections

Taxing Purpose	Tax Rate ⁽¹⁾	TIF Revenues Captured ⁽²⁾			Allocation to County ⁽³⁾	Allocation to State ⁽⁵⁾	Total Sales Tax Revenue
		Allocation to City ⁽³⁾	Allocation to Project Costs ⁽⁴⁾				
City of Blanchard Sales Tax	5.000%	71,439,163.59	71,439,163.59		0.00	0.00	142,878,327.18
Grady County Sales Tax	0.750%	0.00	0.00	21,431,749.08	0.00	0.00	21,431,749.08
State of Oklahoma Sales Tax	4.500%	0.00	0.00	0.00	115,588,307.60		115,588,307.60
TOTALS:	10.250%	71,439,163.59	71,439,163.59	21,431,749.08	115,588,307.60		279,898,383.86

(1) Assumes continued levy through expiration of Increment District (June 30, 2049)

(2) Based on estimated \$2.857 billion in total taxable sales (construction, retail, and lodging)

(3) 50% allocation of Sales Tax Increment Revenues allocated to City (2.5% of a total of 5.0% sales tax); 100% of County sales tax allocated to County

(4) 50% allocation of Sales Tax Increment Revenues; excess revenues not needed for Project Costs and related financing costs will be returned to the City

(5) A portion of the State Sales Tax Collections will be eligible for capture as TIF Revenue pursuant to the Leverage Act. State collections have been adjusted for the impact of the grocery tax exemption

Estimated Potential Impact on Certain Hotel Tax Collections

Taxing Purpose	Tax Rate ⁽¹⁾	TIF Revenues Captured ⁽²⁾			Allocation to County ⁽³⁾	Total Hotel Tax Revenue
		Allocation to City ⁽³⁾	Allocation to Project Costs ⁽⁴⁾			
City of Blanchard Hotel Tax	5.000%	33,887,629.44	33,887,629.44	0.00	0.00	67,775,258.88
Grady County Hotel Tax	0.000%	0.00	0.00	0.00	0.00	0.00
TOTALS:	5.000%	33,887,629.44	33,887,629.44	0.00		67,775,258.88

(1) Assumes continued levy through expiration of Increment District (June 30, 2049)

(2) Based on estimated \$1.355 billion in total taxable lodging sales

(3) 50% allocation of Hotel Tax Increment Revenues allocated to City (2.5% of a total of 5.0% hotel tax)

(4) 50% allocation of Hotel Tax Increment Revenues allocated to Project Costs; excess revenues not needed for Project Costs and related financing costs will be returned to the City

EXHIBIT "B"
Estimated Potential Impact on Certain Ad Valorem Collections

Ad Valorem Taxing Entity	Mill Levy ⁽¹⁾	TIF Revenues Captured ⁽²⁾		Allocation to Taxing Entities ⁽³⁾	
		Maximum Year	25 Year Total	Maximum Year	25 Year Total
Grady County - General Fund	10.330	583,080.31	10,945,291.00	291,540.15	5,472,645.50
Grady County - Sinking Fund	0.000	0.00	0.00	0.00	0.00
Grady County Health Dept. - General Fund	1.550	87,490.27	1,642,323.43	43,745.13	821,161.72
City of Blanchard - Sinking Fund	0.000	0.00	0.00	0.00	0.00
Middleberg ESD #C096 - General Fund	36.550	1,944,621.92	36,059,694.14	972,310.96	18,029,847.07
Middleberg ESD #C096 - Building Fund	5.220	277,727.13	5,149,975.47	138,863.56	2,574,987.73
Grady County - 4 Mill School Levy	4.130	219,734.30	4,074,597.45	109,867.15	2,037,298.72
Middleberg ESD #C096 - Sinking Fund	19.740	1,050,255.45	19,475,194.59	525,127.73	9,737,597.29
Grady County EMS - EMS Fund	3.100	164,933.73	3,058,414.55	82,466.87	1,529,207.28
Grady County EMS - Sinking Fund	0.000	0.00	0.00	0.00	0.00
Middleberg Levy Total:	80.620				
Blanchard ISD #29 - General Fund	36.920	119,654.20	2,694,353.87	59,827.10	1,347,176.93
Blanchard ISD #29 - Building Fund	5.270	17,079.57	384,594.93	8,539.78	192,297.47
Grady County - 4 Mill School Levy	4.130	13,384.94	301,399.82	6,692.47	150,699.91
Blanchard ISD #29 - Sinking Fund	35.230	114,177.07	2,571,020.77	57,088.54	1,285,510.38
McClain-Grady County EMS - EMS Fund	3.160	10,241.26	230,611.00	5,120.63	115,305.50
McClain-Grady County EMS - Sinking Fund	0.440	1,426.00	32,110.39	713.00	16,055.20
Mid-America Technology Center #8 - General Fund	10.340	33,510.95	754,594.23	16,755.48	377,297.12
Mid-America Technology Center #8 - Building Fund	1.040	3,370.54	75,897.29	1,685.27	37,948.65
Mid-America Technology Center #8 - Sinking Fund	0.000	0.00	0.00	0.00	0.00
Blanchard Levy Total:	108.410				
TOTALS:		4,640,687.64	87,450,072.94	2,320,343.82	43,725,036.47

Allocation of TIF Revenues

TIF Projects ⁽³⁾	50.00%	2,320,343.82	43,725,036.47
Grady County	6.28%	291,540.15	5,472,645.50
Grady County Health Dept.	0.94%	43,745.13	821,161.72
Middleberg ESD #C096	37.63%	1,746,169.40	32,379,730.82
Grady County EMS	1.78%	82,466.87	1,529,207.28
Blanchard ISD #29	2.85%	132,147.89	2,975,684.70
McClain-Grady County EMS	0.13%	5,833.63	131,360.70
Mid-America Technology Center #8	0.40%	18,440.75	415,245.76
TOTAL ALLOCATION	100.00%	4,640,687.64	87,450,072.94

(1) Based on 2024 millage rate (108.41 mills total for Blanchard and 80.62 mills total for Middleberg)

(2) 50.0% of Ad Valorem Tax Increment Revenues allocated to Project Costs; 50.0% allocated to Taxing Entities; excess revenues not needed for Project Costs and related financing costs will be returned to the respective taxing jurisdiction

(3) Includes designated Project Costs of \$3 million for Blanchard School District, \$12.99 million for Middleberg School District (new high school and water line), and \$600,000 for Mc-Clain-Grady EMS