

# strengthenokc

economic development



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### **Our Situation**

Cities are economic entities, places where people come together to work and to build. Without self-sustaining and growing economic activity, cities lose their essence and stagnate. On the other hand strong, diverse, and creative urban economies generate jobs, wealth, and innovation.

Oklahoma City has long been associated with energy resources and production, and the image of oil wells on the State Capitol lawn is known around the nation. In more recent years, the city's economy has gained strength through both its traditional energy sector and diversification into new areas, including research, health care, manufacturing, and finance. Very importantly, Oklahoma City has also gained a reputation as a place of quality, with assets that attract entrepreneurs and young professionals. The investments made by previous and current MAPS projects have paid off by strengthening our national reputation. Images of oil wells have been complemented by those of Bricktown, the Thunder, a dynamic music and arts scene, and the variety of corporations that call Oklahoma City home. These advances provide a solid foundation for more quality economic growth, making it possible to achieve the other goals of planokc.

strengthen**okc** is the economic development element of plan**okc**. It identifies strategies that strengthen our economy and protect the City's tax revenues by capitalizing on our strengths and overcoming our challenges. Its recommendations build on Oklahoma City's traditional and new economies, creating the growth that will propel us to new heights for this still new century. It sets priorities based on both immediate needs and potential for building a healthy, diversified economy.



#### **Industrial Diversification and Land**

Industrial diversification is a key to Oklahoma City's economic future. Energy built the city's twentieth century economy, and remains its focus. However, the energy industry also is unpredictable, driven by the vagaries of demand, commodity prices, foreign affairs, federal policy, and other factors beyond the control of the city. Diversification makes our economy less vulnerable to market volatility and creates a more dynamic city and population. Recent studies have identified the aerospace, aviation, defense, bio-science and other high-technology industries, renewable energy, new-to-market company headquarters, and advanced manufacturing sectors as a good match for Oklahoma City's qualities, transportation systems, and current industry base.

Development-Ready Land. An economic development program capable of responding quickly to opportunities must have sites both immediately available for and well-suited to the needs of commercial and industrial targets. The 2012 Employment Land Needs Assessment and Action Plan (ELNAAP) suggests that Oklahoma City should maintain a perpetual inventory of 1,000 acres of development-ready land for industrial and business developments. Yet, the study found that there is little land currently available in large sites, defined

as 50 to 500 acres with access to infrastructure. Many areas originally designated for commercial and industrial development have been developed for other purposes, or have been surrounded or fragmented by incompatible uses. Prior to plonoke and the Employment Land Study described in Chapter 1, the City did not have adequate policies to protect industrial land from fragmentation and encroachment due to other development.

Land assembly can be one of the most challenging issues in economic development and redevelopment of existing industrial sites. Unlike many cities, Oklahoma City lacks an entity that assembles large sites for major employers. It can be difficult for a large company to find an available site that is large enough for their needs. Assistance with land assembly could encourage more employers to locate in Oklahoma City.

Over the past 50 years commercial and industrial growth has focused on new greenfield sites. These locations are often further from residential areas and require extension of services. There is a perception that land in the urban core is not affordable or easily developable, making infill more difficult and discouraging revitalization.



#### **Quality of the City**

Employees and businesses are putting increasing emphasis on quality of life and "sense of place" when selecting where to live or locate. Vibrant urban environments, such as Bricktown and Midtown are very appealing to population groups such as young professionals, empty nesters, and retirees. Oklahoma City has a number of projects in process that will add to its enviable collection of great places. These include a new MAPS 3 Park, the Boulevard along the old Interstate 40 right-of-way, and a streetcar that will tie together many of the city's foremost urban districts. However, challenges remain including chronic poverty, blighted neighborhoods, poor community aesthetics, and insufficient activity downtown.

Neighborhood Scale Blight. The economic weakness of impoverished neighborhoods hinders human potential, but also produces deteriorating parks, blighted business and residential areas, and other problems that reinforce negative perceptions and affect future economic growth. Many parts of our city are neglected and fail as environments for growth. Poor community aesthetics are perpetuated by unsightly or neglected buildings, overhead utilities, litter and graffiti, overgrown and vacant sites, and other conditions that diminish the city's vitality and quality.

Downtown Revitalization. Downtown districts are particularly important as expressions of the nature of communities, and almost every great American city has a reinvigorated downtown. The herculean efforts that civic leaders and normal taxpayers alike have put into Downtown Oklahoma City are paying off. But much of our Downtown core still lacks the activity and diversity of uses needed to encourage a vibrant atmosphere and economy. Our amenities, while significant with more to come, still have not reached the critical mass needed to create sustaining and natural livability. And this livability is important to the young citizens who nationally have helped transform the life of city centers.

Urban Housing. While public amenities are important markers of great urban places, buildings full of people who live and work there are the sign of success as an urban district. Oklahoma City was something of a latecomer to the urban housing surge of the last twenty years, and its efforts to catch up require continued support. Additionally, we have a relatively high commercial vacancy rate driven by an oversupply of Class C buildings, and land speculation impeding development/redevelopment in downtown.



#### **BRICKTOWN**

Bricktown and other special districts are an important part of the city's "sense of place."



#### COMMUNITY AESTHETICS

The visual character of routine development frames a powerful message about people's opinion of a city.

Sense of Place. A sense of place is essential to defining the city's identity. A "brand" can be defined as a package of expectations, and Oklahoma City's brand, while improving, still conveys mixed and sometimes contradictory messages. A clear message is important to potential businesses, visitors from outside the Oklahoma City area, and to residents themselves. Strong identity and satisfaction with their city gives residents more ownership in their community and a stronger commitment to make it better.

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#### **Education**

Educational achievement has a substantial impact on our city's economic health. Under-performing schools threaten the viability and positive momentum of the city. The evidence is overwhelming that poverty and poor school performance are strongly related, and nearly 90% of Oklahoma City school district students qualify for free or reduced lunch.

Poverty and Education Performance. In Oklahoma City, schools with the highest concentrations of poverty also display the poorest performance. Improving student achievement is a complex challenge that includes, but extends beyond, school and teacher quality. But on average residents in the city have lower educational achievement than their counterparts in many nearby communities. We clearly have a serious problem when 94% of local businesses regard the education system as a community weakness (according to a recent survey by the Greater Oklahoma City Chamber of Commerce).

Equitable Education. The ability to deliver equitable, quality educational services is complicated by the large number of school districts and the inefficient use of resources that results. The proliferation of administrations makes widespread education improvement difficult, and improvements in one district do not carry over to others. Tracking student needs and performance is also much more challenging when a student may move just blocks and enter a different system.

69% of businesses say that "Quality of Local Schools" is "very important" to their location decision while 21% said it was one of the top 3 factors the most influences their future plans.

-planokc Citizen Survey



#### Jobs

Despite a growing population, employers often struggle to find employees to fill positions. This suggests mismatches between the Oklahoma City workforce and its job opportunities, both for low-skilled and high-skilled workers.

Quality Workforce. In a recent survey by the Greater Oklahoma City Chamber of Commerce, "workforce quality" was the highest rated business climate factor, with 85% of businesses saying it is "excellent" or "good." However, 46% also report challenges finding or recruiting quality employees. Part of these problems relate to the educational achievement issues discussed earlier. But at the other end of the educational spectrum highly trained workers cannot find enough jobs in Oklahoma City and many have left to find employment elsewhere. While Oklahoma City's economy has been strong over the past ten years, the overall job market is not sufficiently diverse to provide a full range of job opportunities for highly educated workers and to reduce the impact of business cycles in energy or any other key industry.

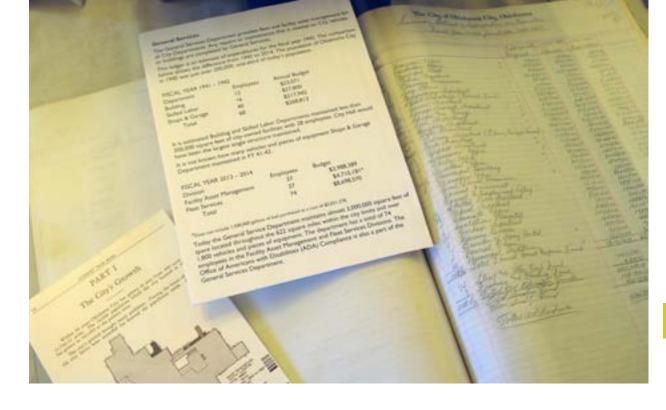
Access to Employment. Another workforce issue is access: many people have trouble getting to work. Senior citizens, low-income residents, and individuals with disabilities often cannot reach jobs because of limited transit service and poor walkability. Discretionary commuters who prefer using transit also find their options limited or non-existent. The millennial generation – the young workers who Oklahoma City must attract for its economic future – increasingly prefer to use active transportation modes like transit, walking, or biking for commuting, and move to places where these modes are available.

#### **Public Safety**

Perceptions of public safety affect the investment confidence of both businesses and residents. Oklahoma City's crime rate is higher than seven of its eight major peer cities and all nine of its major neighboring cities according to FBI statistics. Relatively high crime rates damage the city's reputation and quality of life is reduced by real and perceived gang activity, vandalism, loitering, and prostitution. A lack of activities, educational opportunities, and social programs for at-risk youth in some parts of the city contribute to higher crime rates. Poor quality infrastructure and poorly designed developments also contribute to a general lack of security and safety in neighborhood environments.

When asked which of 18 possible choices were the most important areas for improvement, residents chose "police service" as second most important (behind "quality of the public education system"), and "neighborhood safety" as third most important.

-planokc Citizen Survey (2013)



#### **City Revenues**

Property taxes fund bonds for capital improvements and provide revenue for public schools. The City's operating revenues come largely from sales tax. Increased competition from other cities and on-line sales make it difficult to maintain revenues. For example, according to the Finance Department the City lost an estimated \$16.1 million in sales tax revenues from internet sales during the 2011 fiscal year. This diversion has accelerated in subsequent years.

In addition, The 2013 Oklahoma City Retail Plan found that while Oklahoma City is the dominant retail sales area in the region, outlying communities are gaining market share, particularly from the Northeast and Southeast subareas of the City. Oklahoma City has the region's four most prominent retail locations, but some areas, such as the Interstate 240 Corridor have lost their former primacy. The Retail Plan provides a starting point for action to address these leakages. Despite the above challenges, the City has been able to maintain annual increases in retail sales, although at a lower rate of increase than competitor cities.

The property tax side of the ledger is depressed by the relatively large number of vacant or under-utilized properties. Over 12,000 buildings in Oklahoma City have been vacant for at least six months according to the City's 2013 study addressing vacant and abandoned buildings. These distressed properties both have low values themselves and often depress the values of their neighbors. Very low property taxes on vacant and dilapidated buildings and properties do little to pressure owners into putting them to productive use.



#### PENN SQUARE MALL

This mid-city regional mall remains Oklahoma's busiest and is a key part of the city's retail sector.

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### **Our Plan**

The plan for expanding economic development in Oklahoma City begins with diversifying beyond the energy sector and growing towards a more dynamic industrial and commercial community that creates a variety of new jobs and entrepreneurial possibilities. Policies address the need to have readily developable land available to take advantage of emerging opportunities and targeted and cost-effective incentives that help the city attract the businesses and industries that it wants.

Industrial land and incentive approaches, while important, are only part of the overall strategy. The availability of a capable and talented workforce is another essential condition for desirable economic growth. A two-pronged workforce approach includes a local educational system that produces workers with the knowledge and skills necessary for the economy of the twenty-first century; and an array of quality features, urban places, and community character that both retains well-qualified workers and attracts talented and creative individuals new to the area. Workers in the new century expect the same basic safety, services, and quality of education that they always have but also desire a quality urban environment for them and their families.

The ability to carry out this overall program requires a strong municipal financial base. Therefore, economic development policies must stabilize and improve the City's financial picture through greater efficiencies, more in tune tax and fee structures, and efficient growth and revitalization. Municipal finances and economic growth are mutually reinforcing systems – efficient growth that produces more benefits than costs gives a city the ability to promote a new cycle of desirable investment and economic diversification.

#### **Our Goals**

#### **EMPLOYMENT AND OPPORTUNITY**

 Oklahoma City has a growing and diverse economy that fosters vigorous job growth and self-sufficient citizens.

#### **EDUCATION SYSTEM**

- 2. The quality and reputation of Oklahoma City area schools attract and retain residents and employers.
- 3. Oklahoma City's workforce is well-educated, highly skilled, motivated, creative, healthy, and culturally diverse.

#### **PLACE-MAKING**

4. Oklahoma City has many desirable and recognizable places that attract visitors, residents, and businesses.

#### **PUBLIC SAFETY**

5. Oklahoma City's reputation as a low-crime community attracts and retains residents and businesses.

#### FISCAL HEALTH

- Oklahoma City has a growing tax base and a revenue structure designed to ensure efficient growth and fiscal stability.
- 7. Public services are provided in the most cost-effective manner.

## **Our Initiatives**

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strengthenokc Initiatives		1	2	3	4	5	6	7
1.	Facilitate commercial and industrial development to grow and diversify our economy.							
2.	Boost educational achievement through incentives and neighborhood diversification.							
3.	Improve community appearance.							
4.	Invest in place-making efforts in special districts and throughout the city.							
5.	Foster stable, attractive neighborhoods and commercial districts through infill and good design.							
6.	Improve public safety.							
7.	Increase efficiency of city services provision.							
8.	Increase and stabilize tax revenues.							



Economic strength is driven by the private sector, but the public sector is a critical partner in economic success. The public sector creates the conditions for growth by providing and maintaining the infrastructure that private companies need. The City must be in touch with the needs of businesses to provide the right infrastructure in the right places. The City can also identify economic development targets that offer the greatest comparative community benefits and promote them through incentives, funding, and other support.

#### **INITIATIVE 1**

FACILITATE COMMERCIAL AND INDUSTRIAL
DEVELOPMENT TO GROW AND DIVERSIFY OUR
ECONOMY

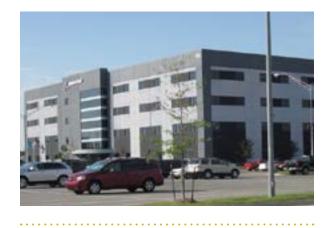
We will create development-ready sites with access to infrastructure in strategic areas. An adequate and ongoing supply of immediately developable land provides the ability to respond nimbly to economic opportunities. Meeting the recommendation of the *Employment Land Needs Assessment and Action Plan* for maintaining a constant inventory of 1,000 acres of development-ready land involves a two-part strategy that:

- Protects land appropriate for major employment development from short-term encroachment by other uses.
- Extends services and infrastructure to this land so that major employers can build with minimum delay.

The Employment (EM) LUTA is specifically designed to preserve the integrity of land best suited for large-scale employment growth. Through the development approval process, the City can avoid compromising these sites by approving uses that will prove incompatible with future major employment centers. This may require creation of public or community-based development groups with the patience and ability to hold large assemblages of land for industrial, business park, or office headquarters uses.

The other leg of the strategy involves preparing this land for timely development by financing and installing (or being immediately prepared to install) infrastructure. Accomplishing this will require mobilization of existing agencies such as the Urban Renewal Authority, the Oklahoma Industries Authority, and the Oklahoma City Industrial and Cultural Facilities Trust. It will also require establishing a reliable and repeatable method of funding capital investments that may include tax increment financing, general obligation limited tax bonds, and other public sources.

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#### THE BOEING COMPANY

The City will support development of industry clusters in areas such as aviation and defense.



#### FARMERS MARKET AT OSU-OKC

Locally-owned businesses provide multiplier effects to the local economy.

.....

We will continue to provide incentives to major employers, targeted to specific industry clusters and locations. The City will continue to provide direct financial incentives to attract and retain major employers. These incentives should be targeted to:

- Industrial and employer clusters whose requirements are matched to our attributes and who move in the direction of greater economic diversification. These natural affinities for Oklahoma City include aerospace, aviation, defense, bio-science and other high-technology industries, renewable energy, newto-market company headquarters, and advanced manufacturing.
- Sites where major community investments have been made in land, infrastructure, amenities, and other capital improvements; major redevelopment areas; or other desirable sites where these facilities are already available.

We will update public incentive programs to provide maximum leverage per dollar spent. The City provides incentives to businesses through its Strategic Investment Program. This incentive structure will be reviewed and optimized to provide the greatest community benefit and return on investment. This update should include specific evaluation criteria and objective measures of benefit. Preferred investments should move in the direction of private, front-end investment with incentive reimbursement tied to meeting performance criteria such as job creation and greater retail activity.

We will support locally-owned businesses and existing assets. Locally-owned businesses can have greater multiplier effects on the local economy than similar businesses that are non-local. This includes even the smallest businesses, such as home businesses, mobile food vendors, pop-up retail or vendors at farmer's markets. The City can support locally-owned businesses and entrepreneurs through favorable tax policies, flexible regulations, and partnerships with local educational institutions to support business incubators and other programs that encourage business start-ups. We must also look carefully at measures that level the playing field

among retail entities and allow local retailers to compete on at least an equal footing with on-line and out-of-city competitors.

Policies ST-1, ST-2, ST-3, ST-4, ST-5, ST-6, SU-33, and L-38 implement this initiative.

Land and infrastructure are vital components of an economic development program that grows new employment and diversifies the city's economy. However, a quality workforce with the skills and flexibility to thrive in a changing economy is equally essential. A strong education system, from preschool to college, allows us to create such a workforce. Quality schools are also a key factor in attracting and retaining new residents.

#### **INITIATIVE 2**

BOOST EDUCATIONAL ACHIEVEMENT
THROUGH INCENTIVES AND NEIGHBORHOOD
DIVERSIFICATION

We will support our schools in improving student performance. Low academic performance is a problem in our city, and especially within Oklahoma City Public Schools, as measured by the State Department of Education. Our entire community must address this issue aggressively. Some solutions involve long-term and continuing efforts, such as creating and sustaining healthy, mixed-income neighborhoods that provide the secure environments necessary to nurture learning and achievement. Recommendations that help create these types of neighborhoods are found throughout planokc, from land use initiatives to neighborhood reinvestment and housing variety. Other specific efforts, involving concerted action by the public and private sectors and school districts can provide more immediate results. These educational support programs can include scholarship programs that offer post-secondary grants to students in inner-city schools and districts, expanded early childhood education, after- school programs,

When asked which of 18 possible choices was the most important area for improvement, residents chose "quality of the public education system."

-planokc Citizen Survey (2013)

mentoring, specialized educational tracks, teacher skills training, or financial incentives for high-performing schools and teachers.

The City will also assist the Greater Oklahoma City Chamber of Commerce in efforts to adapt the education and training offered by local institutions to match the current and future needs of local companies. This includes both K-12 schools and secondary schools.

Educational issues and programs represent a convergence of different perspectives. This element approaches good educational programming from a workforce and economic development framework; liveokc from a neighborhood development viewpoint; and serveokc from a public service and community quality point of view. However, all point in the same direction, highlighting the importance of increasing achievement and learning.

Policies ST-18, ST-19, ST-20, SU-4, SU-5, SU-19, SU-20, SU-21, SU-49, L-4, E-9, E-24, SE-17, and SE-18 implement this initiative.

Excellent education builds a strong local workforce, but the quality of the city's appearance and creation of great places for people retains this workforce and attracts new people who bring new talents and ideas to Oklahoma City.



#### **INITIATIVE 3**

IMPROVE COMMUNITY APPEARANCE

We will develop new site and building design guidelines and regulations and increase property maintenance standards and enforcement. Better community appearance is largely based on raising people's expectations of how they should both develop and maintain their own property. New standards will establish better minimum expectations for how buildings and sites should look and function. These new standards should not add burdens or excessive costs, but should establish new basic assumptions about how we build, whether our projects are small convenience stores or a large mixed use developments. We often judge community appearance by the routine rather than the unique.

The same holds true for private property maintenance. Maintenance quality is contagious - care produces more care, and neglect produces more neglect. Again, our standards, technical assistance programs, and ultimately enforcement should move toward a higher level of care in our own individual environments.

We will improve the appearance of our streets. The public environment, all too often viewed as nobody's responsibility, should in fact lead the way in creating upgraded appearance standards. In the plonoke Business Survey, local businesses overwhelmingly cited "improving the appearance of major commercial streets" as the most important way to improve the appearance of the city.

After 2007 Bond Election resurfacing projects are complete, the City will assess the need for additional funds for citywide road maintenance beyond average annual expenditures. The assessment will be based on citizen satisfaction surveys, traffic volumes, and street condition data maintained by the Public Works Department. The City will also explore the feasibility of burying existing utility lines where possible and requiring all new utility lines to be buried. These efforts toward improving the quality of basic street appearance will continue and will encourage adjacent property owners to follow suit.

We will reduce litter and graffiti. The City will enhance litter and graffiti control through public

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#### **COMMUNITY APPEARANCE**

The visual character of routine development frames a powerful message about people's opinion of a city.



#### STREET QUALITY

Adding sidewalks and improving neighborhood appearance with elements such as street trees can provide a positive economic return. Photo courtesy of Luke Pratt



#### MIXED USES IN BRICKTOWN

Providing a mix of uses within neighborhoods can increase resident's access to jobs, housing, and daily needs. These special urban districts also attract new businesses and creative enterprise.

awareness efforts and stricter laws and enforcement. Active code enforcement should be increased in targeted areas, including retail plan areas, special districts, and areas that are part of the Strong Neighborhoods Initiative (SNI).

We will reduce the impact of sign pollution. The City will update the sign code to reduce the visual impact of signs. Good standards actually improve readability and communicate business messages better than a cacophony of competing signs. The City can also explore reduction of sign pollution through amortization (gradual elimination as the service lives of signs expires) of existing signs that do not conform with new requirements.

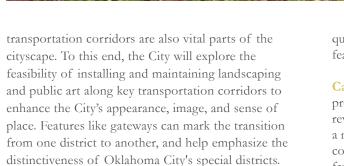
Policies ST-8, ST-9, ST-17, ST-24, ST-28, SU-6, SU-10, SU-28, SU-29, G-3, G-4, G-14, G-22, G-25, G-26, L-5, L-16, E-6, E-7, E-14, E-18, E-19, E-31, E-34, E-35, E-38, E-41, and E-43 implement this initiative.

#### **INITIATIVE 4**

INVEST IN PLACE-MAKING EFFORTS IN SPECIAL DISTRICTS AND THROUGHOUT THE CITY

We will continue to create and enhance amenities such as parks, roadways, transit, cultural and recreational facilities, special districts, and gateways. The MAPS programs have generated tremendous momentum for our city, but we cannot rest on past accomplishments. Instead we must continue our efforts to create great places at neighborhood, citywide, and street levels. In the future, these amenities will include public spaces, street corridors, transit facilities, cultural and recreational attractions, special districts, and community gateways.

Connections like the Bricktown Canal connecting Bricktown and the riverfront, the SkyDance Bridge, the riverfront greenway and in the near future the modern streetcar and trails projects have been as important as individual destinations. Signature



We will build on the success of our special districts to attract residents and businesses. Downtown, Bricktown, Midtown, the Plaza, Deep Deuce, the Paseo, Stockyards City, Automobile Alley, Heritage Hills, and others are important districts that contribute strongly to Oklahoma City's sense of place and identity. Future districts like Core to Shore will contribute to Oklahoma City's collection of urban places. The City will continue to invest in features that make these existing and future places centerpieces of our community by catalyzing development, increasing land use diversity, building

quality of life amenities, and promoting family-friendly features.

Catalyzing development. Urban housing has proven to be a staple of downtown and urban district revitalization. Residential development not only creates a market for more local services but also creates a comfortable environment that brings other people in from around the city and region. The City will continue

91% of businesses say that "Overall Image of City" is either somewhat or very important to their location decision, while 69% say that the physical appearance of the surrounding area is important to their business success.

-plan**okc Business Survey** (2014)





This long-time signature district continues as a visitor attraction and has continued to anchor its surrounding neighborhood and provide a center for small businesses and independent artists.

to guide housing development to urban districts to increase activity and support demand for new retailing. Special focuses will include Downtown and surrounding areas and the new Core to Shore neighborhood. The City should also place a priority on establishing a signature retail development or a retail/housing mixeduse development.

Diversifying land use. Increasing land use diversity in urban districts will help attract and retain visitors and support development momentum. For example, Bricktown's first development phases concentrated on offices, bars, and restaurants. But the historic district has become more vital with nearby housing, retailing at different scales, and hospitality uses, and this type of diversification should accelerate. In special districts, City policy should attract a balance of retail, residential, employment, and recreational uses.

**Investing in amenities and activities.** The City can strengthen downtown's and other districts' senses of place and increase activity by encouraging and investing in more public plazas, public art, parks, indoor recreation facilities, and arts and cultural facilities.

Building family-friendliness. We can help attract and retain a variety of households to downtown and other urban districts by promoting and enhancing them as family-friendly places to live and play. Attention to street design, land uses (particularly around the downtown school) and public safety can help promote this image.

We will establish a place-making program. The City will establish a program to develop place-making capacity in the city and promote both the economic and quality-of-life value of place-making investments. The program will establish partnerships and provide funding on a regular basis, including attention to small, neighborhood-scaled projects.

A significant part of this program is communicating the message of Oklahoma City's places to the outside world. This both benefits businesses directly through promotion and supports city marketing and talent



#### FAMILY-FRIENDLY DOWNTOWN

Additional amenities and housing for all types of households in the downtown area will help maintain momentum.

recruitment efforts. The Chamber of Commerce and Convention and Visitors Bureau are major partners in this effort.

We will designate additional special districts. The City will foster more specialized districts for large cultural or ethnic groups to promote diversity and improve perceptions of the city. For example, Capitol Hill could grow as the center of an emerging Hispanic/ Latino district, with appeal to people throughout the region. New special districts would include thematic infrastructure, amenities, design, public art, and streetscape improvements. Appropriate areas should be identified for special districts, followed by preparation of plans that establish design guidelines and strategies to capitalize on cultural meaning.

Policies ST-7, ST-8, ST-9, ST-10, ST-11, ST-12, ST-13, ST-14, ST-15, ST-16, ST-26, ST-27, SU-17, SU-18, SU-37, SU-41, L-22, and L-33 implement this initiative.

"While the immediate outlook is bright, the real excitement may be yet to come as Oklahoma City and the I-35 corridor rise to national economic prominence. Oklahoma City's continued success rests in its ability to further develop an amenity-rich urban core than invites a density of economic activity and connects to surrounding economies, allowing a free flow of commerce, ideas, and creative innovation."

> City of Oklahoma City Five-Year Forecast FY 2015-2019

Strong neighborhoods support and reflect a healthy economy. Creating and maintaining good neighborhoods results from a confluence of factors, many of which the City can actively support through effective design and land use regulation. While our historic core neighborhoods may receive the most special attention, new neighborhoods should also be diverse, well-designed, and display the characteristics and principles of good place-making. Patterns that work in established neighborhoods can also apply to new development.

#### **INITIATIVE 5**

FOSTER STABLE. ATTRACTIVE NEIGHBORHOODS AND COMMERCIAL DISTRICTS THROUGH INFILL AND GOOD DESIGN

We will promote redevelopment of vacant or under-used sites. Infill development on vacant, under-utilized, and brownfield sites should receive special attention through changes to land use regulations, infrastructure upgrades in target



New infill housing in urban core neighborhoods create positive momentum for neighborhood revitalization.

neighborhoods, incentives, favorable tax policies, expedited processing, and greater flexibility. The City recently produced a study on vacant and abandoned buildings to help address this issue and will continue to pursue implementation of the recommendations of that study.

#### We will encourage diversity in our neighborhoods.

The City should use its housing and land use policies to encourage neighborhoods that have a diverse range of home sizes and types, and avoid concentration of low income households. Diversity builds unique and resilient neighborhoods, increases community involvement, and expands support for neighborhood schools. From an economic development point of view, housing and price-point diversity provides solid, affordable residential areas for members of the labor force at all levels of income and tends to encourage upward mobility.

We will support the Strong Neighborhoods **Initiative.** The City should continue to support the Strong Neighborhoods Initiative and consider permanent funding for the Neighborhood Stabilization Program to help reverse decline and create valuable places.

....... of residents and 77% of O J V businesses support the City charging fees to owners of vacant and abandoned buildings to offset service costs and discourage vacancy and abandonment.

- plan**okc Citizen & Business Surveys** 

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We will require good neighborhood design. Good neighborhood design can increase citizens' access to jobs, housing, schools, and daily needs. It will also contribute to positive perceptions of neighborhoods, thereby encouraging investment.

New citywide site design and building regulations should establish basic functional requirements for features that produce good urban places. These include encouraging active transportation; integrating residential areas and activity centers; implementing good basic standards for signage, building materials, and site planning; and developing public spaces designed for desirable person to person contact.

Policies ST-14, ST-16, ST-17, ST-18, ST-21, ST-22, ST-23, SU-4, SU-5, SU-6, SU-8, SU-12, SU-19, SU-20, SU-21, SU-24, G-10, L-16, L-22, L-25, L-26, L-27, L-28, L-30, L-31, L-33, L-34, L-36, L-37, L-38, and L-39 implement this initiative.

A strong urban economy both requires and produces a safer city. Public safety is fundamental to a robust economy. According to the planokc Business Survey, the vast majority of businesses say that a "low crime rate" is "very important" to their location decision. Crime reduction strategies also coincide with other economic goals, including workforce productivity and quality.

#### **INITIATIVE** 6

**IMPROVE PUBLIC SAFETY** 

We will reduce crime and improve the sense of security throughout the city. We will establish and expand crime prevention partnerships with neighborhoods, visible patrols with a high degree of community contact and interaction in targeted areas, and youth programs. Other components of this effort should include regular evaluation of police staffing

needs and expansion of such preventive measures as elimination of nuisances like abandoned buildings and integration of Crime Prevention Through Environmental Design in the project review process. The liveokc and serveokc elements also provide initiatives that address public safety issues.

Policies ST-20, ST-25, SU-19, SU-20, SU-21, L-1, L-2, L-3, L-6, P-22, P-23, SE-1, SE-3, SE-4, SE-5, and SE-8 implement this initiative.

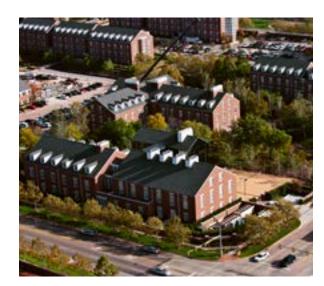
The ability of the City to support all the preceding initiatives is dependent on its fiscal stability. This issue can be addressed from different directions, including improved efficiencies in public services, increased revenues through new investment and increased retail sales, finding new revenue sources, and exploring changes to the tax structure.

#### **INITIATIVE 7**

**INCREASE EFFICIENCY OF CITY SERVICES PROVISION** 

We will improve efficiencies in City operations and in providing public services through efficient growth. Increased efficiency follows two tracks. First, basic City operations should provide maximum value to the taxpayers per dollar spent. Second, the city's growth should be economical and efficient so that it contributes to rather than detracts from fiscal stability.

Maximizing efficiency in City operations means establishing and maintaining appropriate staff levels and ensuring that staff is fully utilized; introducing technology and other innovations; avoiding duplications through information sharing and consolidation of functions where possible; and increasing cost recovery where possible by establishing fees and charges that reflect the actual cost of services.



Maximizing the benefits and efficiencies of growth is a primary theme of planoke, and is reflected throughout this document. While a comparison of the three development scenarios and preference for the "efficiency" scenario as the future growth model has many benefits, the choice is ultimately economic. The efficiency scenario accommodates the same amount of growth for \$82 million less per year than continuing present trends. New techniques of financing development such as impact fees should also be considered to ensure that future development pays equitably for the cost of infrastructure that it demands.

Policies ST-21, ST-29, ST-31, ST-32, SU-2, SU-3, SU-6, SU-8, SU-14, SU-15, SU-16, SU-19, SU-20, SU-21, SU-23, SU-24, L-8, L-21, L-34, L-40, SE-9, SE-14, SE-15, and SE-22 implement this initiative.

62% of residents support controlling service costs through land use regulations that encourage more efficient growth and development patterns.

- plan**okc Citizen Survey** (2013)



#### **INITIATIVE 8**

**INCREASE AND STABILIZE TAX REVENUES** 

We will increase the City's sales tax revenue by supporting growth in retail sales. Sales tax revenues account for over half of the City's budget due to the state constitution, which does not permit the use of more stable property taxes for operations. The reliance on sales taxes makes cities in Oklahoma very sensitive to the economic cycle. In addition, Oklahoma cities often compete with each other for sales tax revenue because it is distributed to cities entirely based on point-of-sale. Some states or regions address this issue by using distribution formulas at least partially based on population or other factors. Until the distribution method changes, or until such time as the state constitution is amended to allow more flexibility in the use of various tax sources, Oklahoma City must pursue strategies that help increase retail sales.

The City will work to attract more retail activity and improve existing retail corridors, to ensure their future viability. These strategies must:

- Reduce leakage of local consumer dollars to other jurisdictions and non-taxed sellers.
- Import consumer spending from outside by providing unique destinations and retail environments.
- Increase sales through community growth and investment.
- Require on-line sales to compete on an equal basis with brick and mortar sales.

We will increase the City's property tax revenue by increasing property values. Many planoke initiatives involve reinvestment, neighborhood stabilization, and efficient growth policies that will ultimately raise property values. This is good for both property owners and the public sector. For the former, raising values raises individual net worth and the stability of people's investment in the city. For the latter, it creates

both greater overall revenue and greater revenue yield per square mile of urban area. Redevelopment of areas like Core to Shore, restoration and full use of areas with depressed valuation, and incremental improvement of urban neighborhoods all serve the dual goals of improving life in the city and improving the City's ability to provide the excellent services citizens expect and deserve at affordable cost.

We will consider ways to make the tax structure more stable, resilient, and balanced. The City will explore and evaluate options such as greater flexibility in tax sources that can fund City operations, reducing unnecessary tax exemptions, considering sales or marginal taxes on some types of goods and services, and taxing on-line sales.

Policies ST-3, ST-6, ST-22, ST-30, ST-31, ST-32, ST-33, ST-34, ST-35, SU-17, SU-18, SU-20, SU-21, SU-24, SU-41, E-25, and SE-22 implement this initiative.

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