

## INTRODUCTION

This Policy outlines the goals and objectives of the City of Jenks (“City”) in inducing private investment and development in Downtown Jenks. The City has legal authorization to expend sales tax revenue for economic development purposes. This Policy describes generally how financial incentives may be provided using sales tax rebates or reimbursements to assist development projects in Jenks Downtown Core, an area bounded generally by the railroad tracks on the west, 7th Street on the east, “A” Street on the north, and Aquarium Place on the south. For an illustration of the boundaries, see the Downtown Land Use and Development section on page 46 of the Horizon Jenks Comprehensive Subareas Plan.

Nothing contained in this Policy is intended to imply that the City is under any obligation to provide financial incentives or other forms of assistance to any applicant. All incentive or assistance requests will be considered on a case-by-case basis. Any applicant granted assistance must enter into an agreement with the City that contains all terms required by state law, City code, this Policy, and any other applicable law, in order to ensure an adequate public benefit in exchange for the public incentives to be provided. Should the provisions of such an agreement differ from the provisions of this Policy, the agreement will control.

## DEVELOPMENT PROJECT ASSISTANCE

Development Project Assistance may be available to a developer proposing to develop on vacant property within Jenks Downtown Core or significantly renovate or rehabilitate an existing structure (where the impact is almost as significant as a full redevelopment) on property within Downtown Jenks.

### 1. Eligibility<sup>1</sup>

- (a) *General Criteria.* The following criteria will be used to evaluate whether a project may qualify for incentives:
  - (i) The specific project for which assistance is requested must be *located within Jenks Downtown Core.*
  - (ii) The specific project for which assistance is requested must involve an investment of at least \$250,000.00 in hard construction costs.
  - (iii) The developer seeking assistance must either own or have a long-term ground lease for the property that it is seeking to develop or renovate.
  - (iv) Projects must follow all design and density standards as adopted by the City in its Code of Ordinances.
- (b) Additional consideration and priority will be given to projects that demonstrate consistency with principles established in the Horizon Jenks Comprehensive Plan, vertical mixed-use projects, and for projects that include high-quality restaurants,

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<sup>1</sup> NOTE: Meeting program eligibility criteria does not guaranty approval of Development Project Assistance.

bars, entertainment, or amusement venues without an existing presence in the City. The City desires to provide a Development Project Assistance process in order to promote better urban design; by facilitating creative patterns of use, paying particular attention to the physical, cultural, and social identities that define downtown Jenks. Resulting in the creation of quality downtown space that contributes to people's health, happiness, and well-being. Ineligible Uses of Assistance. Development Project Assistance may not be used for costs associated with the following purposes:

- (i) The development of single-family or multi-family residences (unless integrated into a mixed-use, pedestrian-friendly development).
- (ii) Any sales tax generating use or business that relocates from another location within the City into Downtown Jenks, except to the extent that the relocation will create sales tax revenues new to the City.

## 2. Application Required

A developer seeking Development Project Assistance must submit an incentive application to the City Manager.

## 3. Amount of Assistance

Development Project Assistance shall be limited or capped at no more than 10% of a project's hard construction costs (amount set forth in the agreement). The hard costs of the construction of improvements on a project will be determined and verified by the City prior to the payment of any Development Project Assistance. Development Project Assistance shall take the form of an annual reimbursement of City sales taxes generated by a specific redevelopment project over a period of time estimated to be sufficient to reach the aforementioned limitation/cap based on developer's sales tax projections which shall be no more than fifteen (15) years from the date of the incentive application, and receipt will be conditioned upon the developer's or project owner's submission of sales tax payment information to the City in a manner sufficient for the City to verify the amount of sales taxes paid. There is no guarantee of the availability and timing of funds for Development Project Assistance. Annual amounts available for reimbursement shall be limited to and capped at two percent (2%) of a retail business's new gross sales subject to the City's sales tax.<sup>2</sup>

"Hard Costs of the Construction of Improvements," or "Hard Construction Costs," shall mean the actual and direct construction costs of the material, labor, and improvements associated with a development. Such costs exclude developer's fees and other soft costs, including but not limited to architectural, engineering, financing, and legal fees, and other pre- and post-construction fees and expenses.

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<sup>2</sup> To determine the amount of "new gross sales," City staff will establish an applicant's gross sales baseline (where applicable) by using information reported to the Oklahoma Tax Commission (OTC). The baseline will be the annualized monthly average for the most recent twelve (12) filing periods submitted to the OTC. The increment between new gross sales and the baseline shall be the amount available for reimbursement subject to the 2% limitation, as previously noted.