



MEMORANDUM

Council Agenda
Item No. XI. P
9/26/2023

The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

Resolution No. I: Resolution authorizing the Mayor to issue a Proclamation calling a special election to be held on December 12, 2023, to submit Ordinance No. 27,420 to the registered voters of The City of Oklahoma City, Oklahoma, for their approval or disapproval; providing that, if approved by voters, Ordinance No. 27,420 would amend the City Sales Tax Code, Chapter 52, Article II, of the Oklahoma City Municipal Code, 2020, by the enactment of a Section 52-23.8, levying a limited-purpose excise tax of one percent (1%) on all sales taxable under the sales tax laws of the State of Oklahoma for a limited term of seventy-two (72) months; specifying the proposition to be submitted to voters; providing that the call for the election shall be by Mayoral Proclamation; providing for publication of this Resolution and the Proclamation issued by the Mayor to call the said election; and further providing that the returns thereof shall be canvassed by the County Election Boards pursuant to state law and certified to the Mayor and Council.

Background:

Oklahoma City opened new publicly-owned arenas to improve and maintain the city's quality of life in 1937, 1972 and 2002. The most recent arena helped the city to secure major league professional sports for the first time. Beginning with the 2008-2009 NBA season, the Oklahoma City Thunder of the National Basketball Association has called Oklahoma City home, due to a use license agreement signed by both parties in 2008. In 2023, the initial term of the 2008 use license agreement expired. The Thunder exercised an option to extend the agreement for three years. Over the past 14 months, Oklahoma City and Thunder leadership have been engaged in discussions concerning the concepts that would allow for the Thunder and the City to agree to a new long-term use license agreement. Earlier this month, representatives of the parties preliminarily agreed to a letter of intent that establishes mutual agreement for a new use license agreement that will keep the Thunder in Oklahoma City beyond 2050. A new state-of-the-art arena is required to receive this long-term commitment from the Thunder.

Ordinance No. 27,420, as presented today, proposes to levy a temporary special sales tax of one percent (1%) for the special purpose of funding all expenses related in any manner to constructing, establishing, providing, or maintaining an arena facility to be owned by the City. Other items on today's Council agenda would call a special election for approval of the tax levy and set the election date for December 12, 2023. There is also an item on today's agenda to authorize the Mayor to sign the letter of intent on behalf of the City.

The attached Resolution No. I is one of the “other items” on today’s agenda, as referenced above. It is required by 11 O.S. §§ 16-101 and 16-112 for a municipality to call and hold a special election for approval of the proposed limited-purpose, limited-term 1% sales tax. If approved, Resolution No. I will authorize the Mayor to issue a Proclamation calling a special election on Ordinance No. 27,420, to be held on Tuesday, December 12, 2023. Resolution No. I will direct certain other actions be taken that are legally necessary to hold the special election, including publication of the Resolution and the Mayoral Proclamation by the City Clerk on November 15, 22 and 29, and December 6, 2023.

The proposed Ballot for the special election on Ordinance No. 27,420 is attached to Resolution No. I as Exhibit A.

Review:

Municipal Counselor's Office

Recommendation: Resolution be adopted.