



# MEMORANDUM

Council Agenda  
Item No. XI. Z.1&2  
8/16/2022

## The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

1. Public hearing regarding Joint Resolution with the Oklahoma City Economic Development Trust approving the allocation of General Obligation Limited Tax proceeds and/or investment proceeds in an amount not to exceed \$500,000 to provide for certain job creation economic development incentives with Wilder Systems Inc.
2. Joint Resolution with the Oklahoma City Economic Development Trust approving the allocation of General Obligation Limited Tax proceeds and/or investment proceeds in an amount not to exceed \$500,000 to provide for certain job creation economic development incentives with Wilder Systems Inc. in exchange for locating its operations in Oklahoma City and for its commitment to create approximately 150 new quality jobs over the next four years, and authorizing and directing the General Manager and/or designee to negotiate an Economic Development Agreement, for subsequent Trust approval and City Council concurrence.

**Location:**

Oklahoma City, Oklahoma

**Background:**

The Company plans to add 150 new jobs in Oklahoma City over the next four (4) years. These jobs reflect a new business presence in Oklahoma City by the Company. The average wage of these new jobs is estimated to be \$85,000 in year one and \$120,000 by year four. After evaluating options for the location of the company, Wilder Systems Inc. is planning to locate these jobs in Oklahoma City.

Company Background

Wilder Systems Inc. is a robotics manufacturer that offers modular robots as a service and is initially targeting applications in aircraft manufacturing and maintenance. Launched in 2018, Wilder Systems Inc. has been awarded two patents and more than 10 contracts, including a project at Tinker Air Force Base. These projects are worth a combined \$7.5M to develop and pilot robotic solutions.

Project Background

Wilder Systems Inc. has designed an Agile Manufacturing Robot (AMR) to automate military and commercial (dual use) aircraft manufacturing tasks that have historically been executed manually or with capital-intensive machinery. The company plans to manufacture the AMR, based in part upon state and city incentives, in Oklahoma City and use the AMR to perform services such as

aircraft drilling and maintenance.

#### Economic Impact

The total estimated economic impact of this project is \$382,307,190 over the first seven (7) years of operation (based on total project impact, including capital investment, wages, state and local taxes). The estimated total impact on local sales tax and property tax revenue is expected to be \$857,062 over the first seven (7) years of operation and \$202,938 annually from the seventh year forward.

#### Recommended SIP offer: \$500,000

The Greater Oklahoma City Chamber Economic Development Division recommends a local incentive package of \$500,000 based on the following information provided by the Company:

- Incentive based on the creation of 150 new jobs over four (4) years.
- Estimated average annual wage of \$85,000 (first year wage) to \$120,000 (fourth year wage).
- Estimated first year payroll of \$255,000, ramping up to \$18,000,000 by the end of the fifth year.
- The Company utilizes robotics which can provide Tinker Air Force Base and potentially other local companies (in addition to companies outside of OKC) an opportunity to build efficiencies and reduce costs, while also providing new job opportunities to work with robotics.
- The Company will create highly skilled engineering jobs to support the aerospace industry, including Tinker AFB.

The company considered Austin and other locations in Texas for these jobs. The state and local incentives were important in positioning Oklahoma City as a competitive location for this operation.

Adoption of the attached resolution authorizes the OCEDT General Manager or his designee to begin negotiations with Wilder Systems Inc. for the development of an Economic Development Agreement and approves the allocation of \$500,000 in General Obligation Limited Tax Bond proceeds and/or investment proceeds for the Economic Development Agreement with Wilder Systems Inc.

#### **Cost:**

Not to exceed \$500,000

#### **Source of Funds:**

OCEDT - GOLT Fund - ED Operations-Rstr - OKC Economic Development Trust – Wilder Systems Inc. - Economic Development Contract (OCEDT - 110 - 5709 - 0400599 - ED0183 - 52010030)

#### **Review:**

Finance – Economic Development

**Recommendation:** Joint Resolution be adopted.