

**PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 3, 2021**

**NEW ISSUE—BOOK-ENTRY ONLY**

**RATINGS: MOODY'S: “—”**

**S&P: “—”**

**SEE “RATINGS” HEREIN**

*Interest on the Series 2021A Bonds will be subject to federal income taxation. In the opinion of The Public Finance Law Group PLLC, Oklahoma City, Oklahoma, and Williams, Box, Forshee & Bullard, P.C., Oklahoma City, Oklahoma, acting as co-bond counsel (“Co-Bond Counsel”), assuming compliance with certain covenants and procedures designed to meet the requirements of the Internal Revenue Code of 1986, as amended (the “Code”), under existing laws, regulations, rulings and judicial decisions interest on the Series 2021B Bonds is excluded from gross income of the recipients thereof for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax; it should be noted, however, that, for the purpose of computing the alternative minimum tax imposed on certain corporations, interest on the Series 2021B Bonds is taken into account in determining adjusted current earnings for purposes of calculating the alternative minimum tax imposed on such corporations. In the opinion of Co-Bond Counsel, interest on the Series 2021A Bonds and the Series 2021B Bonds is exempt from Oklahoma income taxation. See the information contained herein under the captions “CERTAIN TAX MATTERS RESPECTING THE SERIES 2021A BONDS” and “CERTAIN TAX MATTERS RESPECTING THE SERIES 2021B BONDS.”*

**OKLAHOMA CITY ECONOMIC DEVELOPMENT TRUST**

**Tax Apportionment Refunding Bonds (Increment District #8)**

**\$78,335,000\***

**\$18,645,000\***

**Series 2021A Taxable**

**Series 2021B Tax-Exempt**

**(Subject to Annual Appropriation)**

Dated: Date of Delivery

Due: March 1, as shown on the inside cover

The above-described two series of bonds (individually, the “Series 2021A Bonds” and the “Series 2021B Bonds” and, collectively, the “Series 2021 Bonds”) are being issued by the Oklahoma City Economic Development Trust (the “Issuer”), a public trust created for the use and benefit of The City of Oklahoma City (the “City”), to (i) refund certain outstanding bond obligations, as described herein, and to (ii) pay costs of issuance of the Series 2021 Bonds.

The Series 2021 Bonds are being issued pursuant to a General Bond Indenture dated as of August 1, 2021, by and between the Issuer and BOKF, NA dba Bank of Oklahoma, as trustee (the “Trustee”), as supplemented by a Series 2021A Supplemental Bond Indenture and a Series 2021B Supplemental Bond Indenture, each dated as of August 1, 2021 (collectively, the “Indenture”), by and between the Issuer and the Trustee. The Trustee will serve as Registrar and Paying Agent for the Series 2021 Bonds. The Series 2021 Bonds are issuable in fully registered form and when initially issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository for the Series 2021 Bonds. Purchases of beneficial ownership interests in the Series 2021 Bonds will be made in book-entry form only, in \$5,000 principal amounts or integral multiples thereof. Beneficial Owners of the Series 2021 Bonds will not receive physical delivery of certificates evidencing their ownership interest in the Series 2021 Bonds so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2021 Bonds. Interest on the Series 2021 Bonds is payable each March 1 and September 1, commencing March 1, 2022, as more fully described herein. So long as DTC or its nominee is the registered owner of the Series 2021 Bonds, payments of the principal and interest on the Series 2021 Bonds will be made directly to DTC. Disbursement of such payments to DTC Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of DTC Participants. See “THE SERIES 2021 BONDS—Book-Entry-Only System” herein.

**Maturity Schedule on Inside Cover**

The Series 2021 Bonds are subject to optional redemption prior to maturity as described herein. See “THE SERIES 2021 BONDS – Redemption Provisions” herein.

The Series 2021 Bonds shall be solely the obligation of the Issuer and not of the State of Oklahoma or the City. The Series 2021 Bonds are limited obligations of the Issuer and do not constitute obligations, either general or special, of the State of Oklahoma or the City within the meaning of any constitutional or statutory provisions whatsoever. **THE ISSUER HAS NO TAXING POWER.** The Series 2021 Bonds are payable solely from the Trust Estate pledged by the Issuer to the Trustee under the Indenture, including certain Increment Revenues as and when received by the Issuer pursuant to the terms of a Redevelopment Agreement, a Covenant Agreement and a Security Agreement, and, if required, transfers of other funds agreed to be made by the City, subject to annual appropriation, pursuant to an Agreement of Support, between the City and the Issuer, all as described herein. See “SECURITY FOR THE SERIES 2021 BONDS” and “RISK FACTORS” herein.

The Series 2021 Bonds are offered when, as and if issued and received by the Underwriters, subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of legality by The Public Finance Law Group PLLC, and Williams, Box, Forshee & Bullard, P.C., Co-Bond Counsel, Oklahoma City, Oklahoma. Certain legal matters will be passed upon for the Issuer and the City by the Office of the Municipal Counselor, Oklahoma City, Oklahoma. Certain legal matters will be passed upon by Kutak Rock LLP as Disclosure Counsel and for the Underwriters by \_\_\_\_\_. It is expected that the Series 2021 Bonds will be available in definitive form for delivery at DTC in New York, New York, on or about August 24, 2021.

*Series 2021A Taxable*

**JP Morgan Securities LLC**

**HilltopSecurities**

*Series 2021B Tax-Exempt*

**BOK Financial Securities, Inc.**

The date of this Official Statement is August \_\_\_, 2021

\*Preliminary, subject to change.

**OKLAHOMA CITY ECONOMIC DEVELOPMENT TRUST**  
**Tax Apportionment Bonds**

(Subject to Annual Appropriation)

**Maturities, Amounts, Interest Rates and Yields\***

**\$78,335,000\***

**Series 2021A Taxable**

<b>Maturity</b> <b><u>March 1</u></b>	<b>Principal</b> <b><u>Amount</u></b>	<b>Interest</b> <b><u>Rate</u></b>	<b><u>Yield</u></b>	<b>CUSIP</b> <b><u>Base:</u></b> <sup>(1)</sup>
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**\$18,645,000\***

**Series 2021B Tax-Exempt**

<b>Maturity</b> <b><u>March 1</u></b>	<b>Principal</b> <b><u>Amount</u></b>	<b>Interest</b> <b><u>Rate</u></b>	<b><u>Yield</u></b>	<b>CUSIP</b> <b><u>Base:</u></b> <sup>(1)</sup>
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(1) CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein provided by CUSIP Global Services ("CGS"), managed on behalf of the American Bankers Association by S&P Capital IQ. This information is not intended to create a database and does not serve in any way as a substitute for services provided by CGS. CUSIP numbers have been assigned by an independent company not affiliated with the City, the Municipal Advisor or the Purchasers and are included solely for the convenience of the registered and beneficial owners of the Series 2021 Bonds. None of the City the Municipal Advisor or the Purchasers is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Series 2021 Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2021 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2021 Bonds.

\*Preliminary, subject to change.

## THE CITY OF OKLAHOMA CITY, OKLAHOMA

### Elected Officials

#### MAYOR

David Holt

#### CITY COUNCIL MEMBERS

Bradley Carter  
James Cooper  
Barbara Young  
Todd Stone  
David Greenwell  
JoBeth Hamon  
Nikki Nice  
Mark K. Stonecipher

## OKLAHOMA CITY ECONOMIC DEVELOPMENT TRUST

### Trustees

<u>Name</u>	<u>Position</u>
Todd Stone.....	Chairperson
Rhonda Hooper.....	Vice Chairperson
Jim Roth. ....	Trustee
Mark K. Stonecipher.....	Trustee
Miriam Campos .....	Trustee

### Administration

Craig Freeman, General Manager  
Catherine O'Connor, Surrogate General Manager  
Amy K. Simpson, Secretary  
Wiley Williams, Deputy Municipal Counselor

### Co-Bond Counsel

The Public Finance Law Group PLLC  
Oklahoma City, Oklahoma

Williams, Box, Forshee & Bullard, P.C.  
Oklahoma City, Oklahoma

### Municipal Advisor

PFM Financial Advisors LLC.  
Austin, Texas

### Disclosure Counsel

Kutak Rock LLP  
Denver, Colorado

The Series 2021 Bonds are offered only by means of this Official Statement. This Official Statement does not constitute an offering of any security other than the Series 2021 Bonds specifically offered hereby. It does not constitute an offer to sell or a solicitation of an offer to buy the Series 2021 Bonds in any state or jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale, and no dealer, broker, salesman or other person has been authorized to make such unlawful offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement in connection with the offering of the Series 2021 Bonds and, if given or made, such other information or representations must not be relied upon.

The Series 2021 Bonds will not be registered under the Securities Act of 1933, as amended, and the Issuer and the Underwriters of the Series 2021 Bonds do not intend to list the Series 2021 Bonds on any stock or other securities exchange. The Securities and Exchange Commission has not passed upon the accuracy or adequacy of this Official Statement. With respect to the various states in which the Series 2021 Bonds may be offered, no attorney general, state official, state agency or bureau, or other state or local governmental entity has passed upon the accuracy or adequacy of this Official Statement or passed on or endorsed the merits of this offering of Series 2021 Bonds.

All references made herein to the Series 2021 Bonds are qualified in their entirety by reference to the Indenture. All references made herein to the Indenture, the Covenant Agreement, the Redevelopment Agreement, the Security Agreement and the Agreement of Support are qualified in their entirety by reference to such complete documents, original counterparts of which will be on file in the offices of the Issuer and the Trustee following delivery of the Series 2021 Bonds.

Any statements contained in this Official Statement, including the Appendices hereto, involving matters of opinion, estimates or projections, whether or not expressly so stated, are intended as such and not as representations of fact. Summaries of documents do not purport to be complete or definitive, and all references made to such documents are qualified in their entirety by reference to the complete document. The information contained in this Official Statement, including the cover page and Appendices hereto, has been obtained from the Issuer and other sources which are deemed to be reliable. The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as a part of, their responsibilities under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information and this Official Statement is not to be construed as the promise or guarantee of the Underwriters. Such information is subject to change and/or correction without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall create any implication that the information contained herein is complete or accurate in its entirety as of any date after the date hereof. This Official Statement is submitted in connection with the sale of securities as referred to herein and may not be reproduced or used in whole or in part for any other purpose. This Official Statement shall not be construed as a contract or agreement between the Issuer and the purchasers or holders of any of the Series 2021 Bonds.

This Official Statement contains statements that are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words “estimate,” “intend,” “expect” and similar expressions are intended to identify forward-looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

**IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE SERIES 2021 BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.**

**THIS PRELIMINARY OFFICIAL STATEMENT IS DEEMED TO BE FINAL (EXCEPT FOR PERMITTED OMISSIONS) BY THE ISSUER FOR PURPOSES OF COMPLYING WITH RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION.**

## SUMMARY STATEMENT

*This Summary is qualified in its entirety by reference to the detailed information appearing elsewhere in this Official Statement. Certain capitalized terms used in this Summary are defined elsewhere in this Official Statement. Reference is hereby made to the “DEFINITIONS OF CERTAIN TERMS AND SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL BOND INDENTURE, THE SECURITY AGREEMENT AND THE AGREEMENT OF SUPPORT” appearing as APPENDIX D to this Official Statement. Prospective investors should read this entire Official Statement prior to making an investment decision.*

Issuer..... The Oklahoma City Economic Development Trust (the “Issuer”). The Issuer was created as a public trust for the use and benefit of its beneficiary, The City of Oklahoma City (the “City”), pursuant to Title 60 of the Oklahoma Statutes, Sections 176, *et seq.* (the “Public Trust Act”), pursuant to a Trust Indenture dated as of October 9, 2007. The Issuer has the power and purpose, among other powers and purposes, to finance, operate, develop, construct, maintain, manage, market, and administer projects for investments and reinvestments, within or near the City in all lawful forms of economic and community development and redevelopment, and for any public functions and purposes with any public or private entity. (See “THE ISSUER.”)

City..... The City is the state capital and Oklahoma’s largest city with a population of approximately 679,705 residents. (See “THE CITY OF OKLAHOMA CITY.”)

Increment District #8 ..... Oklahoma City Increment District Number 8 (“Increment District #8”) is located in downtown Oklahoma City and was created by the City on December 16, 2008 and will expire on June 30, 2034. All of Increment District #8 comprises the footprint of the Devon Headquarters Building, a newly constructed 50-story office building owned by Devon Headquarters, L.L.C. (the “Redeveloper”), an Oklahoma limited liability company and a wholly-owned subsidiary of another wholly-owned subsidiary of Devon Energy Corporation.

The development of the Devon Headquarters Building (the “Devon Development”), includes a 50-story office tower containing approximately 1.9 million gross square feet, a rotunda and podium, auditorium, plazas and parks, an employee fitness center and parking at a cost of approximately \$843 million. The Redeveloper agreed to pay all of the costs of the Devon Development. Construction of the Devon Development commenced in October 2009, and substantial completion and occupancy occurred in October 2012.

Devon Energy Corporation is an independent oil and natural gas exploration and production company headquartered in the City. Devon Energy Corporation’s web site, [www.devonenergy.com](http://www.devonenergy.com), identifies Devon Energy Corporation as a Fortune 500 company included in the S&P 500 Index trading on the New York Stock Exchange under the ticker symbol DVN.

Currently, the Redeveloper is the owner of and sole taxpayer regarding all real property located within Increment District #8.

(See “INCREMENT DISTRICT #8.”)

Redevelopment Agreement ..... Pursuant to the terms of a Contract for Sale of Land and Redevelopment, dated \_\_\_\_\_ as amended, between Oklahoma

City Urban Renewal Authority (“OCURA”) and the Redeveloper (the “Redevelopment Agreement”), OCURA conveyed the property included in the Devon Development to the Redeveloper pursuant to a Special Warranty Deed dated October 1, 2009. Under the Redevelopment Agreement and pursuant to the terms of a Covenant Agreement dated October 1, 2009, as amended, between OCURA and the Redeveloper (the “Covenant Agreement”), the Redeveloper agreed that the Special Warranty Deed would include a covenant running with the land (the “Covenant”) providing that the entire Devon Development (including all improvements) would go on the tax rolls on January 1, 2017, and that the owner of the Devon Development would pay a specified amount of ad valorem real and personal property taxes (or payments in lieu of taxes). (See “INCREMENT DISTRICT #8.”)

Minimum Annual Payment.....	Upon completion of construction of the Devon Development, the Covenant Agreement was amended pursuant to the terms of an Interim Amendment to Covenant Agreement dated February 7, 2017, the Covenant was amended and restated to specify the minimum annual ad valorem tax payment (or payment in lieu of taxes) of not less than \$11.3 million (the “Minimum Annual Payment”) payable in 11 annual installments each in an amount not less than the Minimum Annual Payment by the Redeveloper and its successors and assigns to the County Treasurer of Oklahoma County by December 31 of each year during the term of existence of Increment District #8. (See “INCREMENT DISTRICT #8.”)
Agreement of Support.....	Under the Agreement of Support between the City and the Issuer, among other items, the City agrees, subject to annual appropriation, that if for any reason the principal of and interest on the Series 2021 Bonds are not anticipated to be paid when due (including, but not limited to, the non-receipt of all or any portion of the Increment Revenues timely as required) the City will transfer to the Issuer, from any legally available funds, amounts sufficient to pay the principal of and interest on the Series 2021 Bonds when due in advance of the date when such amounts are payable so as to prevent the occurrence of a default in the timely payment of the principal of and interest on the Series 2021 Bonds. (See “SECURITY FOR THE SERIES 2021 BONDS—Agreement of Support.”)
Security Agreement.....	Pursuant to the terms of the Security Agreement between the Issuer and the City, the City has agreed that the Increment Revenues when received by the City from the County Treasurer will be paid directly to the Issuer for deposit into the Oklahoma City Increment District #8 Apportionment Fund (the “Tax Apportionment Fund”). (See “SECURITY FOR THE SERIES 2021 BONDS—Increment Revenues and the Security Agreement.”)
Trustee.....	BOKF, NA.
The Series 2021 Bonds.....	The Series 2021 Bonds shall be solely the obligation of the Issuer and not of the State of Oklahoma or the City. The Series 2021 Bonds are limited obligations of the Issuer and do not constitute obligations, either general or special, of the State of Oklahoma or the City within the meaning of any constitutional or statutory provisions whatsoever. <b>THE ISSUER HAS NO TAXING POWER.</b> The Series 2021 Bonds are payable solely from the Trust Estate pledged by the Issuer to the Trustee under the Indenture, including certain Increment Revenues as and when received by the Issuer

pursuant to the terms of the Redevelopment Agreement, the Covenant Agreement and the Security Agreement and, if required, transfers of other funds agreed to be made by the City, subject to annual appropriation, pursuant to an Agreement of Support, between the City and the Issuer.

The Series 2021 Bonds are subject to optional redemption prior to maturity. (See “THE SERIES 2021 BONDS—Redemption Provisions.”)

The Indenture permits the issuance of Additional Bonds that will be secured under the Indenture on parity with the Series 2021 Bonds. (See “SECURITY FOR THE SERIES 2021 BONDS—Additional Bonds.”)

Use of Proceeds..... The proceeds from the sale of the Series 2021 Bonds will be used to (i) refund certain outstanding bond obligations, as further described herein and (ii) pay costs of issuance of the Series 2021 Bonds. (See “ESTIMATED SOURCES AND USES OF FUNDS.”)

Book-Entry Only System..... DTC will act as securities depository for the Series 2021 Bonds. The Series 2021 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2021A/B Bond certificate will be issued for each maturity of the Series 2021 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC at the office of the Trustee on behalf of DTC utilizing the DTC FAST system of registration. (See “THE SERIES 2021 BONDS—Book-Entry-Only System.”)

Certain Tax Matters ..... Series 2021A Bonds: Interest on the Series 2021A Bonds (including original issue discount, as discussed below) is not excludable from gross income for federal income tax purposes under Code Section 103. Interest on the Series 2021A Bonds will be fully subject to federal income taxation. Thus, owners of the Series 2021A Bonds generally must include interest (including original issue discount) on the Series 2021A Bonds in gross income for federal income tax purposes. In the opinion of The Public Finance Law Group PLLC, Oklahoma City, Oklahoma, and Williams, Box, Forshee & Bullard, P.C., Oklahoma City, Oklahoma, as Co-Bond Counsel, interest on the Series 2021A Bonds is exempt from Oklahoma income taxation. (See “CERTAIN TAX MATTERS RESPECTING THE SERIES 2021A BONDS.”)

Series 2021B Bonds: In the opinion of Co-Bond Counsel, assuming compliance with certain procedures designed to meet the requirements of the Code, under existing laws, regulations, rulings and judicial decisions interest on the Series 2021B Bonds is excluded from gross income of the recipients thereof for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax; it should be noted, however, that, for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest is taken into account in determining adjusted current earnings of certain corporations and such corporations are required to include in the calculation of alternative minimum taxable income 75% of the excess of each such corporation’s adjusted current earnings over its alternative minimum taxable income (determined without regard to this adjustment and prior to reduction for certain net operation losses). In the opinion of Co-Bond Counsel, interest on the Series 2021B Bonds is exempt from Oklahoma income taxation. (See

“CERTAIN TAX MATTERS RESPECTING THE SERIES 2021B BONDS.”)

Ratings .....	<p>Moody’s Investors Service, Inc. (“Moody’s”), and S&amp;P Global Ratings, a Standard &amp; Poor’s Financial Services LLC business (“S&amp;P”), have assigned ratings of “___” and “___,” respectively, to the Series 2021 Bonds. Such ratings reflect only the views of such organizations at the time such ratings are given, and the Issuer and the Underwriters make no representation as to the appropriateness of such ratings. An explanation of the significance of such ratings may be obtained only from such rating agencies. The Issuer furnished such ratings agencies with certain information and materials relating to the Series 2021 Bonds that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions by the rating agencies. There is no assurance that a particular rating will be maintained for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing such rating, circumstances so warrant.</p>
Offering .....	<p>The Series 2021 Bonds are offered only by means of this Official Statement. This Official Statement does not constitute an offering of any security other than the Series 2021 Bonds specifically offered hereby. It does not constitute an offer to sell or a solicitation of an offer to buy the Series 2021 Bonds in any state or jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale, and no dealer, broker, salesman or other person has been authorized to make such unlawful offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement in connection with the offering of the Series 2021 Bonds and, if given or made, such other information or representations must not be relied upon.</p> <p>The Series 2021 Bonds will not be registered under the Securities Act of 1933, as amended, and the Issuer and the Underwriters of the Series 2021 Bonds do not intend to list the Series 2021 Bonds on any stock or other securities exchange. The Securities and Exchange Commission has not passed upon the accuracy or adequacy of this Official Statement. With respect to the various states in which the Series 2021 Bonds may be offered, no attorney general, state official, state agency or bureau, or other state or local governmental entity has passed upon the accuracy or adequacy of this Official Statement or passed on or endorsed the merits of this offering of Series 2021 Bonds.</p>
Risk Factors .....	<p>Investment in the Series 2021 Bonds involves the assumption of certain risks by the Beneficial Owners of the Series 2021 Bonds. See “RISK FACTORS” for a discussion of certain factors, including, without limitation, certain limitations, collection, appropriation, enforcement rights and security, secondary market, bond ratings and book-entry risks that should be considered by a prospective purchaser in connection with an investment in the Series 2021 Bonds.</p>

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**OKLAHOMA CITY ECONOMIC DEVELOPMENT TRUST**  
**Tax Apportionment Refunding Bonds (Increment District #8)**

**\$78,355,000\***  
**Series 2021A Taxable**

**\$18,645,000\***  
**Series 2021B Tax-Exempt**

**(Subject to Annual Appropriation)**

**INTRODUCTION**

This Official Statement, including the preceding pages and Appendices hereto, is provided to furnish information with respect to the offering, sale and delivery of the above-referenced two series of bonds (individually, the “Series 2021A Bonds” and the “Series 2021B Bonds” and, collectively, the “Series 2021 Bonds”) of the Oklahoma City Economic Development Trust (the “Issuer”), a public trust established for the use and benefit of The City of Oklahoma City (the “City”). The Series 2021 Bonds are being issued pursuant to a General Bond Indenture dated as of August 1, 2021, by and between the Issuer and BOKF, NA, as trustee (the “Trustee” and “Paying Agent”), as supplemented by a Series 2021A Supplemental Bond Indenture and a Series 2021B Supplemental Bond Indenture, each dated as of August 1, 2021 (collectively with any future supplements thereto, the “Indenture”), by and between the Issuer and the Trustee.

The proceeds from the sale of the Series 2021 Bonds will be used to (i) refund certain outstanding bond obligations, as described in Appendix G hereto (the “Refunded Bonds”), and (ii) pay costs of issuance of the Series 2021 Bonds. See “ESTIMATED SOURCES AND USES OF FUNDS.”

The Refunded Bonds, and interest due thereon, are to be paid to and on their respective call dates as shown in Appendix G hereto from funds to be deposited with BOKF, NA (the “Escrow Agent”) pursuant to Special Escrow Fund Agreement dated as of the date hereof (the “Escrow Agreement”).

The Bond Resolution provides that the Issuer will deposit certain proceeds of the sale of the Series 2021 Bonds along with other lawfully available funds of the Issuer, if any, with the Escrow Agent in the amount necessary to accomplish the discharge and final payment of the Refunded Bonds (see “VERIFICATION OF MATHEMATICAL CALCULATIONS”). Such funds will be held by the Escrow Agent in a trust clearing account to pay the Refunded Bonds on their scheduled redemption date. See APPENDIX G “Description of Refunded Bonds”. Pending the payment of the Refunded Bonds on their scheduled redemption date, the funds held by the Escrow Agent will be invested in direct obligations of the United States of America or its agencies (the “Federal Securities”).

The verification agent will verify at the time of delivery of the Series 2021 Bonds that the Federal Securities will mature and pay interest, without reinvestment, at such times and in such amounts which, together with uninvested funds, if any, in the Escrow Fund, will be sufficient to pay, when due, the principal of and interest on the Refunded Bonds to and on their scheduled redemption dates. Such maturing principal and interest on the Federal Securities will not be available to pay the debt service requirements on the Series 2021 Bonds.

There follow brief descriptions of the Issuer, the City, the Series 2021 Bonds, the Indenture, the Covenant Agreement, the Redevelopment Agreement, the Security Agreement, the Agreement of Support, as hereinafter defined and described, and certain other related documents and matters. Such descriptions do not purport to be comprehensive or definitive. References to all such documents are qualified in their entirety by reference to the complete texts thereof, copies of such documents being available for inspection at the offices of the Issuer. Capitalized terms used in this Official Statement and not otherwise defined shall have the respective meanings given in the Indenture. See Appendix D hereto for definitions of certain terms and a summary of certain provisions of such documents.

**THE ISSUER**

The Issuer was created as a public trust for the use and benefit of its beneficiary, the City, pursuant to Title 60 of the Oklahoma Statutes, Sections 176, *et seq.* (the “Public Trust Act”), pursuant to a Trust Indenture dated as of October 9, 2007. The Issuer has the power and purpose, among other powers and purposes, to finance, operate, develop, construct, maintain, manage, market, and administer projects for investments and reinvestments, within or near

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\*Preliminary, subject to change.

the City in all lawful forms of economic and community development and redevelopment, and for any public functions and purposes with any public or private entity.

The Issuer is governed by five Trustees, two of whom shall be members of the City Council of the City. The Trustees of the Issuer are nominated by the Mayor and confirmed by the City Council. Each Trustee so appointed shall serve a term of six years, however, Trustees also serving as members of the City Council may serve as Trustees only so long as they hold office. The Issuer has no employees. The General Manager of the Issuer shall be the City Manager of the City or designee and the Municipal Counselor of the City shall be the legal advisor to the Issuer. The Issuer does not have the power to levy taxes. The Issuer is a component unit of the City and participates in the City's comprehensive accounting and budgetary system. See Appendix B hereto for the Issuer's Annual Financial Report for the fiscal year ended June 30, 2020.

The Series 2021 Bonds will represent the first indebtedness of the Issuer to be offered publicly. The issuance and sale of the Series 2021 Bonds were authorized by the Trustees of the Issuer on July \_\_, 2021, and, in accordance with the provisions of the Public Trust Act, the issuance and sale of the Series 2021 Bonds were approved by the City Council on July \_\_, 2021. Bonds or other evidence of indebtedness of the Issuer shall not constitute an indebtedness of the State of Oklahoma or of the City or personal obligations of the Trustees of the Issuer but shall constitute limited and special revenue obligations of the Issuer payable solely from the Trust Estate pledged as security for the payment thereof.

### **INCREMENT DISTRICT #8**

On December 16, 2008, the City Council of the City by Emergency Ordinance No. 23,768 adopted an Amended and Restated Downtown/MAPS Economic Development Project Plan dated November 7, 2008 (the "Project Plan"), which included, among other things, the creation by the City of Increment District Number 8, The City of Oklahoma City ("Increment District #8"), for a term of existence ending June 30, 2034. The Amended and Restated Central Business District Urban Renewal Plan dated November 19, 2008 (the "Urban Renewal Plan"), also was adopted by the City on December 16, 2008. Increment District #8 is the site of the Devon Headquarters Building owned by Devon Headquarters, L.L.C. (the "Redeveloper"), an Oklahoma limited liability company and a wholly-owned subsidiary of another wholly-owned subsidiary of Devon Energy Corporation.

Devon Energy Corporation is an independent oil and natural gas exploration and production company headquartered in Oklahoma City. Devon Energy Corporation's web site, [www.devonenergy.com](http://www.devonenergy.com), identifies Devon Energy Corporation as a Fortune 500 company included in the S&P 500 Index trading on the New York Stock Exchange under the ticker symbol DVN.

Pursuant to the terms of a Contract for Sale of Land and Redevelopment, dated \_\_\_\_\_, as amended, between Oklahoma City Urban Renewal Authority ("OCURA") and the Redeveloper (the "Redevelopment Agreement"), the Redeveloper agreed to acquire from OCURA the site included in Increment District #8 and construct thereon, in accordance with the Project Plan and the Urban Renewal Plan, the Devon Headquarters Building and OCURA agreed to convey said site and the improvements to be constructed thereon to the Redeveloper.

The development of the Devon Headquarters Building (the "Devon Development"), includes a 50-story office tower containing approximately 1.9 million gross square feet, a rotunda and podium, auditorium, plazas and parks, an employee fitness center and parking at a cost of approximately \$843 million. The Redeveloper agreed to pay all of the costs of the Devon Development. Construction of the Devon Development commenced in October 2009, and substantial completion and occupancy occurred in October 2012.

On January 7, 2021, Devon Energy Corporation and WPX completed an all-stock merger of equals. WPX is an oil and gas exploration and production company with assets in the Delaware Basin in Texas and New Mexico and the Williston Basin in North Dakota. This merger enhances the scale of operations, builds a leading position in the Delaware Basin and accelerates their cash-return business model that prioritizes free cashflow generation and the return of capital to shareholders. In accordance with the Merger Agreement, WPX shareholders received a fixed exchange of 0.5165 shares of Devon common stock for each share of WPX common stock owned. The combined company continues to operate under the name Devon Energy Corporation.

OCURA conveyed the property included in the Devon Development to the Redeveloper pursuant to a Special Warranty Deed dated October 1, 2009. Under the Redevelopment Agreement and pursuant to the terms of a Covenant Agreement dated October 1, 2009, as amended, between OCURA and the Redeveloper (the "Covenant Agreement"), the Redeveloper agreed that the Special Warranty Deed would include a covenant running with the land (the "Covenant") providing that the entire Devon Development (including all improvements) would go on the tax rolls on January 1, 2013, and that the owner of the Devon Development would pay a specified amount of ad valorem real and personal property taxes (or payments in lieu of taxes) calculated from the assessment and levy rates in effect for each fiscal year commencing July 1, 2012, for the duration of Increment District #8, based upon (i) actual construction and development costs incurred by the Redeveloper (including land acquisition and construction of improvements) and (ii) the cost of furnishings, fixtures and equipment initially purchased to serve the Devon Development. Currently, the Redeveloper is the owner of and sole taxpayer regarding all real property located within Increment District #8.

Upon completion of construction of the Devon Development, pursuant to the terms of an Interim Amendment to Covenant Agreement dated February 7, 2013 (the Interim Amendment to Covenant Agreement"), the Covenant was amended and restated to specify the minimum annual ad valorem tax payment (or payment in lieu of taxes) of not less than \$11.3 million (the "Minimum Annual Payment") payable in 21 annual installments each in an amount not less than the Minimum Annual Payment by the Redeveloper and its successors and assigns to the County Treasurer of Oklahoma County by December 31 of each year during the term of existence of Increment District #8. Pursuant to the terms of the Interim Amendment to Covenant Agreement, the Minimum Annual Payment is subject to increase, but not decrease, with a final determination thereof to be accomplished no later than September 30, 2021. Pursuant to the terms of the Interim Amendment to Covenant Agreement, the Issuer is made a third-party beneficiary of the Covenant Agreement and is granted complete power and authority to enforce all provisions of the Covenant Agreement or any amendments thereof, including the power to enforce the payment of the Minimum Annual Payment.

Also pursuant to the Redevelopment Agreement (and various other agreements, including in particular an Implementation and Coordination Agreement dated as of August 18, 2009, among various parties including the Issuer, the City, OCURA and the Redeveloper), the City and the Issuer agreed to finance the construction of various public infrastructure improvements and amenities located in proximity to and designed to assist and enhance the Devon Development, including provision of adequate utility infrastructure, visual and pedestrian links, streetscape plans including redesign and realignment of streets and improvements to the Myriad Botanical Gardens and adjacent areas (the "Devon Development Public Improvements"). In order that the construction of the Devon Development Public Improvements could be undertaken concurrently with the construction of the Devon Development, interim financing for payment of a portion of the costs thereof was obtained through the issuance on October 1, 2009, of the Issuer's Private Placement Tax Anticipation Note, 2009 (the "Interim Note"), in the original principal amount of \$95,000,000. The Interim Note was purchased in a direct private placement transaction by Devon Energy Corporation, the parent of the Redeveloper.

## ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated applications of the proceeds of the Series 2021 Bonds.

	Series 2021A Bonds	Series 2021B Bonds
Principal		
Less: Original Issue Discount		
Plus: Original Issue Premium		
Plus: Issuer Funds on Hand <sup>1</sup>		
Total Sources:		
Deposit to Escrow Fund		
Costs of Issuance <sup>2</sup>		
Total Uses:		

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<sup>1</sup> Includes debt service funds of \$\_\_\_\_\_ and prior Bond Reserve Fund of \$\_\_\_\_\_.

<sup>2</sup> Includes all costs of issuance, an underwriting discount of \$\_\_\_\_\_ with respect to the Series 2021A Bonds and an underwriting discount of \$\_\_\_\_\_ with respect to the Series 2021B Bonds, fees for legal counsel and other expenses, the payment of which is contingent upon the issuance of the Series 2021 Bonds.

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## DEBT SERVICE REQUIREMENTS FOR THE SERIES 2021 BONDS

The following table sets forth the annual amounts required to pay scheduled principal and interest on the Series 2021 Bonds during each fiscal year ending June 30.

Debt Service Requirements			
Period Ending <u>June 30</u>	Series 2021A <u>Bonds</u>	Series 2021B <u>Bonds</u>	Total <u>Debt Service</u>
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			

## SECURITY FOR THE SERIES 2021 BONDS

### Limited Obligation

The Series 2021 Bonds shall be solely the obligation of the Issuer and not of the State of Oklahoma or the City. The Series 2021 Bonds are limited obligations of the Issuer and do not constitute obligations, either general or special, of the State of Oklahoma or the City within the meaning of any constitutional or statutory provisions whatsoever. **THE ISSUER HAS NO TAXING POWER.** The Series 2021 Bonds are payable solely from the Trust Estate pledged by the Issuer to the Trustee under the Indenture, including certain Increment Revenues as and when received by the Issuer pursuant to the terms of the Redevelopment Agreement, the Covenant Agreement and a Security Agreement and, if required, transfers of other funds agreed to be made by the City, subject to annual appropriation, pursuant to an Agreement of Support, between the City and the Issuer.

The Series 2021 Bonds, together with any Additional Bonds issued on a parity therewith under the Indenture, will be payable solely from the Trust Estate consisting of (i) all rights, title and interests of the Issuer in and to the Security Agreement and the Increment Revenues derived pursuant thereto; (ii) all rights, title and interests of the Issuer in and to the Agreement of Support and any revenues derived thereunder; (iii) any revenues resulting from the exercise of the rights of the Issuer as a third-party beneficiary of the Covenant Agreement to enforce the provisions thereof, including the power to enforce the payment of the Minimum Annual Payment; (iv) all proceeds from the sale of the Series 2021

Bonds and (v) all funds and accounts created under the Indenture except any fund created by a Supplemental Indenture and specifically excluded from the lien and pledge of the Indenture and any fund created by a Supplemental Indenture to receive moneys subject to rebate to the United States Government which shall be held in trust for payment to the United States Government.

### **Increment Revenues and the Security Agreement**

Pursuant to the terms of the Interim Amendment to Covenant Agreement, the Redeveloper will make 11 annual installment payments of not less than the Minimum Annual Payment to the County Treasurer of Oklahoma County by December 31 of each year, commencing December 31, 2021, during the term of existence of Increment District #8. Pursuant to the terms of the Interim Amendment to Covenant Agreement, the Issuer is made a third-party beneficiary of the Covenant Agreement and is granted complete power and authority to enforce all provisions of the Covenant Agreement or any amendments thereof, including the power to enforce the payment of the Minimum Annual Payment.

The Increment Revenues consist of those revenues derived from the payment of ad valorem real and personal property taxes (or payments in lieu of taxes) by the Redeveloper to the County Treasurer of Oklahoma County pursuant to the terms of the Covenant Agreement and the Redevelopment Agreement and apportioned within Increment District #8 pursuant to Emergency Ordinance No. 23,768 of the City Council of the City. Pursuant to the terms of the Security Agreement, the City has agreed that the Increment Revenues when received by the City from the County Treasurer will be paid directly to the Issuer for deposit into the Tax Apportionment Fund.

Under Oklahoma law, the City may not become obligated to transfer money beyond its then current fiscal year (July 1 through June 30). However, pursuant to Section 6C of Article X of the Constitution of the State of Oklahoma ("Section 6C"), a direction of apportionment may be prospective and may continue for one or more years. The Security Agreement acknowledges that under said Section 6C the Issuer is authorized to pledge the apportioned tax increments beyond the current fiscal year to the repayment of indebtedness and the Issuer has done so pursuant to the Indenture. In accordance with the terms of the Security Agreement, as provided by, and subject to the limitations of, said Section 6C, the City agrees that the Increment Revenues, as received, shall be paid directly to the Issuer and deposited to the Tax Apportionment Fund. If for any reason said funds may not be deposited directly to the Tax Apportionment Fund then the City agrees to deposit such funds in a City TIF Account and transfer the same to the Tax Apportionment Fund. Notwithstanding anything in the Security Agreement to the contrary, the City agrees to make such transfers and deposits, on a year-to-year basis to be renewed by the annual renewal of the term of the Security Agreement or appropriation of funds for such purpose for additional one year periods, until such time as the principal of and interest on the Series 2021 Bonds have been paid or the collection of Increment Revenues has terminated. The City agrees, subject to said Section 6C, that for any fiscal year in which principal and/or interest will come due, it will include in the City's budget for that fiscal year an item which appropriates or otherwise encumbers legally available funds for the payment of such principal and interest.

### **Agreement of Support**

Pursuant to the terms of the Agreement of Support between the Issuer and the City, the City has agreed to assist and support the Issuer in the financing evidenced by the Series 2021 Bonds and the City and the Issuer have agreed as follows:

(a) Subject to annual appropriation, the City agrees that if for any reason the principal of and interest on the Series 2021 Bonds are not anticipated to be paid when due (including, but not limited to, the non-receipt of all or any portion of the Increment Revenues timely as required) the City will transfer to the Issuer, from any legally available funds, amounts sufficient to pay the principal of and interest on the Series 2021 Bonds when due in advance of the date when such amounts are payable so as to prevent the occurrence of a default in the timely payment of the principal of and interest on the Series 2021 Bonds.

(b) As an alternative to the action in paragraph (a) above, but again subject to annual appropriation, the City agrees to cause the issuance of refunding obligations to provide funds to defease the Series 2021 Bonds in advance of the date when such amounts are payable so as to prevent the occurrence of a default in the timely payment of the principal of and interest on the Series 2021 Bonds and agrees to do all

things necessary, including entering into support agreements, as shall be necessary to provide a market for the refunding obligations.

(c) The City agrees, subject to annual appropriation, that during any fiscal year in which for any reason the principal of and interest on the Series 2021 Bonds are not anticipated to be paid when due, it will amend its budget to include an item which appropriates or otherwise encumbers legally available funds for the payment of such principal and interest.

(d) The Issuer agrees that in order to pay debt service on the Series 2021 Bonds it shall utilize moneys derived from any available funds held under the Indenture, or any other legally available source, and then, as a last resort, the Bond Reserve Account. In the event any funds are withdrawn from the Bond Reserve Account the Trustee and the City's Director of Finance shall notify the City Manager of the City of such withdrawal. From that date forward and each month thereafter until any deficiency in the Bond Reserve Account is replenished to its minimum balance, the City Manager shall receive a report as to any additions to or withdrawals from the Bond Reserve Account.

Under Oklahoma law, the City may not become obligated to transfer money beyond its fiscal year (July 1 through June 30) and the City has no legal obligation or promise to make transfers under the Agreement of Support in future fiscal years, and therefore the covenants to transfer made therein by the City shall be on a year-to-year basis to be renewed by the annual renewal thereof or appropriation of funds for such purpose for additional one year periods on July 1 of each year until such time as the principal of and interest on the Series 2021 Bonds have been paid.

#### **Additional Bonds**

The Indenture permits the issuance of Additional Bonds that will be secured under the Indenture on a parity with the Series 2021 Bonds upon receipt by the Trustee, among other things, of the following:

(a) An Opinion of Bond Counsel to the effect that the Issuer has good right and lawful authority under the Trust Indenture and the Public Trust Act to undertake the issuance of such series of Additional Bonds;

(b) A Written Certificate of the Issuer to the effect that at the time of issuance and authentication of the Additional Bonds, the Issuer is not in default in the performance of any of the covenants, conditions, agreements, terms or provisions of the Indenture;

(c) An opinion of the City Attorney that the City has full power and authority to enter into the Security Agreement and the Agreement of Support and that the Security Agreement and Agreement of Support are legal and valid obligations of the City enforceable in accordance with their terms;

(d) A Certificate of the Treasurer of the City reflecting that the Net Revenues Available for Debt Service in twelve consecutive months of the eighteen months immediately preceding the issuance of Additional Bonds shall have been at least equal to 105% of the average annual Aggregate Bond Service requirements for all Bonds to be Outstanding immediately after the delivery of such Additional Bonds;

The Issuer does not expect to issue any Additional Bonds to be secured on a parity with the Series 2021 Bonds under the Indenture during calendar year 2021.

## **THE SERIES 2021 BONDS**

### **Description of the Series 2021 Bonds**

The aggregate principal amounts of the Series 2021A Bonds and the Series 2021B Bonds shall be as set forth on the cover page hereof and the Series 2021A Bonds and the Series 2021B Bonds shall mature on the dates and in the amounts, with interest thereon at the rates, set forth on the inside cover page hereof.

The Series 2021 Bonds shall be executed and delivered in fully registered form in denominations of \$5,000 or whole multiples thereof not exceeding the aggregate principal amount stated to mature on any given date. The Series 2021 Bonds shall be dated the date of their delivery and the Owners of the Series 2021 Bonds shall be entitled to receive interest therefrom. The first Interest Payment Date shall be March 1, 2022. The payment of principal of and interest on the Series 2021 Bonds shall be made in lawful money of the United States of America. DTC shall act as Depository for the Series 2021 Bonds. So long as DTC is acting as Depository, the principal of and interest on the Series 2021 Bonds shall be payable as directed by the Depository.

## Book-Entry-Only System

**THE INFORMATION IN THIS SECTION, “BOOK-ENTRY-ONLY SYSTEM”, HAS BEEN FURNISHED BY THE DEPOSITORY TRUST COMPANY. NO REPRESENTATION IS MADE BY THE ISSUER AS TO THE COMPLETENESS OR ACCURACY OF SUCH INFORMATION OR AS TO THE ABSENCE OR MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF. NO ATTEMPT HAS BEEN MADE BY THE ISSUER TO DETERMINE WHETHER DTC IS OR WILL BE FINANCIALLY OR OTHERWISE CAPABLE OF FULFILLING ITS OBLIGATIONS. THE ISSUER SHALL HAVE NO RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR THE PERSONS FOR WHICH THEY ACT AS NOMINEES WITH RESPECT TO THE SERIES 2021 BONDS, OR FOR ANY PRINCIPAL, PREMIUM, IF ANY, OR INTEREST PAYMENT THEREOF.**

*DTC will act as securities depository for the Series 2021 Bonds. The Series 2021 Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Series 2021A/B Bond certificate will be issued for each series and maturity of the Series 2021 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC at the office of the Paying Agent on behalf of DTC utilizing the DTC FAST system of registration.*

*DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor's rating of: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).*

*Purchases of Series 2021 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2021 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2021 Bonds (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2021 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2021 Bonds, except in the event that use of the book entry system for the Series 2021 Bonds is discontinued.*

*To facilitate subsequent transfers, all Series 2021 Bonds deposited by Direct Participants with DTC (or the Paying Agent on behalf of DTC utilizing the DTC FAST system of registration) are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2021 Bonds with DTC (or the Paying Agent on behalf of DTC utilizing the DTC FAST system of registration) and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2021 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2021 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.*

*Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.*

*Redemption notices shall be sent to DTC. If less than all the Series 2021 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.*

*Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Series 2021 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2021 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).*

*Redemption proceeds, distributions and dividend payments on the Series 2021 Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), the Paying Agent or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments on the Series 2021 Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.*

*DTC may discontinue providing its services as securities depository with respect to the Series 2021 Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2021 Bonds certificates are required to be printed and delivered.*

*The City may decide to discontinue use of the system of book entry only transfers through DTC (or a successor securities depository). In that event, Series 2021A/B Bond certificates will be printed and delivered to DTC.*

The information in this section concerning DTC and DTC's book entry system has been obtained from DTC, and the Issuer, the Municipal Advisor and the Underwriter take no responsibility for the accuracy thereof.

### **Mutilated, Lost, Stolen or Destroyed Bonds**

In the event that any Series 2021A/B Bond is mutilated, lost, stolen or destroyed, a new Bond may be executed on behalf of the Trustee, of like date, maturity and denomination as that mutilated, lost, stolen or destroyed, provided that the Trustee shall have received indemnity from the Owner of the Bond satisfactory to it and provided further, in case of any mutilated Bond, that such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, that there shall be first furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee. In the event that any such Bond shall have matured, instead of executing and delivering a duplicate Bond, the Trustee may pay the same without surrender thereof. The Trustee may charge the Owner of the Bond with its reasonable fees and expenses in this connection.

### **Redemption Provisions**

***Optional Redemption of the Series 2021A Bonds.*** The Series 2021A Bonds shall be subject to redemption at the option of the Issuer, from any source, in whole or in part (by lot within a maturity), at the "Make Whole Redemption Price." The Make Whole Redemption Price is the greater of (i) 100% of the principal amount of the 2021A Bonds to be redeemed or (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the 2021A Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the 2021A Bonds are to be redeemed, discounted on a semi-annual basis to the date on which the 2021A Bonds are to be redeemed, assuming a 360-day year consisting of twelve 30-day months, at the "Treasury Rate" (as defined below) plus \_\_\_ basis points, plus, in each case, accrued and unpaid interest on the 2021A Bonds to be redeemed on the redemption date.

The "Treasury Rate" is, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two business days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source

of similar market data) most nearly equal to the period from the redemption date to the maturity date of the 2021A Bonds to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

***Optional Redemption of the Series 2021B Bonds.*** The Series 2021B Bonds maturing on and after March 1, \_\_\_\_\_, shall be subject to redemption by the Issuer, from any source on at least thirty days notice, on or after March 1, \_\_\_\_\_, in whole or in part (by lot within a maturity) at the redemption price equal to the principal amount thereof to be redeemed plus interest accrued thereon to the date of redemption.

***Partial Redemption.*** If less than all of the Series 2021 Bonds are to be redeemed, the Series 2021 Bonds shall be redeemed only in integral multiples of \$5,000. The Trustee is to treat any Bond of a denomination greater than \$5,000 as representing that number of separate Bonds each of the denomination of \$5,000 as can be obtained by dividing the actual principal amount of such Bond by \$5,000. Upon surrender of any Bond for redemption in part, the Trustee is to execute and deliver to the Owner thereof, at no expense of the Owner, a new Bond or Bonds of authorized denominations in an aggregate principal amount equal to the unredeemed portion of the Bonds so surrendered.

***Notice of Redemption.*** Whenever Series 2021 Bonds are to be redeemed, or when directed to do so by the Issuer, the Trustee is required to, not less than 30 and not more than 60 days prior to the redemption date, mail notice of redemption to all Owners of all Series 2021 Bonds to be redeemed at their registered addresses, by first-class mail, postage prepaid. Any notice of redemption is to (a) be given in the name of the Issuer, (b) identify the Series 2021 Bonds to be redeemed, (c) specify the redemption date and the redemption price and (d) state that on the redemption date the Series 2021 Bonds called for redemption will be payable at the principal corporate trust office of the Paying Agent and that from that date interest will cease to accrue. The Trustee may use "CUSIP" numbers in notices of redemption as a convenience to Owners of the Series 2021 Bonds, provided that any such notice is required to state that no representation is made as to the correctness of such numbers either as printed on the Series 2021 Bonds or as contained in any notice of redemption and that reliance may be placed only on the identification numbers containing the prefix established under the Indenture.

## **THE CITY OF OKLAHOMA CITY**

The City of Oklahoma City is the state capital and Oklahoma's largest city with a population of approximately 670,200 residents. At 621 square miles, the City is one of the largest cities in land area in the United States. The City encompasses portions of four counties and is centrally located in the State. It is a regional center for education, energy, agribusiness, transportation, financial services, health care, wholesale and retail trade, and manufacturing.

Incorporated in 1890, the City initiated a Council-Manager form of government in 1927. The Mayor has an equal vote with an eight-member City Council. The Mayor is elected at large and the Council members are elected by residents of their wards. The Mayor and Council appoint the City Manager who serves as the City's chief administrative officer. The City provides all basic municipal services including police and fire protection, parks, street maintenance, traffic control, water and wastewater, airport facilities, and solid waste collection and disposal.

See Appendix A hereto for additional demographic and economic information relating to the City. See Appendix C hereto for the City's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2020.

The Series 2021 Bonds do not constitute an obligation, general or special, of the State of Oklahoma or of the City within the meaning of any constitutional or statutory provision.

### **General Information**

The City was settled in a single day as a result of the Land Run of 1889. Today, the City is the State's capital and largest city with a population of approximately 670,200 residents. Historically, the City has pursued a policy of annexation and is one of the largest cities in land area in the United States with a total area of approximately 620 square miles extending into four counties. The City is centrally located in the State and serves as a regional center for energy, agribusiness, transportation, financial services, health care, wholesale and retail trade, and manufacturing. For details on the economic and demographic characteristics of the City see APPENDIX A.

## Municipal Government and Services

The City, incorporated in 1890, has had a council-manager form of government since 1927. The Mayor heads a City Council of eight members. The Mayor is elected at large and the eight Council members are elected by the residents of their wards. The Mayor and Council appoint a City Manager to serve as the City's chief administrative officer. The Mayor and Council also appoint the Municipal Counselor, City Auditor, and Municipal Judges. The Mayor, Council, and City Manager provide direction for the management of the City's financial resources and operating departments.

The City provides all basic municipal services including, but not limited to, police and fire protection, parks, street maintenance, traffic control, water and sewer, airport facilities, and refuse collection. The City has historically funded capital improvements for basic infrastructure through the issuance of general obligation bonds secured by ad valorem property taxes. The City has also utilized federal grants and general revenues to finance capital improvements. In addition, the City has established public trusts to provide services and to issue revenue bonds for financing capital improvements.

As of July 1, 2020, the City and related public trusts have 5,034 full-time positions, of which 3,788 or 75 percent are represented by four bargaining units. Bargaining units and contract status are as follows:

### Bargaining Units and Contract Status

<u>Bargaining Unit</u>	<u>Number of Employees</u>	<u>Percent of Total Employees</u>	<u>Termination Date of Current Contract</u>
American Federation of State, County, and Municipal Employees	1,326	26%	06/30/21*
Fraternal Order of Police	1,235	25%	06/30/21*
International Association of Fire Fighters	999	20%	06/30/21*
Amalgamated Transit Union	228	5%	06/30/21*

Source: City of Oklahoma City.

\*Contract negotiations in progress for Fiscal Year 2022.

## Relationships with Trusts and Authorities

The City has been responsible for the establishment of certain public trusts and authorities pursuant to State law. These public trusts and authorities, which have no taxing power, were created to finance City services through the issuance of revenue bonds or other types of non-general obligation bond financing, and/or to enable the City Council to delegate certain aspects of its governance to the trustees of the public trust. Public trusts may also be created to enable the City to contract for its on-going activities and projects which overlap fiscal years and would be difficult to perform efficiently on a fiscal year budgetary basis. Public trusts generally retain title to assets which were acquired or constructed with revenue bond proceeds or with other resources generated by trust operations. The City, as a beneficiary of the trusts, receives title to any residual assets when a public trust is dissolved. The principal public trusts and authorities and non-profit entities established by the City are included for financial reporting purposes in the City's Financial Statements are described below.

<u>Public Trusts and Authorities</u>	<u>Activity Performed</u>
Central Oklahoma Transportation and Parking Authority (COTPA)	Finance, develop, and operate public transportation and parking systems.
Central Oklahoma Transportation and Parking Authority Employee Retirement Trust (COTPA Retirement)	Provide retirement benefits to employees of COTPA.
Oklahoma City Zoological Trust (OCZT)	Finance and operate the Oklahoma City Zoo.
Oklahoma City Riverfront Redevelopment Authority (OCRRA)	Develop, finance, and maintain the property adjacent to the North Canadian River.

Port Authority of Greater Oklahoma City	Develop and administer the foreign trade zone.
Oklahoma City Municipal Facilities Authority (OCMFA)	Finance risk management, architectural and engineering fees and other municipal services.
Oklahoma City Post Employment Benefit Trust (OCPEBT)*	Post-employment benefits other than retirement.
Oklahoma City Employee Retirement System (OCERS)*	Retirement benefits and disability allowances.
Oklahoma City Water Utilities Trust (OCWUT)	Finance and operate the water and wastewater systems.
Oklahoma City Airport Trust (OCAT)	Airport services.
Oklahoma City Redevelopment Authority (OCRA)	Conservation, development & redevelopment of City central downtown business district.
Oklahoma City Public Property Authority (OCPPA)	Finance five municipal golf courses, the Oklahoma City Fairgrounds, Cox Convention Center, OKC Arena, Civic Center Music Hall and other City buildings.
Oklahoma City Industrial and Cultural Facilities Trust (OCICF)	Cultural facilities and employment activities.
Oklahoma City Environmental Assistance Trust (OCEAT)	Encourage, promote, and finance pollution control, solid waste disposal and cultural, educational and housing activities.
Oklahoma City Economic Development Trust (OCEDT)	Finance economic development initiatives for the City.
Regional Transit Authority of Central Oklahoma	Provides transportation in the cities of Oklahoma City, Del City, Midwest City, Moore and Norman.
Oklahoma City MAPS Investment and Operating Trust (OCMIOT)	Provides a long-term funding mechanism to assist in future operational and maintenance costs of the MAPS 4 Projects.

*\*OCPEBT and OCERS are irrevocable trusts.*

## CITY DEBT

The Constitution of the State of Oklahoma provides that, without approval of the voters, the City is prohibited from becoming indebted in any fiscal year in an amount exceeding income and revenue to be received for such fiscal year. Historically, general obligation bonds have been approved by the voters and issued by the City for various capital improvements. These bonds are required to be fully paid within 25 years from the date of issue. The City's general obligation bonds issued under Article X, Section 27 of the Oklahoma Constitution are not subject to a legal debt limitation.

In 1992, the Oklahoma Municipal Utility Revenue Bond Act was enacted allowing cities to issue certain types of revenue bonds. To date, the City has not issued any revenue bonds under this authority.

Public trusts created under State law are allowed to issue revenue bonds on behalf of a City. The debt of these trusts does **not** constitute debt of the City and is payable solely from the resources of the trusts. The debt of the public trusts and authorities established by the City and/or in which the City is the beneficiary is discussed in more detail in Note III.A.7. Bonds Payable included in APPENDIX B.

### General Long-Term Debt

The general long-term debt payable, including the current portion, as of June 30, 2020, as recorded in the City's governmental activities (excluding internal service funds) contained in the City's government-wide financial statements is summarized below:

**General Long-Term Debt**  
**June 30, 2020**  
**(dollars in thousands)**

<u>Type of Debt</u>	<u>Balance (1)</u>
General Obligation Bonds	\$919,255
Lease Obligations Payable	24
Payable to Component Units	2,082
Compensated Absences	79,565
Net OPEB Obligation	315,118
Estimated Claims Payable	7,776
Intergovernmental Payable	1,647
Notes Payable	8,223
Net Pension Liability (2)	<u>288,492</u>
Total	<u>\$1,622,182</u>

(1) Includes long-term debt supporting general government services, excluding internal service funds.

(2) The implementation of GASB 68 requires the City to recognize a liability for its proportionate share of the net pension liabilities related to the State of Oklahoma Firefighters Pension and Retirement System and the State of Oklahoma Municipal Police Pension and Retirement System. Although GASB 68 requires the City to report these liabilities, the language contained in the Oklahoma State Statutes 11O.S. § 49-100.2 (Firefighters) and 11O.S. § 50-102.1 (Police) is clear that these two systems are the responsibility of the State of Oklahoma and not that of the City. The Oklahoma Firefighters Pension and Retirement System and Oklahoma Municipal Police Pension and Retirement System both contribute a net pension liability to the City. For further information on the funding status of these plans, please review VII.B. Defined Benefit Cost-Sharing, Multiple-Employer Pension Plans, of the Financial Statements included in APPENDIX B.

Source: City of Oklahoma City.

## General Obligation Bonds

As of June 30, 2020, the City had \$919,255,000 of general obligation bonds outstanding. After the issuance of the Series 2021 Bonds, the Taxable Series 2021 Bonds and the Series 2021 Refunding Bonds the principal amount of the general obligation indebtedness outstanding on May 18, 2021, will be \$997,240,000. The City will issue its Series 2021 Bonds and Taxable Series 2021 Bonds on May 18, 2021. The Series 2021 Bonds and the Taxable Series 2021 Bonds are not offered pursuant to this Official Statement. The following two tables summarize the outstanding general obligation debt and annual debt service requirements for the City.

### Outstanding General Obligation Debt June 30, 2020 (dollars in thousands)

<u>Fiscal Year</u>	<u>Issue</u>	<u>Date Issued</u>	<u>Final Maturity Date</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
2011	Combined Purpose 2011 <sup>(1)</sup>	3/1/2011	3/1/2031	43,000	24,880
2012	Refunding 2012	1/11/2012	3/1/2025	80,110	14,800
2013	Combined Purpose 2012	4/1/2012	3/1/2032	50,000	33,320
2013	Combined Purpose 2013	3/1/2013	3/1/2033	90,000	61,560
2014	Combined Purpose 2014	3/1/2014	3/1/2034	92,185	67,910
2014	Economic Development 2014	3/1/2014	3/1/2034	15,000	11,050
2014	Economic Development 2014A	9/1/2014	9/1/2034	12,000	9,460
2015	Combined Purpose 2015	3/1/2015	3/1/2035	85,595	67,575
2015	Refunding 2015	3/5/2015	3/1/2026	65,190	25,840
2016	Refunding 2016	3/1/2016	3/1/2027	32,525	22,705
2016	Combined Purpose 2016	3/1/2016	3/1/2036	77,500	65,260
2016	Economic Development 2016	3/1/2016	3/1/2036	12,000	10,095
2017	Combined Purpose 2017	3/1/2017	3/1/2037	90,500	80,970
2017	Refunding 2017	5/10/2017	3/1/2028	28,645	22,790
2018	Combined Purpose 2018	3/1/2018	3/1/2038	82,750	78,395
2018	Combined Purpose Taxable 2018	3/1/2018	3/1/2038	40,990	38,830
2019	Combined Purpose 2019	3/1/2019	3/1/2039	75,655	75,655
2019	Economic Development 2019	3/1/2019	3/1/2029	30,000	30,000
2019	Refunding 2019	5/7/2019	3/1/2029	21,955	19,615
2019	Economic Development Ref 2019	5/7/2019	3/1/2030	19,250	18,570
2020	Combined Purpose 2020	3/1/2020	3/1/2040	51,265	51,265
2020	Combined Purpose 2020 Taxable	3/1/2020	3/1/2040	60,215	60,215
2020	Refunding 2020	6/18/2020	3/1/2030	28,495	28,495
TOTAL				<u>\$ 1,184,825</u>	<u>\$ 919,255</u>

Source: City of Oklahoma City.

## General Obligation Bonds Annual Debt Service Requirements (1)

Fiscal Year	Total General Obligation Debt Service		
	Principal	Interest	Total
2021	\$ 65,765,000	\$ 33,730,640	\$ 99,495,640
2022	70,955,000	31,330,926	102,285,926
2023	67,925,000	28,756,112	96,681,112
2024	66,425,000	26,042,857	92,467,857
2025	65,135,000	23,392,392	88,527,392
2026	64,410,000	20,933,215	85,343,215
2027	60,590,000	18,473,573	79,063,573
2028	57,395,000	16,222,945	73,617,945
2029	54,120,000	14,136,504	68,256,504
2030	51,740,000	12,149,874	63,889,874
2031	47,600,000	10,307,196	57,907,196
2032	45,695,000	8,639,579	54,334,579
2033	42,895,000	7,023,046	49,918,046
2034	38,145,000	5,532,497	43,677,497
2035	32,505,000	4,192,326	36,697,326
2036	27,345,000	3,079,175	30,424,175
2037	22,680,000	2,110,584	24,790,584
2038	17,905,000	1,285,587	19,190,587
2039	11,355,000	615,950	11,970,950
2040	5,820,000	201,250	6,021,250
Total	\$ 916,405,000	\$ 268,156,228	\$ 1,184,561,228

(1) Columns may differ due to penny rounding.

### Other Long-Term Obligations

The other long-term obligations, including the current portion, recorded in the City's governmental activities (excluding internal service funds) contained in the City's government-wide financial statements are as follows:

*Lease Obligations Payable* - As of June 30, 2020, the lease obligations payable totaled \$24,000. These lease obligations are for copiers and office and printing equipment.

*Compensated Absences* - Full-time, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the City. Sick leave accrues to full-time, permanent employees to specified maximums. Generally, after one year of service, employees are entitled to a percentage of their sick leave balance and all accrued vacation upon termination. Police officers and firefighters are not entitled to their proportionate sick leave balance until they retire or become disabled. However, these employees historically remain with the City until retirement. Selected management employees are entitled to all accrued sick and vacation leave balances at termination. The estimated liabilities include required salary-related payments. Compensated absences are reported as accrued in the government-wide, proprietary, fiduciary, and component unit financial statements. Governmental funds report only matured compensated absences payable to currently terminating employees and included in wages and benefits payable. Compensated absences reported for governmental activities (excluding internal service funds) are \$79,565,000 on June 30, 2020.

*Other Post-Employment Benefits* - The City provides post-employment healthcare benefits for retired employees and their dependents through the City of Oklahoma City Post-retirement Medical Plan (the City OPEB Plan), a single-employer defined benefit healthcare plan. The benefits, coverage levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The City OPEB Plan covers all current retirees who elected post-retirement medical coverage through the City and future retired general employees. McGee Creek Authority ("MCA") retirees are not covered under this plan and all firefighters retiring after December 31, 2002 are covered under a separate plan established specifically to provide medical benefits to City firefighters and are not considered for this disclosure. Formal changes to the plan were adopted in December 2016, which include: 1) Beginning January 1, 2017, all new hires may participate in the plan, but they will not be eligible to receive any subsidy on their premiums; 2) Participation eligibility for existing employees increased from age 55 with 5 years' service to age 60 with 15 years' service.

*Federal Arbitrage Rebate* - The City calculates the arbitrage interest earnings due the Federal Government on the investment of general obligation bond proceeds with the assistance of a consultant. All arbitrage payments have been made on a timely basis. Estimates of future liability are made periodically and funds budgeted annually to make necessary payments.

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## Direct and Overlapping Debt

The proportionate share of the net direct and overlapping debt for governments located wholly or partially within the limits of the City on June 30, 2020 is \$1,293,842,000. This debt is borne by taxable real and personal property located within the City and is summarized below:

### Computation of Direct and Overlapping Debt <sup>(1)</sup>

June 30, 2020  
(dollars in thousands)

Entity <sup>(2)</sup>	June 30, 2020 Net Debt Outstanding <sup>(2)</sup>	Percentage Applicable to Oklahoma City <sup>(3)</sup>	Amount Applicable to Oklahoma City
Banner Schools	\$1,333	10.26%	\$137
Canadian County	-	43.86%	-
Choctaw Schools	21,212	14.36%	3,046
Cleveland County	-	25.90%	-
Crooked Oak Schools	2,335	99.99%	2,335
Crutcho Schools	1,352	5.34%	72
Deer Creek Schools	16,470	70.86%	11,671
Eastern Oklahoma County Vo-Tech	304	15.40%	47
Edmond Schools	121,505	40.59%	49,319
Francis Tuttle Vo-Tech	-	58.65%	-
Harrah Schools	3,385	5.48%	185
Jones Schools	2,690	35.08%	944
Little Axe Schools	995	19.01%	189
Luther Schools	1,960	5.37%	105
McLoud Schools	720	30.03%	216
Midwest City Schools	38,415	39.60%	15,212
Millwood Schools	1,195	88.49%	1,057
Moore Schools	90,580	54.26%	49,149
Mustang Schools	44,104	93.12%	41,070
Norman Schools	85,340	-	-
Oakdale Schools	5,730	99.77%	5,717
Oklahoma City Schools	94,254	85.79%	80,861
Oklahoma County	21,880	67.23%	14,710
Piedmont Schools	7,735	35.66%	2,758
Putnam City Schools	66,050	85.93%	56,757
Robin Hill Schools	415	19.56%	81
Rose State College	15,220	31.94%	4,861
Union City Schools	1,285	2.10%	27
Western Heights Schools	23,063	99.29%	22,899
Yukon Schools	<u>28,723</u>	38.86%	<u>11,162</u>
Subtotal – Overlapping Debt	\$698,250		\$374,587
Oklahoma City	<u>919,255</u>	100.00%	<u>919,255</u>
Total Direct and Overlapping Debt	<u>\$1,617,505</u>		<u>\$1,293,842</u>

- (1) Net debt outstanding is the total outstanding debt less the reserves restricted for the repayment of principal in the Debt Service Fund. The outstanding debt balance and debt service fund restricted reserves used in this table are for the 2019 tax year levy. Therefore, the net debt outstanding for the City of Oklahoma City (City) does not agree with the June 30, 2020, financial statements. Restricted reserves are created and accumulated through the property tax levy (per applicable Oklahoma Statutes) to ensure that funds are on hand when debt service payments are due.
- (2) The source for bonded debt outstanding for jurisdictions other than Oklahoma City is the Oklahoma State Board of Equalization.

(3) The percent applicable to Oklahoma City is determined by the School district's proportionate share of the total City assessed valuation as provided by the Oklahoma State Board of Equalization.

Source: City of Oklahoma City.

## Debt Ratios

The following table summarizes the ratio of the City's debt to assessed value and per capita debt.

### Ratio of General Bonded Debt to Assessed Value and Bonded Debt Per Capita Last Ten Fiscal Years As of June 30

Fiscal Year	Bonded Debt (1)	Net Assessed Valuation (1)	Ratio of Bonded Debt to Net Assessed Valuation	Population (2) (in thousands)	Per Capita Bonded Debt
2011	\$565,670	\$4,516,447	12.70%	580	\$975
2012	553,445	4,655,191	12.50%	587	943
2013	599,460	4,780,332	11.90%	595	1,007
2014	663,575	4,918,526	12.50%	611	1,086
2015	707,315	5,134,971	13.50%	629	1,125
2016	738,110	5,405,259	13.77%	641	1,151
2017	769,505	5,679,244	13.55%	653	1,178
2018	836,030	5,893,843	14.18%	661	1,265
2019	877,960	6,119,339	14.35%	670	1,310
2020	919,255	6,451,097	14.25%	680	1,352

(1) Dollars are in thousands.

(2) Population estimates are obtained from the Oklahoma Employment Security Commission, Oklahoma Department of Commerce, and the U.S. Census Bureau.

Source: City of Oklahoma City.

## Future Debt Issuance Plans

Upon the issuance of the Series 2021 Refunding Bonds, the Series 2021 and the Series 2021 Taxable Bonds, the City will have \$574,145,000 of authorized but unissued bond capacity in the 2017 General Obligation Bond Authorization which it plans to issue over the following seven years. In addition, the City also may issue bonds for the purpose of refunding all or a portion of a series of outstanding bonds. The City is authorized to call additional bond elections in the future for either general obligation or general obligation limited tax bond purposes.

## SALES TAXES

The City's most significant source of revenues is sales tax. As of January 1, 2018, the City's sales tax rate is 4.125% on each dollar of taxable sales. The 4.125% sales tax rate is comprised of 2.25% for the General Fund, 1% for the voter approved MAPS4 Sales Tax, 0.75% for public safety, and 0.125% for the Oklahoma City Zoo.

Sales tax revenues returned to the City consist of sales tax collections plus earned interest less monies withheld by the Oklahoma Tax Commission.

The General Fund sales tax revenues for the last ten fiscal years were as follows:

Fiscal Year Ended June 30,	Rate	Revenues	Percentage Change
2021 <sup>(1)</sup>	2.250%	\$ 263,482,460	-4.31%
2020	2.250%	275,354,000	7.57%
2019	2.250%	255,966,000	9.15%
2018	2.00 - 2.25% <sup>(2)</sup>	234,517,000	10.56%
2017	2.000%	208,087,104	-3.10%
2016	2.000%	214,748,001	-1.87%
2015	2.000%	218,837,333	2.89%
2014	2.000%	212,698,181	2.71%
2013	2.000%	207,082,944	4.31%
2012	2.000%	198,521,717	5.64%

Source: City of Oklahoma City

(1) Sales tax collections as of \_\_\_\_\_.

(2) Increased General Fund sales tax rate took effect on January 1, 2018.

#### PROPERTY TAX LEVY AND COLLECTION PROCEDURES

Oklahoma Statutes require that the City each year make an ad valorem tax levy for a sinking fund which shall be sufficient to pay all the bonded indebtedness, interest and one-third of all outstanding judgments coming due in the following year.

After review and approval by the City Council, copies of the sinking fund estimates are submitted to each County Excise Board to determine the ad valorem tax levy appropriations. This submission is required to be made by August 25 of each year. The amounts contained in the estimate of needs are verified by the County Excise Board and, upon verification, the levies contained therein are ordered to be certified to the County Assessor in order that the County Assessor may extend said levies upon the tax rolls for the year for which the estimate of needs is being submitted. The County Assessor is required to file a tax roll report on or before October 1 each year with the County Treasurer indicating the net assessed valuation for each municipality within the County. This report includes the assessed valuation for all real, personal and public service property (public service property assessed valuations are determined by the Oklahoma Tax Commission). The County Treasurer must begin collecting taxes by November 1. The first half of taxes is due and payable on or before January 1. The second half becomes due and payable on or before April 1. If the first half is not paid by January 1, it all becomes due and payable on January 2.

Ad valorem taxes not paid on or before April 1 are considered delinquent. If not paid by the following October 1, the property is offered for sale for the amount of taxes due. The purchaser is issued a certificate of tax lien; however, the original owner of the property has two (2) years in which to redeem the property by paying the taxes and penalties owed.

If at the end of two years the original owner has not redeemed the property, the purchaser may then apply for a deed to the property. If there is no purchaser, then the County acquires the same lien and the property is auctioned after approximately two and one-half (2½) years. Property taxes are assessed and collected for the City of Oklahoma City by four counties: Canadian, Cleveland, Pottawatomie, and Oklahoma.

**Assessed and Estimated Market Value of Taxable Property  
Last Ten Fiscal Years  
(dollars in thousands)**

<u>Fiscal Year</u>	<u>Fair Market Value</u>	<u>Assessed Valuation</u>	<u>Total Exemptions</u>	<u>Net Assessed Valuation (1)</u>	<u>% of Fair Market Value</u>
2011	\$38,143,749	\$4,637,239	\$120,792	\$4,516,447	11.84%
2012	39,301,143	4,778,465	123,272	4,655,191	11.84%
2013	40,458,929	4,904,931	124,599	4,780,332	11.82%
2014	41,963,614	5,044,320	125,794	4,918,526	11.72%
2015	43,956,071	5,262,999	128,028	5,134,971	11.68%
2016	46,336,461	5,536,011	130,752	5,405,259	11.67%
2017	48,800,765	5,816,071	136,827	5,679,244	11.64%
2018	50,815,189	6,035,020	141,177	5,893,843	11.60%
2019	52,774,224	6,267,862	148,523	6,119,339	11.60%
2020	55,687,785	6,608,309	157,212	6,451,097	11.58%

(1) Property taxes are collected for the City of Oklahoma City by four counties: Canadian, Cleveland, Pottawatomie, and Oklahoma. The determination of net assessed valuation is made annually by each county.

Source: City of Oklahoma City.

**Net Assessed Valuation Composition  
Last Ten Fiscal Years  
(dollars in thousands)**

<u>Fiscal Year</u>	<u>Real Property (1)</u>	<u>Percent of Total</u>	<u>Personal Property</u>	<u>Percent of Total</u>	<u>Public Property</u>	<u>Percent of Total</u>	<u>Assessed Valuation</u>
2011	\$3,450,484	76.40%	\$728,731	16.14%	\$337,232	7.46%	\$4,516,447
2012	3,559,632	76.47%	741,028	15.92%	354,531	7.61%	4,655,191
2013	3,665,166	76.67%	779,897	16.31%	335,269	7.01%	4,780,332
2014	3,828,796	77.84%	824,248	16.76%	265,482	5.40%	4,918,526
2015	4,031,984	78.52%	854,381	16.64%	248,606	4.84%	5,134,971
2016	4,263,728	78.88%	890,614	16.48%	250,917	4.64%	5,405,259
2017	4,536,729	79.88%	883,077	15.55%	259,438	4.57%	5,679,244
2018	4,780,866	81.12%	856,929	14.54%	256,048	4.34%	5,893,843
2019	5,128,116	81.82%	869,108	13.87%	270,638	4.32%	6,267,862
2020	5,398,594	83.68%	947,638	14.69%	262,077	4.06%	6,451,097

(1) Real property is reported net of exemptions.

Source: City of Oklahoma City.

**Property Tax Levies and Collections (1)**  
**Last Ten Fiscal Years**  
**(dollars in thousands)**

Fiscal	Total	Current Tax	Percent of	Collections	Total	Collections
<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Levy Collected</u>	<u>in Subsequent</u>	<u>Tax</u>	<u>as Percent</u>
				<u>Years</u>	<u>Collections</u>	<u>of Levy</u>
2011	\$71,850	\$68,114	94.8%	\$2,593	\$70,707	98.4%
2012	74,379	70,893	95.3%	2,436	73,329	98.6%
2013	76,478	73,322	95.9%	3,248	76,570	100.0%
2014	78,664	75,333	95.8%	2,228	77,561	98.6%
2015	79,322	76,168	96.0%	2,577	78,745	99.3%
2016	84,407	80,824	95.8%	2,629	83,453	98.9%
2017	84,091	80,475	95.7%	2,685	83,160	98.9%
2018	89,948	85,697	95.3%	3,059	88,756	98.7%
2019	94,912	90,880	95.8%	2,195	93,565	98.6%
2020	99,418	94,186	94.7%	-	94,186	94.7%

(1) This schedule is prepared on a cash basis; therefore, it is not necessarily comparable to GAAP-basis financial statements.

Source: City of Oklahoma City.

**Significant Taxpayers of Oklahoma City (1)**  
**(dollars in thousands)**

<u>Taxpayer</u>	<u>Type of Business</u>	2020 Assessed	% of Assessed
		<u>Valuation</u>	<u>Valuation<sup>(1)</sup></u>
Oklahoma Gas and Electric Company	Public Service	\$ 174,408	2.70%
Devon Headquarters LLC	Energy	62,650	0.97%
Hobby Lobby Stores	Retail	48,928	0.76%
Oklahoma Natural Gas Company	Public Service	31,142	0.48%
Southwestern Bell Telephone Company	Public Service	18,260	0.28%
HL American Investment LLC	Energy/Investment	17,685	0.27%
Chesapeake Land Company LLC	Real Estate	17,409	0.27%
Cox Communications, Inc.	Telecommunication	15,825	0.25%
AT&T Mobility LLC	Telecommunication	14,626	0.23%
OKC Outlets OKC	Retail	13,639	0.21%
Total		<u>\$ 414,572</u>	<u>6.43%</u>

(1) Totals may differ due to rounding.

Source: Oklahoma County Assessor's Office.

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**Trend of Property Tax Rates of Major Taxing Units**  
**Tax Levy Per \$1,000 of Net Assessed Valuation**  
**Last Ten Fiscal Years**  
**Tax Levy Per \$1,000 of Net Assessed Valuation**

<u>Fiscal Year</u>	<u>Oklahoma City</u>	<u>Oklahoma City School District</u>	<u>Oklahoma County</u>	<u>Total</u>
2011	\$15.98	\$62.09	\$24.06	\$102.13
2012	16.00	59.29	23.97	99.26
2013	15.99	60.39	23.87	100.25
2014	15.45	59.36	23.58	98.39
2015	15.62	59.71	23.72	99.05
2016	14.81	59.36	23.81	97.98
2017	15.26	59.36	23.28	97.90
2018	15.51	58.84	23.64	97.99
2019	15.41	58.73	23.49	97.63
2020	15.23	59.44	23.38	98.05

NOTE: Oklahoma City is located partially in four counties: Oklahoma, Canadian, Cleveland, and Pottawatomie. There are 24 school districts partially or wholly located in Oklahoma City. There are seven Vo-Tech and community college districts partially or wholly located in Oklahoma City. This table only shows the tax rates for the City, Oklahoma City School District, and Oklahoma County.

Source: Oklahoma County Assessor's Office.

## FINANCIAL INFORMATION

### Accounting and Reporting Practices

The City has a comprehensive accounting and budgetary information system which provides on-line financial and management information to system users throughout the City. Interim financial statements provide City management and the City Council with regular financial analyses. The City's accounting and financial reporting practices comply with accounting principles generally accepted in the United States of America (US GAAP).

The City has received the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the past 37 years. According to GFOA, the Certificate of Achievement is "the highest form of recognition in the area of governmental financial reporting". To be awarded the certificate, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program requirements and satisfy both US GAAP and applicable legal requirements.

### Audit Requirements

The City Charter and Oklahoma Statutes require an annual, independent audit. Statutes additionally require annual audits of active public trusts. By City Council resolution, public trusts of which the City is the beneficiary are encouraged to use the independent auditor competitively selected by the City. The City and its public trusts fully comply with audit requirements. Receipt of material federal and state financial assistance subjects the City to a Single Audit under OMB Circular A133.

The City Auditor supervises the Auditing Department. The duties of that office include internal auditing of City financial records, reports, and procedures; reviewing accounting records, property and equipment inventories, and internal controls; auditing concessionaires, agreements and contracts whereby the City receives revenue; performance auditing; and special projects as directed by the City Council. The City Auditor is appointed by the City Council and is independent of the City's management.

## **Budgeting Process**

The City prepares annual budgets in accordance with the City Charter and the Oklahoma Municipal Budget Act, which provides standard procedures for the preparation, presentation, administration and monitoring of budgets. The City Council approves annual budgets for the General Fund, Special Revenue Funds, the Debt Service Fund, and proprietary fund operations. A proposed budget is prepared under the supervision of the City Manager and submitted to the City Council in May each year. The Finance Committee (consisting of all City Council members) holds a series of public meetings, where department directors present highlights and summaries of operational budgets for the coming fiscal year. The Finance Committee then recommends any changes to the City Council. No later than 15 days prior to the beginning of the budget year, the Council holds a public hearing on the proposed budget. After the hearing and at least seven days prior to the beginning of the budget year, Council must adopt the budget. The adopted budget must be filed with the State Auditor and Inspector and the City Clerk. The adopted budget becomes effective on the first day of the fiscal year.

The City maintains budgetary controls to ensure compliance with legal provisions incorporated in the annually appropriated budget. The level of budgetary control within the fund is by department and class. No expenditures or encumbrances may exceed 90 percent of the appropriation for any fund until revenues in an amount equal to at least 90 percent of the appropriation for the fund are collected. The Office of Management and Budget monitors fund balances and these legal expenditure and encumbrance limits.

The City has received the Government Finance Officers Association's (GFOA) Distinguished Budget Presentation Award for the past 26 consecutive years. According to GFOA, in order to receive the award, a governmental unit "must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device".

## **Capital Improvement Plan**

The City has adopted policies and procedures for the coordination of public improvements of all City related entities through the development, adoption, and amendment of a Five-Year Capital Improvement Plan (the "Plan"). The general goal of the Plan is to improve service to the community by adopting a Plan that will not jeopardize the City's financial condition and will fund capital improvements at a realistic and achievable level. The Plan consists of a general five-year plan of capital expenditures for all City, trust, and authority projects. The Plan is prepared fully every two years and amended as necessary in other years. The amendment process ensures continuity in projects and funding. In December 2020, the City Council adopted the Fiscal Year 2021-2025 Capital Improvement Plan. The adopted Capital Improvement Plan Identified \$2,901,657,291 in capital improvements for Fiscal Year 2021. The Capital Improvement Plan can be found on the City's website.

## **General Governmental Revenues and Expenditures**

The following major Governmental Funds are reported in the City's Financial Statements:

*General Fund* - reports as the primary fund of the City. This fund is used to account for all financial resources not reported in other funds.

*Debt Service Fund* - accounts for the accumulation of financial resources for the payment of principal and interest on the City's general obligation debt. The City annually levies ad valorem taxes restricted for the retirement of general obligation bonds, interest, and judgments. This fund reports all ad valorem taxes collected to service debt.

*Grants Management Fund* - established as a special revenue fund to account for the City's grant programs not reported in proprietary funds. Major grants include Community Development Block Grants and Workforce Investment Act entitlements.

*MAPS3 Sales Tax Fund* - established as a special revenue fund by City ordinance as the Oklahoma City Metropolitan Area Projects Sales Tax Fund to account for a limited purpose sales tax designated for certain capital projects throughout the City.

*MAPS4 Sales Tax Fund* - established as a special revenue fund by City ordinance as the Oklahoma City Metropolitan

Area Projects Sales Tax Fund to account for a limited purpose sales tax designated for construction and renovation of multiple capital projects throughout the City.

*General Obligation Bonds Fund* - accounts for the capital expenditure of general obligation bond proceeds and reports as a capital projects fund.

*Better Streets/Safer City Sales Tax Fund* - established by City ordinance to account for limited purpose sales tax designated for street resurfacing, enhancements, sidewalks, trails and bike lanes and hiring additional police officers and firefighters.

*Oklahoma City Public Property Authority (OCPPA) General Purpose Fund* - established to account for the general government activities of OCPPA. Specific revenues include box office and event ticket sales and lease revenues which are designated to finance activities such as general government, public services, parks, and public events.

*Other Governmental Funds* – accounts for the activities of other special revenue and capital projects funds that are not major funds.

## **Revenues**

The City's general governmental revenues totaled \$928,375,000 in Fiscal Year 2020. The City's main source of revenue to finance general operations is the sales tax. Fiscal Year 2020 general governmental sales tax collections totaled \$460,883,000.

As of April 1, 2021, the total City sales tax rate is 4.125 percent and is dedicated as follows: General Fund (2.25%), Public Safety (0.75%), Zoo (0.125%) and MAPS4 (1.00%).

On December 8, 2009, a one percent temporary sales tax ("MAPS3") was approved by voters for the purchase of a new, 70-acre park, a rail-based transit package, a new downtown convention center and several other public improvements. The sales tax became effective on April 1, 2010 and expired on December 31, 2017.

On September 12, 2017, a one percent temporary sales tax ("Better Streets, Safer City") was approved by voters for street resurfacing, street enhancements, sidewalks, trails and bicycle infrastructure. The sales tax became effective on January 1, 2018, the day after the MAPS 3 tax expired and expired on March 31, 2020. Additionally, on September 12, 2017, voters approved a permanent increase to the General Fund sales tax increasing it from 2.00% to 2.25%. This new, permanent tax was invested primarily in the Police and Fire Departments through the addition of 129 uniformed police and 57 firefighter positions. The balance of the additional funds allowed the Council to address other critical service needs.

On December 10, 2019, a one percent temporary sales tax ("MAPS4") was approved by voters for 16 projects to be located throughout the City. This sales tax became effective on April 1, 2020, the day after the Better Streets, Safer City tax expired on March 31, 2020.

The City cannot use property taxes for operations; property taxes can be used only for debt service and payment of judgments. The other major sources of general governmental revenues include: franchise taxes, use taxes, licenses and permits, fines, interest income, federal grants, and administrative service charges to special revenue and proprietary funds.

## **Expenditures**

The City's total governmental fund expenditures in Fiscal Year 2020 were \$1,062,698,000. The largest category of expenditure is Public Safety, which totaled \$372,429,000, or 36.45 percent, of the general governmental functions. The other major categories included: public services, general government, culture and recreation, education, and debt service.

## **Fund Balances**

The Fiscal Year 2020 ending fund balance on a US GAAP basis for the Governmental Funds was \$1,176,148,000, for the General Fund was \$185,013,000, and for the Debt Service Fund was \$123,069,000. On a budgetary (cash and encumbrances) basis, the General Fund's Fiscal Year 2020 ending fund balance was \$106,650,000 or 23.84 percent of

annual General Fund expenditures, encumbrances, and transfers. The difference between the US GAAP and budgetary balances is primarily attributable to revenue and expenditure accruals and other accounting adjustments.

The next two tables summarize the Governmental Fund Type revenues, expenditures, and changes in fund balances.

**Government Funds**  
**Statement of Revenues, Expenditure and**  
**Changes in Fund Balances Data (1)**  
**Year Ended June 30, 2020**  
**City of Oklahoma City, Oklahoma**

					Better					
	General	Debt	Grants	MAPS3	Streets/ Safer City	MAPS 4	General	OCPPA	Other	Total
	General	Service	Management	Sales Tax	Sales Tax	Sales Tax	Obligation	General	Governmental	Governmental
							Bonds	Purpose	Funds	Funds
<b>REVENUES</b>										
Sales taxes-----	\$275,354	\$ -	\$ -	\$20	\$86,813	\$ -	\$ -	\$ -	\$98,696	\$460,883
Use taxes-----	65,879	-	-	-	-	-	-	-	21,228	87,107
Hotel/Motel taxes-----	-	-	-	-	-	-	-	-	12,375	12,375
Property taxes-----	-	97,637	-	-	-	-	-	70	-	97,707
Emergency telephone taxes-----	-	-	-	-	-	-	-	-	6,132	6,132
Other taxes-----	7,068	-	-	-	-	-	-	-	-	7,068
Franchise taxes-----	40,833	-	-	-	-	-	-	-	4	40,837
Licenses and permits-----	14,635	-	-	-	-	-	-	73	16,381	31,089
Oil and gas royalties-----	110	-	-	-	-	-	-	-	240	350
Fines and forfeitures-----	15,506	-	-	-	-	-	-	-	1,488	16,994
Investment income-----	3,794	4,256	265	7,074	5,110	(11)	6,224	324	7,125	34,161
Charges for services-----	26,252	-	-	10	-	-	-	11,474	3,634	41,370
Rental income-----	2,413	-	-	-	-	-	-	1,138	31	3,582
Payments from component units-----	4,825	-	1,047	-	-	-	-	-	1,600	7,472
Intergovernmental programs-----	37,716	-	21,663	-	-	-	-	-	8,628	68,007
Capital grants-----	-	-	5,073	-	-	-	-	-	1,534	6,607
Other-----	2,667	523	3	-	-	-	73	574	2,794	6,634
<b>Total revenues-----</b>	<b>497,052</b>	<b>102,416</b>	<b>28,051</b>	<b>7,104</b>	<b>91,923</b>	<b>(11)</b>	<b>6,297</b>	<b>13,653</b>	<b>181,890</b>	<b>928,375</b>
<b>EXPENDITURES</b>										
<b>CURRENT</b>										
General government-----	55,435	-	-	-	-	-	-	3	134	55,572
Public safety:										
Police-----	150,490	-	-	-	-	-	-	67	45,643	196,200
Fire-----	115,431	-	-	-	-	-	-	-	50,038	165,469
Other-----	10,723	-	-	-	-	-	-	-	14,995	25,718
Public services-----	66,593	-	26,787	-	54,800	-	72,229	-	25,453	245,862
Culture and recreation-----	26,763	-	-	1,931	-	-	-	29,421	11,239	69,354
Education-----	-	-	-	-	-	-	-	-	13	13
Economic development-----	-	-	-	-	-	-	-	-	1,212	1,212
Capital outlay-----	-	-	5,025	101,476	10,681	-	64,604	270	15,186	197,242
<b>DEBT SERVICE</b>										
Principal-----	9	70,116	629	-	-	-	-	-	-	70,754
Interest-----	2	33,393	-	-	-	-	-	84	-	33,479
Bond issuance costs-----	-	1,353	-	-	-	-	465	-	-	1,818
Other debt service-----	5	-	-	-	-	-	-	-	-	5
<b>Total expenditures-----</b>	<b>425,451</b>	<b>104,862</b>	<b>32,441</b>	<b>103,407</b>	<b>65,481</b>	<b>-</b>	<b>137,298</b>	<b>29,845</b>	<b>163,913</b>	<b>1,062,698</b>
Excess (deficiency) of revenues over (under) expenditures-----	<b>71,601</b>	<b>(2,446)</b>	<b>(4,390)</b>	<b>(96,303)</b>	<b>26,442</b>	<b>(11)</b>	<b>(131,001)</b>	<b>(16,192)</b>	<b>17,977</b>	<b>(134,323)</b>
<b>OTHER FINANCING</b>										
<b>SOURCES (USES)</b>										
Transfers from other funds-----	1,180	-	5,101	558	-	10,813	111,480	15,276	28,754	173,162
Transfers to other funds-----	(51,684)	(111,480)	(575)	-	-	-	(1,151)	-	(25,135)	(190,025)
Sale of assets-----	18	-	-	-	-	-	-	-	3,849	3,867
Premium on bonds-----	-	11,943	-	-	-	-	-	-	-	11,943
Bonded debt issued-----	-	111,480	-	-	-	-	-	-	-	111,480
Refunding debt issued-----	-	28,495	-	-	-	-	-	-	-	28,495
Payment to bond escrow agent-----	-	(34,298)	-	-	-	-	-	-	-	(34,298)
<b>Net other financing sources (uses)-----</b>	<b>(50,486)</b>	<b>6,140</b>	<b>4,526</b>	<b>558</b>	<b>-</b>	<b>10,813</b>	<b>110,329</b>	<b>15,276</b>	<b>7,468</b>	<b>104,624</b>
<b>Net change in fund balances-----</b>	<b>21,115</b>	<b>3,694</b>	<b>136</b>	<b>(95,745)</b>	<b>26,442</b>	<b>10,802</b>	<b>(20,672)</b>	<b>(916)</b>	<b>25,445</b>	<b>(29,699)</b>
<b>FUND BALANCES</b>										
Fund balances, beginning-----	163,898	119,375	23,446	244,140	132,906	-	298,704	9,481	213,897	1,205,847
<b>Fund balances, ending-----</b>	<b>\$185,013</b>	<b>\$123,069</b>	<b>\$23,582</b>	<b>\$148,395</b>	<b>\$159,348</b>	<b>\$10,802</b>	<b>\$278,032</b>	<b>\$8,565</b>	<b>\$239,342</b>	<b>\$1,176,148</b>

(1) See APPENDIX B – REPORT OF INDEPENDENT AUDITOR AND FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020.

**Governmental Funds**  
**Five-Year Statement of Revenues, Expenditures and**  
**Changes in Fund Balances Data**  
(dollars in thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>Revenues</u>					
Sales Tax, net of estimated refunds	\$ 460,883	\$ 470,803	\$ 443,804	\$ 404,518	\$ 412,579
Use taxes	87,107	81,587	61,880	48,566	41,914
Hotel/motel taxes	12,375	15,611	15,341	14,171	14,587
Property taxes	97,707	94,109	89,039	83,429	83,401
Emergency Telephone Taxes	6,132	5,513	5,871	5,334	4,518
Other taxes	7,068	6,613	6,861	5,898	5,899
Franchise taxes/fees	40,837	41,014	44,795	41,537	41,425
Licenses and permits	31,089	29,104	29,845	24,933	23,443
Oil and gas royalties	350	487	379	332	337
Fines and forfeitures	16,994	20,172	21,518	23,384	24,512
Investment income	34,161	37,235	9,189	3,930	10,229
Charges for services	41,370	44,839	48,913	47,924	41,228
Rental income	3,582	4,221	4,201	3,989	2,491
Payment from Component Units	7,472	5,599	8,740	9,077	9,059
Intergovernmental programs	68,007	63,210	66,989	81,444	74,490
Grant Capital	6,607	2,057	3,529	882	1,208
Other	6,634	5,510	4,864	6,714	9,391
Total Revenues	<u>\$ 928,375</u>	<u>\$ 927,684</u>	<u>\$ 865,758</u>	<u>\$ 806,062</u>	<u>\$ 800,711</u>
<u>Expenditures</u>					
Current:					
General government	\$ 55,572	\$ 55,558	\$ 53,197	\$ 55,929	\$ 57,927
Public safety	387,387	372,429	349,986	340,805	349,406
Public services	245,862	186,051	120,775	117,803	121,814
Culture and recreation	69,354	69,348	65,323	65,122	60,238
Education	13	353	43	388	699
Capital Outlay	197,242	225,646	190,273	240,784	183,716
Economic Development	1,212	1,659	1,829	850	1,324
Debt Service:					
Principal	70,754	66,184	61,722	58,568	53,761
Interest and fiscal charges	33,479	32,785	29,998	28,953	28,247
Bond issuance costs	1,823	992	772	729	891
Other	-	5	5	4	4
Total Expenditures	<u>\$1,062,698</u>	<u>\$1,011,010</u>	<u>\$ 873,923</u>	<u>\$ 909,935</u>	<u>\$ 858,027</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (134,323)</u>	<u>\$ (83,326)</u>	<u>\$ (8,165)</u>	<u>\$ (103,873)</u>	<u>\$ (57,316)</u>
<u>Other Financing Sources (Uses)</u>					
Transfers from other funds	\$ 173,162	\$ 152,028	\$ 154,720	\$ 116,091	\$ 134,994
Transfers to other funds	(190,025)	(171,571)	(174,848)	(139,012)	(154,195)
Capital financing	-	-	46	37	463
Sale of assets	3,867	924	1,626	3,686	644
Premium on bonds	11,943	9,642	6,855	10,284	12,622
Proceeds of general obligation	139,975	146,860	123,740	124,318	128,196
Payment to bond escrow agent	(34,298)	(44,280)	-	(33,097)	(39,260)
Net other financing sources	<u>\$ 104,624</u>	<u>\$ 93,603</u>	<u>\$ 112,139</u>	<u>\$ 82,307</u>	<u>\$ 83,464</u>
Special Item	-	3,118	8,471	-	-
Net change in fund balances	(29,699)	13,395	112,445	(21,566)	26,148
Fund balances, beginning	\$1,205,847	\$1,192,452	\$1,078,868	\$1,095,086	\$1,057,330
Restatement	-	-	1,139	5,348	11,608
Fund balances, Ending	<u>\$1,176,148</u>	<u>\$1,205,847</u>	<u>\$1,192,452</u>	<u>\$1,078,868</u>	<u>\$1,095,086</u>

## **Fiscal Year 2021 Budget**

Sales tax is the largest source of revenue for the City's general fund. Overall fiscal year to date sales tax collections, through May 2021, were \$17.7 million or 5.5% above Fiscal Year 2021 projections and 2.3% below the same period in the previous fiscal year.

Sales tax collected by online retailers is classified by the State of Oklahoma as use tax and received by the City as such. Overall fiscal year to date use tax collections through May 2021 were approximately \$10.4 million or 17.5% above Fiscal Year 2021 projections.

All other general fund revenues were approximately \$10.3 million or 5.0% above projection through May 2021.

Overall General Fund expenses were approximately 94.4% of budget through the same period.

The Fiscal Year 2022 budget was introduced to the City Council in April 2021 and adopted in June 2021.

## **RISK FACTORS**

### **Limited Obligation**

**The Series 2021 Bonds shall be solely the obligation of the Issuer and not of the State of Oklahoma or the City. The Series 2021 Bonds are limited obligations of the Issuer and do not constitute obligations, either general or special, of the State of Oklahoma or the City within the meaning of any constitutional or statutory provisions whatsoever. THE ISSUER HAS NO TAXING POWER. The Series 2021 Bonds are payable solely from the Trust Estate pledged by the Issuer to the Trustee under the Indenture, including certain Increment Revenues as and when received by the Issuer pursuant to the terms of the Redevelopment Agreement, the Covenant Agreement and the Security Agreement and, if required, transfers of other funds agreed to be made by the City, subject to annual appropriation, pursuant to an Agreement of Support.**

### **Receipt of Increment Revenues**

The Issuer expects to make payments of principal of and interest on the Series 2021 Bonds from its receipt of Increment Revenues. The Increment Revenues consist of those revenues derived from the payment of ad valorem real and personal property taxes (or payments in lieu of taxes) by the Redeveloper to the County Treasurer of Oklahoma County pursuant to the terms of the Covenant Agreement and the Redevelopment Agreement and apportioned within Increment District #8. Pursuant to the terms of the Security Agreement, the City has agreed that the Increment Revenues when received by the City from the County Treasurer will be paid directly to the Issuer for deposit into the Tax Apportionment Fund. See "SECURITY FOR THE SERIES 2021 BONDS—Increment Revenues and the Security Agreement" herein.

As described under "INCREMENT DISTRICT #8" herein, the ad valorem real and personal property taxes (or payments in lieu of taxes) so payable by the Redeveloper relate to the Devon Development consisting of the Devon Headquarters Building. Currently, the Redeveloper is the owner of and sole taxpayer regarding all real property located within Increment District #8. Damage from tornado, other natural causes, fire, deliberate acts of destruction, or various other calamities could adversely affect the timely payment of the required amounts of such ad valorem real and personal property taxes (or payments in lieu of taxes) by the Redeveloper. The Devon Development is a 50-story office tower, and, therefore, the number of entities that might purchase or lease from the Redeveloper, or otherwise make arrangements with the Redeveloper to occupy the Devon Development, or portions thereof, would be limited, and the receipt of revenues by the Redeveloper sufficient to enable it to pay the required amounts of such ad valorem real and personal property taxes (or payments in lieu of taxes) could be adversely affected in the event the current occupant, Devon Energy Corporation, for any reason no longer occupies all or substantially all of the Devon Development.

### **Non-Appropriation**

The agreement of the City pursuant to the Security Agreement and the Agreement of Support to provide transfers and otherwise provide funds to the Issuer is subject to the requirement that the governing body of the City make an annual appropriation of the amounts of such transfers or provision of funds as may be required during the then

current fiscal year. See subcaptions “Increment Revenues and the Security Agreement” and “Agreement of Support” under “SECURITY FOR THE SERIES 2021 BONDS” herein. Under Oklahoma law, no legally binding commitment to appropriate funds in a future fiscal year may be made by the governing body of the City in any previous fiscal year. The appropriation of any such amount in any future fiscal year is entirely dependent upon the willingness and ability of the governing body of the City in any such future fiscal year to appropriate funds for such purpose pursuant to the Security Agreement and the Agreement of Support. No assurance can be given that the governing body of the City in any future fiscal year will make such appropriation. Any failure to make such appropriation would have a negative effect on the ability of the Issuer to pay the principal amount of premium, if any, and interest on the Series 2021 Bonds.

### **Limited Enforcement Rights and Security for the Series 2021 Bonds**

Enforcement of remedies under the Indenture may be limited or restricted by federal and state laws relating to bankruptcy, fraudulent conveyances, and rights of creditors and by application of general principles of equity applicable to the availability of specific performance, and may be substantially delayed in the event of litigation or statutory remedy procedures. The various legal opinions to be delivered concurrently with the delivery of the Series 2021 Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by state and federal laws, rulings and decisions affecting remedies, and by general principles of equity and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors.

### **Secondary Market**

There is no guarantee that a secondary trading market will develop for the Series 2021 Bonds. Consequently, prospective bond purchasers should be prepared to hold their Series 2021 Bonds to maturity or prior redemption. Subject to applicable securities laws and prevailing market conditions, the Underwriters intend but are not obligated to make a market in the Series 2021 Bonds.

### **Bond Ratings**

There is no assurance that the ratings assigned to the Series 2021 Bonds will not be lowered or withdrawn at any time, the effect of which could adversely affect market price for and marketability of the Series 2021 Bonds. See the information contained herein under the caption “RATINGS.”

Bond rating organizations have come under scrutiny by legislators, regulators and investors. Future changes in bond rating criteria or procedures, that result in different ratings of the Series 2021 Bonds, could have a material adverse effect on the value and marketability of the Series 2021 Bonds.

### **Risk of Loss from Nonpresentment Upon Redemption**

The rights of the registered owners of the Series 2021 Bonds to receive interest will terminate on the date, if any, on which any such Series 2021 Bonds are to be redeemed pursuant to a call for redemption, notice of which has been given under the terms of the Indenture.

### **Book-Entry**

Persons who purchase Series 2021 Bonds through broker-dealers become creditors of the broker-dealer with respect to the Series 2021 Bonds. Records of the investors’ holdings are maintained only by the broker-dealer and the investor. In the event of the insolvency of the broker-dealer, the investor would be required to look to the broker-dealer’s estate, and to any insurance maintained by the broker-dealer, to make good the investor’s loss. The Issuer and the Trustee are not responsible for failures to act by, or insolvencies of, the Securities Depository or any broker-dealer.

The foregoing is intended only as a non-exclusive summary of certain risk factors attendant to an investment in the Series 2021 Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement and the Appendices hereto.

## **GLOBAL HEALTH EMERGENCY RISK [UNDER REVIEW]**

The global outbreak of COVID-19 (“COVID-19”), a respiratory illness caused by a new strain of coronavirus, has been declared to be a pandemic (the “Pandemic”) by the World Health Organization and is currently affecting global, national, state and local economic activity. State and local governments, including the City, have announced orders, guidance, recommendations and other measures intended to slow the spread of COVID-19, including the issuance of various public health orders. In light of concerns regarding the spread of COVID-19, on January 31, 2020 the Secretary of Health and Human Services (HHS) declared a public health emergency, under section 319 of the Public Health Service Act (42 U.S.C. 247d). On March 13, 2020 the President of the United States found and proclaimed that, beginning March 1, 2020, the COVID-19 outbreak in the United States constitutes a national emergency.

On March 15, 2020, the Governor of Oklahoma issued Executive Order 2020-7 declaring that a state of emergency caused by the impending threat of COVID-19 to the people of Oklahoma and the public’s peace, health and safety existed in all 77 of Oklahoma’s counties. On March 17, 2020, Executive order 2020-7 was amended to commit the resources of all State Departments and Agencies in areas such as public health, civil emergency preparedness and actions intended to address the spread of COVID-19. The Governor has since issued (or amended) a number of executive orders relating to COVID-19 preparedness and mitigation. These include, for example, imposing limitations on social gatherings of more than 10 people, temporarily closing school districts and non-essential businesses throughout the state, a “safer-at-home” advisement, and a plan to open Oklahoma’s economy. In addition to the actions by the state and federal officials, certain local officials, including the City, have declared a local state of emergency. The Oklahoma State Department of Health provides information relating to COVID-19 and related developments in the State of Oklahoma on its website, <https://coronavirus.health.ok.gov/>.\*.

On February 12, 2021, the Governor of Oklahoma issued Executive Order 2021-07 declaring that the state of emergency originally declared on March 17, 2020 would be extended for all 77 of Oklahoma’s counties to ensure adequate resources would be deployed in response to the COVID-19 pandemic. On March 12, 2021, the Governor amended Executive Order 2021-07, and lifted the formerly established statutory and regulatory restrictions in response to the COVID-19 pandemic.

On March 16, 2020, the mayor of The City of Oklahoma City, by proclamation, declared that a state of emergency related to the COVID-19 virus existed within the City. On March 17, 2020, the mayor amended the emergency proclamation to include specific actions designed to limit the spread of the COVID-19 virus in Oklahoma City. The mayor has since revised the emergency proclamation several times relating to COVID-19 preparedness and mitigation. Many of the federal, state and local actions and policies under the aforementioned emergency declarations and safer-at-home orders are focused on limiting instances where the public can congregate or interact with each other, which affects the operation of businesses and directly impacts the economy.

The Pandemic has negatively affected travel and commerce and is widely expected to continue negatively affecting economic growth worldwide. These negative impacts may reduce or negatively affect the collection of ad valorem tax revenues within the City. See “PROPERTY TAX LEVY AND COLLECTION PROCEDURES.” Additionally, the City collects a sales and use tax on all taxable transactions within the City’s boundaries. A reduction in the collection of sales tax revenues may negatively impact the City’s operating budget and overall financial condition. The City continues to monitor the spread of COVID-19 and is working with local, state, and national agencies to address the potential impact of the Pandemic upon the City. The City was awarded \$114.3 million in federal funding from the Coronavirus Relief Fund established through the CARES Act. The City has utilized the majority of these funds to cover unbudgeted costs, related to the Pandemic, such as personal protective equipment, community testing, community support and emergency operations. The City expects to expend the balance of these funds in the current fiscal year which ends on June 30, 2021. While the continued impact of the Pandemic on the City cannot be quantified at this time, the continued outbreak of COVID-19 or variants thereof or implementation of executive orders that have the effect of restricting commerce could have an adverse effect on the City’s operations and financial condition.

The continued spread of COVID-19, and measures taken to prevent or reduce it, could adversely impact state, national and global economic activities and, accordingly, adversely impact the financial condition and performance of the City, and the extent of impact could be material. Businesses and individuals appear to be altering their behaviors in a manner that is having negative impacts on global and local economies. Financial assets and crude oil prices, in the U.S. and globally, have seen significant volatility and declines in value attributed to COVID-19 concerns. Oklahoma's economy and financial condition may be particularly at risk from the decline of crude oil prices, given the prevalence of and the risk of contraction in the oil and gas industry and spillover effects into other industries.

Measures taken to prevent or reduce the spread of COVID-19 could limit the growth of or reduce economic activity in the State and the City, which in turn could limit the growth of or reduce the City's ad valorem and sales tax collections. In addition, further or extended volatility and reductions in the value of financial assets and other investments could impact employee retirement plans or other funds. Due to the recent and unprecedented nature of the spread of COVID-19, the duration and extent of the potential impact of COVID-19 on the Oklahoma economy and the City's revenues, expenses, and cash flow are uncertain and cannot be quantified at this time.

### **CERTAIN TAX MATTERS RESPECTING THE SERIES 2021A BONDS**

The following is a summary of certain anticipated federal income tax consequences of the purchase, ownership and disposition of the Series 2021A Bonds under the Internal Revenue Code of 1986, as amended (the "Code"), and the Regulations and the judicial and administrative rulings and court decisions now in effect, all of which are subject to change or possible differing interpretations. This summary does not purport to address all aspects of federal income taxation that may affect particular investors in light of their individual circumstances, nor certain types of investors subject to special treatment under the federal income tax laws. This summary does not address owners that may be subject to special tax rules, such as banks, insurance companies, dealers in securities or currencies, purchasers that hold Series 2021A Bonds (or foreign currency) as a hedge against currency risks or as part of a straddle with other investments or as part of a "synthetic security" or other integrated investment (including a "conversion transaction") comprised of a Series 2021A Bond and one or more other investments, or purchasers that have a "functional currency" other than the U.S. dollar. Except to the extent discussed below under "Foreign Investors," this summary is not applicable to non-United States persons not subject to federal income tax on their worldwide income. This summary does not discuss the tax laws of any state other than Oklahoma or any local or foreign governments. Potential purchasers of the Series 2021A Bonds should consult their own tax advisors in determining the federal, state or local tax consequences to them of the purchase, holding and disposition of the Series 2021A Bonds.

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to above or adversely affect the market value of the Series 2021A Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted, it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2021A Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved or whether the Series 2021A Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2021A Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Co-Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2021A Bonds and Co-Bond Counsel have not expressed any opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

#### **Interest Subject to Federal Income Taxation**

Interest on the Series 2021A Bonds (including original issue discount, as discussed below) is not excludable from gross income for federal income tax purposes under Code Section 103. Interest on the Series 2021A Bonds will be fully subject to federal income taxation. Thus, owners of the Series 2021A Bonds generally must include interest (including original issue discount) on the Series 2021A Bonds in gross income for federal income tax purposes.

In general, interest paid on the Series 2021A Bonds, original issue discount, if any, and market discount, if any, will be treated as ordinary income to the owners of the Series 2021A Bonds, and principal payments (excluding the

portion of such payments, if any, characterized as original issue discount or accrued market discount) will be treated as a return of capital.

## **Premium**

An investor that acquires a Series 2021A Bond for a cost greater than its remaining stated redemption price at maturity and holds the Series 2021A Bond as a capital asset will be considered to have purchased the Series 2021A Bond at a premium and, subject to prior election permitted by Section 171(c) of the Code, may generally amortize such premium under the constant yield method. Except as may be provided by regulation, amortized premium will be allocated among, and treated as an offset to, interest payments. The basis reduction requirements of Section 1016(a)(5) of the Code apply to amortizable bond premium that reduces interest payments under Section 171 of the Code. Bond premium is generally amortized over the bond's term, using constant yield principles, based on the purchaser's yield to maturity. Investors who purchase Series 2021A Bonds with a bond premium should consult their own tax advisors as to the effect of such bond premium with respect to their own tax situations and as to the treatment of bond premium for state tax purposes.

## **Original Issue Discount**

If Series 2021A Bonds are deemed to be issued with original issue discount, Section 1272 of the Code requires the current ratable inclusion in income of original issue discount greater than a specified de minimis amount using a constant yield method of accounting. In general, original issue discount is calculated, with regard to any accrual period, by applying the instrument's yield to its adjusted issue price at the beginning of the accrual period, reduced by any qualified stated interest allocable to the period. The aggregate original issue discount allocable to an accrual period is allocated to each day included in such period. The holder of a debt instrument must include in income the sum of the daily portions of original issue discount attributable to the number of days he owned the instrument. The legislative history of the original issue discount provisions indicates that the calculation and accrual of original issue discount should be based on the prepayment assumptions used by the parties in pricing the transaction.

Owners of Series 2021A Bonds purchased at a discount should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date and with respect to the state and local tax consequences of owing such Series 2021A Bonds.

## **Market Discount**

An investor that acquires a Series 2021A Bond for a price less than the adjusted issue price of such Series 2021A Bond (or an investor who purchases a Series 2021A Bond in the initial offering at a price less than the issue price) may be subject to the market discount rules of Sections 1276 through 1278 of the Code. Under these sections and the principles applied by the Regulations, "market discount" means (i) in the case of a Series 2021A Bond originally issued at a discount, the amount by which the issue price of such Series 2021A Bond, increased by all accrued original issue discount (as if held since the issue date), exceeds the initial tax basis of the owner therein, less any prior payments that did not constitute payments of qualified stated interest, and (ii) in the case of a Series 2021A Bond not originally issued at a discount, the amount by which the stated redemption price of such Series 2021A Bond at maturity exceeds the initial tax basis of the owner therein. Under Section 1276 of the Code, the owner of such a Series 2021A Bond will generally be required (i) to allocate each principal payment to accrued market discount not previously included in income and, upon a sale or other disposition of such Series 2021A Bond, to recognize the gain on such sale or disposition as ordinary income to the extent of such cumulative amount of accrued market discount as of the date of sale or other disposition of such Series 2021A Bond, or (ii) to elect to include such market discount in income currently as it accrues on all market discount instruments acquired by such Bondholder on or after the first day of the taxable year to which such election applies.

The Code authorizes the Treasury Department to issue regulations providing for the method for accruing market discount on debt instruments the principal of which is payable in more than one installment. Until such time as regulations are issued by the Treasury Department, certain rules described in the legislative history will apply. Under those rules, market discount will be included in income either (a) on a constant interest basis or (b) in proportion to the accrual of stated interest or, in the case of a Series 2021A Bond with original issue discount, in proportion to the accrual of original issue discount.

A Bondholder of a Series 2021A Bond who acquired a Series 2021A Bond at a market discount also may be required to defer, until the maturity date of such Series 2021A Bond or its earlier disposition in a taxable transaction, the deduction of a portion of the amount of interest that the Bondholder paid or accrued during the taxable year on indebtedness incurred or maintained to purchase or carry a Series 2021A Bond in excess of the aggregate amount of interest (including original issue discount) includable in such Bondholder's gross income for the taxable year with respect to such Series 2021A Bond. The amount of such net interest expense deferred in a taxable year may not exceed the amount of market discount accrued on the Series 2021A Bond for the days during the taxable year on which the Bondholder held the Series 2021A Bond and, in general, would be deductible when such market discount is includable in income. The amount of any remaining deferred deduction is to be taken into account in the taxable year in which the Series 2021A Bond matures or is disposed of in a taxable transaction. In the case of a disposition in which gain or loss is not recognized in whole or in part, any remaining deferred deduction will be allowed to the extent gain is recognized on the disposition. This deferral rule does not apply if the Bondholder elects to include such market discount in income currently as it accrues on all market discount obligations acquired by such Bondholder in that taxable year or thereafter.

Attention is called to the fact that Treasury regulations implementing the market discount rules have not yet been issued. Therefore, investors should consult their own tax advisors regarding the application of these rules as well as the advisability of making any of the elections with respect thereto.

### **Sales or Other Dispositions**

If a Series 2021A Bond is sold, redeemed prior to maturity or otherwise disposed of in a taxable transaction, gain or loss will be recognized in an amount equal to the difference between the amount realized on the sale or other disposition, and the adjusted basis of the transferor in the Series 2021A Bond. The adjusted basis of a Series 2021A Bond generally will be equal to the acquisition cost of such Series 2021A Bond, increased by any original issue discount or market discount included in the gross income of the transferor with respect to the Series 2021A Bond and reduced by any amortized bond premium under Section 171 of the Code and by the payments on the Series 2021A Bond (other than payments of qualified stated interest), if any, that have previously been received by the transferor. Except as provided in Section 582(c) of the Code, relating to certain financial institutions, or as discussed in the following paragraph, any such gain or loss generally will be a capital gain or loss taxable at the applicable rate determined by the Code if the Series 2021A Bond to which it is attributable is held as a "capital asset."

Gain on the sale or other disposition of a Series 2021A Bond that was acquired at a market discount will be taxable as ordinary income in an amount not exceeding the portion of such discount that accrued during the period that the Series 2021A Bond was held by the transferor (after reduction by any market discount includable in income by such transferor in accordance with the rules described above under "Market Discount").

### **Backup Withholding**

Payments of principal and interest (including original issue discount) on the Series 2021A Bonds, as well as payments of proceeds from the sale of Series 2021A Bonds may be subject to backup withholding at the applicable rate determined by statute with respect to interest or original issue discount on the Series 2021A Bonds if recipients of such payments fail to furnish to the payor certain information, including their taxpayer identification numbers, or otherwise fail to establish an exemption from backup withholding. Any amounts deducted and withheld from a payment to a recipient would be allowed as a credit against the federal income tax of such recipient.

### **Medicare Tax**

Pursuant to Section 1411 of the Code, as enacted by the Health Care and Education Reconciliation Act of 2010, an additional tax is imposed on individuals beginning January 1, 2011. The additional tax is 3.8% of the lesser of (i) net investment income (defined as gross income from interest, dividends, net gain from disposition of property not used in a trade or business, and certain other listed items of gross income), or (ii) the excess of "modified adjusted gross income" of the individual over \$200,000 for unmarried individuals (\$250,000 for married couples filing a joint return and a surviving spouse). Holders of the Series 2021A Bonds should consult with their tax advisor concerning this additional tax as it may apply to interest earned on the Series 2021A Bonds as well as gain on the sale of a Series 2021A Bond.

## **Foreign Investors**

An owner of a Series 2021A Bond that is not a “United States person” (as defined below) and is not subject to federal income tax as a result of any direct or indirect connection to the United States of America in addition to its ownership of a Series 2021A Bond will generally not be subject to United States income or withholding tax in respect of a payment on a Series 2021A Bond, provided that the owner complies to the extent necessary with certain identification requirements (including delivery of a statement, signed by the owner under penalties of perjury, certifying that such owner is not a United States person and providing the name and address of such owner). For this purpose the term “United States person” means a citizen or resident of the United States, a corporation, partnership or other entity created or organized in or under the laws of the United States of America or any political subdivision thereof, or an estate or trust whose income from sources within the United States is includable in gross income for United States of America income tax purposes regardless of its connection with the conduct of a trade or business within the United States of America.

Except as explained in the preceding paragraph and subject to the provisions of any applicable tax treaty, a 30% United States withholding tax will apply to interest paid and original issue discount accruing on Series 2021A Bonds owned by foreign investors. In those instances in which payments of interest on the Series 2021A Bonds continue to be subject to withholding, special rules apply with respect to the withholding of tax on payments of interest on, or the sale or exchange of Series 2021A Bonds having original issue discount and held by foreign investors. Potential investors that are foreign persons should consult their own tax advisors regarding the specific tax consequences to them of owning a Series 2021A Bond.

## **Tax-Exempt Investors**

In general, an entity that is exempt from federal income tax under the provisions of Section 501 of the Code is subject to tax on its unrelated business taxable income. An unrelated trade or business is any trade or business that is not substantially related to the purpose that forms the basis for such entity’s exemption. However, under the provisions of Section 512 of the Code, interest may be excluded from the calculation of unrelated business taxable income unless the obligation that gave rise to such interest is subject to acquisition indebtedness. Therefore, except to the extent any tax-exempt owner of a Series 2021A Bond incurs acquisition indebtedness with respect to such Series 2021A Bond, interest paid or accrued with respect to such Series 2021A Bond may be excluded by such tax-exempt owner from the calculation of unrelated business taxable income. Each potential tax-exempt owner of a Series 2021A Bond is urged to consult its own tax advisor regarding the application of these provisions.

## **ERISA Considerations**

The Employee Retirement Income Security Act of 1974, as amended (“ERISA”), and the Code generally prohibit certain transactions between a qualified employee benefit plan under ERISA (an “ERISA Plan”) and persons who, with respect to that plan, are fiduciaries or other “parties in interest” within the meaning of ERISA or “disqualified persons” within the meaning of the Code. In the absence of an applicable statutory, class or administrative exemption, transactions between an ERISA Plan and a party in interest with respect to an ERISA Plan, including the acquisition by one from the other of a Series 2021A Bond, could be viewed as violating those prohibitions. For example, Code Section 4975 prohibits transactions between certain tax-favored vehicles such as Individual Retirement Accounts and disqualified persons and Code Section 503 includes similar restrictions with respect to governmental and church plans. In this regard, the Issuer or any underwriter of the Series 2021A Bonds, might be considered or might become a “party in interest” within the meaning of ERISA or a “disqualified person” within the meaning of the Code, with respect to an ERISA Plan or a plan or arrangement subject to Code Sections 4975 or 503. Prohibited transactions within the meaning of ERISA and the Code may arise if Series 2021A Bonds are acquired by such plans or arrangements. In all events, fiduciaries of ERISA Plans and plans or arrangements subject to the above Code Sections, in consultation with their advisors, should carefully consider the impact of ERISA and the Code on an investment in the Series 2021A Bonds.

## **Oklahoma Income Taxation**

In the opinion of Co-Bond Counsel, interest on the Series 2021A Bonds is exempt from Oklahoma income taxation.

## **No Other Opinions**

Except as stated above, Co-Bond Counsel will not express an opinion as to any federal, state or local tax consequences resulting from the ownership of, receipt or accrual of interest on or acquisition or disposition of the Series 2021A Bonds.

## **CERTAIN TAX MATTERS RESPECTING THE SERIES 2021B BONDS**

### **Federal Income Taxation**

In the opinion of The Public Finance Law Group PLLC, Oklahoma City, Oklahoma, and Williams, Box, Forshee & Bullard, P.C., Oklahoma City, Oklahoma, as Co-Bond Counsel, assuming compliance with certain procedures designed to meet the requirements of the Code, under existing laws, regulations, rulings and judicial decisions interest on the Series 2021B Bonds is excluded from gross income of the recipients thereof for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax; it should be noted, however, that, for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest is taken into account in determining adjusted current earnings of certain corporations and such corporations are required to include in the calculation of alternative minimum taxable income 75% of the excess of each such corporation's adjusted current earnings over its alternative minimum taxable income (determined without regard to this adjustment and prior to reduction for certain net operation losses). See Appendix E hereto for the form of opinion proposed to be rendered by Co-Bond Counsel.

The foregoing opinions are based on the Code and regulations, rulings and court decisions thereunder in existence on the date of issue of the Series 2021B Bonds. Such authorities are subject to change and any such change could prospectively or retroactively result in the inclusion of the interest on the Series 2021B Bonds in gross income of the owners thereof or change the treatment of such interest for purposes of computing alternative minimum taxable income.

In rendering such opinions, Co-Bond Counsel and Special Tax Counsel have assumed continuing compliance by the Issuer with certain covenants contained in the Indenture and certain tax agreements and certifications (the "Tax Documents") and have relied on representations by the Issuer, with respect to matters solely within the knowledge of the Issuer, which neither Co-Bond Counsel nor Special Tax Counsel has independently verified. The covenants and representations relate to, among other things, the use of proceeds, the source of repayment of the Series 2021B Bonds, the rebate of excess arbitrage earned on the investment of proceeds and certain other amounts to be paid periodically to the United States and that the Issuer file an information report with the Internal Revenue Service. If the Issuer should fail to comply with the covenants in the Tax Documents, or if their representations relating to the Series 2021B Bonds that are contained in the Indenture and the Tax Documents should be determined to be inaccurate or incomplete, interest on the Series 2021B Bonds could become taxable from the date of delivery of the Series 2021B Bonds, regardless of the date on which the event causing such taxability occurs.

The accrual or receipt of such interest may otherwise affect the federal income tax liability of certain recipients such as banks, thrift institutions, property and casualty insurance companies, corporations (including S corporations and foreign corporations operating branches in the United States), Social Security or Railroad Retirement benefit recipients or taxpayers otherwise entitled to claim the earned income credit and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations, among others. The extent of these other tax consequences will depend upon the recipient's particular tax status or other items of income or deduction. Neither Co-Bond Counsel nor Special Tax Counsel express any opinion regarding any such consequences and investors should consult their own tax advisors regarding the tax consequences of purchasing or holding the Series 2021B Bonds.

The Series 2021B Bonds will not be "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from gross income for federal income tax purposes interest expense that is allocable to carrying and acquiring tax-exempt obligations.

As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on tax-exempt obligations such as the Series 2021B Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments made after March 31, 2007, to any

bondholder who fails to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. The reporting requirement does not in and of itself affect or alter the excludability of interest on the Series 2021B Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to below or adversely affect the market value of the Series 2021B Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted, it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2021B Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved or whether the Series 2021B Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2021B Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Co-Bond Counsel and Special Tax Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2021B Bonds and Co-Bond Counsel and Special Tax Counsel have not expressed any opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

The Series 2021B Bonds that were offered at a price less than the principal amount thereof resulting in a yield greater than the interest rate for each such maturity as shown on the inside cover page hereof are herein referred to as the "OID Bonds". The difference between such initial offering price and the principal payable at maturity constitutes original issue discount treated as interest which is excluded from gross income for federal income tax purposes. In the case of an owner of an OID Bond, the amount of original issue discount which is treated as having accrued with respect to such OID Bond is added to the cost basis of the owner in determining, for federal income tax purposes, gain or loss upon disposition of such OID Bond (including its sale, redemption or payment at maturity). Amounts received upon disposition of such OID Bond which are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain, for federal income tax purposes. Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual OID Bond, on days which are determined by reference to the maturity of such OID Bond. The amount treated as original issue discount on such OID Bond for a particular semiannual accrual period is equal to (a) the product of (i) the yield to maturity for such OID Bond and (ii) the amount which would have been the tax basis of such OID Bond at the beginning of the particular accrual period if held by the original purchaser, (b) less the amount of any payments of qualified stated interest on such OID Bond during the accrual period. The tax basis is determined by adding to the initial public offering price on such OID Bond the sum of the amounts which would have been treated as original issue discount for such purposes during all prior periods. If such OID Bond is sold between semiannual compounding dates, original issue discount which would have accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period. An owner of an OID Bond should consult his or her own tax advisor with respect to the determination for federal income purposes of original issue discount accrued with respect to such OID Bond as of any date, with respect to the accrual of original issue discount for such OID Bond purchased in the secondary market and with respect to the state and local tax consequences of owning such OID Bond.

The Series 2021B Bonds that were offered at a price in excess of the principal amount thereof resulting in a yield less than the interest rate for each such maturity as shown on the inside cover page hereof are herein referred to as the "Premium Bonds". Under the Code, the difference between the principal amount of a Premium Bond and the cost basis of such Premium Bond to an owner thereof is "bond premium." Under the Code, bond premium is amortized over the term of a Premium Bond (i.e., the maturity date of a Premium Bond or its earlier call date) for federal income tax purposes. An owner of a Premium Bond is required to decrease his or her basis in such Premium Bond by the amount of the amortizable bond premium attributable to each taxable year (or portion thereof) he or she owns such Premium Bond. The amount of the amortizable bond premium attributable to each taxable year is determined on an actuarial basis at a constant interest rate determined with respect to the yield on a Premium Bond compounded on each interest payment date. The amortizable bond premium attributable to a taxable year is not deductible for federal income tax purposes. Owners of Premium Bonds (including purchasers of Premium Bonds in the secondary market) should consult their own tax advisors with respect to the precise determination for federal income tax purposes of the treatment of bond premium upon sale, redemption or other disposition of such Premium Bonds and with respect to the state and local consequences of owning and disposing of such Premium Bonds.

## **Oklahoma Income Taxation**

In the opinion of Co-Bond Counsel, interest on the Series 2021B Bonds is exempt from Oklahoma income taxation.

## **No Other Opinions**

Except as stated above, neither Co-Bond Counsel nor Special Tax Counsel will express an opinion as to any federal, state or local tax consequences resulting from the ownership of, receipt or accrual of interest on or acquisition or disposition of the Series 2021B Bonds.

## **LITIGATION**

In the opinion of the Office of the Municipal Counselor, Oklahoma City, Oklahoma, Counsel to the Issuer, there is no litigation of any nature now pending or, to the knowledge of the Issuer, threatened, restraining or enjoining the execution and delivery of the Indenture, the Security Agreement or the Agreement of Support, or the issuance, sale, execution or delivery of the Series 2021 Bonds, or in any way contesting or affecting the validity of such documents or the Series 2021 Bonds or any proceedings of the Issuer taken with respect thereto.

## **LEGAL MATTERS**

All legal matters related to the authorization, issuance and delivery of the Series 2021 Bonds are subject to the approval of The Public Finance Law Group PLLC and Williams, Box, Forshee & Bullard, P.C., as Co-Bond Counsel. The approving opinion of Co-Bond Counsel to be delivered in connection with the issuance and delivery of the Series 2021 Bonds is expected to be substantially in the form appearing in Appendix E hereto. Certain legal matters will be passed upon for the Issuer and the City by the Office of the Municipal Counselor, Oklahoma City, Oklahoma. Certain legal matters will be passed upon by Kutak Rock LLP, as Disclosure Counsel and by \_\_\_\_\_, as Counsel to the Underwriters.

## **CONTINUING DISCLOSURE AGREEMENT [UNDER REVIEW]**

The Issuer will enter into a Continuing Disclosure Agreement dated as of August 1, 2021, with the City and the Trustee (the "Continuing Disclosure Agreement") to provide certain financial information and operating data relating to the Issuer and the City by not later than [\_\_\_\_\_] days following the end of its fiscal year commencing with the fiscal year ending June 30, 2021 (the "Annual Report") and to provide notices of the occurrence of certain enumerated events to the Municipal Securities Rulemaking Board ("MSRB"), accompanied by identifying information and in electronic format, as prescribed by the MSRB, pursuant to its Electronic Municipal Market Access ("EMMA") system. The specific nature of the information to be contained in the Annual Report or the notices of certain enumerated events is set forth in the form of the Continuing Disclosure Agreement is attached hereto as Appendix F. These covenants have been made in order to assist the Underwriters in complying with Securities and Exchange Commission Rule 15c2-12 (17 C.F.R. Part 240, § 240.15c2-12) (the "Rule").

The Accounting Department of the City of Oklahoma City is responsible for making the annual filings of financial information and operating data and the filing of notices of material events for all bond issues of the City and of the City's public trusts, including the Issuer, that are subject to the provisions of the Rule. There are numerous continuing disclosure agreements relating to such bond issues, some of which specify slightly different dates by which the annual filings are required to be made.

## **FINANCIAL STATEMENTS**

The Oklahoma City Economic Development Trust Annual Financial Report for the fiscal year ended June 30, 2020, is included in Appendix B hereto.

The City of Oklahoma City Annual Comprehensive Financial Report for the fiscal year ended June 30, 2020, is included in Appendix C hereto.

## UNDERWRITING

The Series 2021 Bonds are to be purchased by \_\_\_\_\_, as representative of the Underwriters identified on the cover page hereof (the “Underwriters”), pursuant to a Bond Purchase Agreement with the Issuer (the “Bond Purchase Agreement”). The Underwriters have agreed to purchase the Series 2021A Bonds at a price of \$\_\_\_\_\_ (representing the principal amount thereof less an Underwriters’ discount of \$\_\_\_\_\_). The Underwriters have agreed to purchase the Series 2021B Bonds at a price of \$\_\_\_\_\_ (representing the principal amount thereof less an Underwriters’ discount of \$\_\_\_\_\_, less original discount of \$\_\_\_\_\_ and plus original issue premium of \$\_\_\_\_\_). The Bond Purchase Agreement provides that the Underwriters will not be obligated to purchase any of the Series 2021 Bonds unless all of the Series 2021 Bonds are available for purchase, and requires the Issuer to indemnify the Underwriters against losses, claims, damages and liabilities arising out of any incorrect or incomplete statements or information contained in this Official Statement pertaining to the Issuer and other matters. The initial public offering prices set forth on the inside cover hereof may be changed by the Underwriters.

The Underwriter of the Series 2021B Bonds is BOK Financial Securities, Inc. (“BOKF Securities”). BOKF Securities and BOKF, NA (“BOKF, NA,” which serves as Trustee for the Series 2021A/B Bonds) are both wholly-owned subsidiaries of BOK Financial Corporation (“BOKF”), a bank holding company organized under the laws of the State of Oklahoma. Thus, BOKF Securities and BOKF, NA are affiliated, but BOKF Securities is not a bank. Affiliates of BOKF Securities may provide banking services or engage in other transactions with the Authority, the State Regents and the Schedule Lessees. BOKF and BOKF, NA are not responsible for the obligations of BOKF Securities.

The Underwriters and their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage services. The Underwriters and their affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the Issuer, for which they received or will receive customary fees and expenses.

**In the ordinary course of their various business activities, the Underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Issuer or the City.**

The Underwriters and their affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

## RATINGS

Moody’s Investors Service, Inc. (“Moody’s”), and S&P Global Ratings (“S&P”), have assigned ratings of “\_\_\_” and “\_\_\_,” respectively, to the Series 2021 Bonds. Such ratings reflect only the views of such organizations at the time such ratings are given, and the Issuer and the Underwriters make no representation as to the appropriateness of such ratings. An explanation of the significance of such ratings may be obtained only from such rating agencies. The Issuer furnished such ratings agencies with certain information and materials relating to the Series 2021 Bonds that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions by the rating agencies. There is no assurance that a particular rating will be maintained for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing such rating, circumstances so warrant. The Underwriters and the Issuer have not undertaken any responsibility to bring to the attention of the owners of the Series 2021 Bonds any proposed revision or withdrawal of a rating of the Series 2021 Bonds or to oppose any such proposed revision or withdrawal. Any such revision or withdrawal of such a rating could have an adverse effect on the market price and marketability of the Series 2021 Bonds.

## **MUNICIPAL ADVISOR**

PFM Financial Advisors LLC (“PFM”) is employed as Municipal Advisor to the City in connection with the issuance of the Series 2021 Bonds. The Municipal Advisor’s fee for services rendered with respect to the sale of the Series 2021 Bonds is contingent upon the issuance and delivery of the Series 2021 Bonds. PFM, in its capacity as Municipal Advisor, has relied on the opinion of Co-Bond Counsel and has not verified and does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Series 2021 Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement.

## **VERIFICATION OF MATHEMATICAL CALCULATIONS**

\_\_\_\_\_ (the “Verification Agent”), a firm of independent certified public accountants, upon delivery of the Series 2021 Bonds, will deliver to the Issuer its report indicating that they have examined the mathematical accuracy of computations prepared by PFM relating to the sufficiency of the anticipated receipts from the Federal Securities and the Series 2021 Bonds to pay, when due, the principal and interest on the Refunded Bonds on the respective redemption dates.

The report of the Verification Agent will include the statement that the scope of their engagement was limited to verifying the mathematical accuracy of the computations contained in such schedules provided to them and that they have no obligation to update their report because of events occurring, or data or information coming to their attention, subsequent to the date of their report. The report of the Verification Agent will be relied upon by Co-Bond Counsel in rendering their opinions with respect to the exclusion of interest on the Series 2021B Bonds for federal income tax purposes and with respect to the defeasance of the Refunded Bonds.

## **MISCELLANEOUS**

The foregoing summaries or descriptions of provisions in the Indenture, the Covenant Agreement, the Redevelopment Agreement, the Security Agreement and the Agreement of Support and all references to other materials not purporting to be quoted in full, are only brief outlines of certain provisions thereof and do not constitute complete statements of such provisions and do not summarize all the pertinent provisions of such provisions. For further information, reference should be made to the complete documents, copies of which will be furnished by the Issuer upon request.

All projections and other statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement with the purchasers or holders of any of the Series 2021 Bonds.

This Official Statement is submitted only in connection with the offer and sale of the Series 2021 Bonds and may not be reproduced or used in whole or in part for any other purpose. This Official Statement has been approved by the Issuer.

## **OKLAHOMA CITY ECONOMIC DEVELOPMENT TRUST**

By: \_\_\_\_\_  
Todd Stone, Chair

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## **APPENDIX A**

### **DEMOGRAPHIC AND ECONOMIC INFORMATION CONCERNING THE CITY OF OKLAHOMA CITY**

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## DEMOGRAPHIC AND ECONOMIC INFORMATION CONCERNING THE CITY OF OKLAHOMA CITY

### AREA AND POPULATION

Historically, the City has pursued a policy of annexation, and is one of the largest cities in land area in the United States with a total area of approximately 620 square miles. The City had a 2020 estimated population of 679,705. With a six county Metropolitan Statistical Area (MSA) population of approximately 1.39 million, Oklahoma City ranks 41<sup>st</sup> in the nation based on 2018 Census estimates.

**Table A-1  
City, MSA, and State  
Population Estimates**

	<u>Oklahoma City<sup>(1)</sup></u>	<u>Oklahoma City MSA<sup>(2)</sup></u>	<u>State of Oklahoma<sup>(3)</sup></u>
1960	324,253	584,721	2,328,284
1970	368,856	717,825	2,559,259
1980	403,891	860,969	3,025,290
1990	445,500	960,538	3,145,585
2000	507,579	1,085,282	3,450,654
2010	582,352	1,252,987	3,751,351
2011	589,655	1,276,680	3,791,508
2012	598,350	1,297,834	3,802,027
2013	599,199	1,321,040	3,829,773
2014	610,613	1,336,784	3,857,527
2015	629,000	1,356,965	3,885,288
2016	641,000	1,373,211	3,913,057
2017	653,000	1,373,211	3,940,833
2018	661,000	1,383,737	3,930,864
2019	670,200	1,396,400	3,949,000
2020	679,705	1,408,950	3,956,971

(1) Source: Planning and Research Department, The City of Oklahoma City

(2) Source: US Census Bureau

(3) Source: Oklahoma Department of Commerce

### TRANSPORTATION

The City is served by Interstate Highways 35, 40, 44, 235, and 240. Freight railroad transport is provided by three major railway lines; it is the headquarters for several motor freight lines, and bus service is provided by the major passenger carriers.

Will Rogers World Airport (“Will Rogers”) is a major airport classed by the Federal Aviation Administration (FAA) as a small hub, multi-purpose airport with runways and facilities capable of handling all presently operating aircraft. Will Rogers handled approximately 3.2 million passengers in Fiscal Year 2020 with five major airlines providing service. The City also operates two general aviation airports, Wiley Post and Clarence E. Page.

### METROPOLITAN AREA PROJECTS 3 (MAPS 3) SALES TAX

At an election held on December 8, 2009, voters approved the MAPS 3 Sales Tax (the “MAPS 3 Sales Tax”) which funded various projects throughout the City. This one cent dedicated temporary Sales Tax took effect on April 1, 2010 and expired on December 31, 2017. The City Council established the Maps 3 Advisory Board to monitor, review and make recommendations to the Council concerning the Maps 3 projects.

The approved projects included: the construction of a new, approximately 70 acre park, a rail-based transit package, a new downtown convention center, more than 70 miles of sidewalks throughout the City, more than 50 miles of new trails, improvements to the Oklahoma River and construction of the new Riversport Rapids whitewater course, four senior health and wellness centers, and improvements to the Oklahoma State Fairgrounds. The majority of the projects have been completed and include: the downtown convention center, Scissortail Park (70 acre upper section), trails, sidewalks, the Oklahoma City Streetcar, two of the four senior health and wellness centers, Riversport Rapids located on the Oklahoma River, and the Bennett Event Center located at the State of Oklahoma Fairgrounds.

Total collections for the MAPS 3 Sales Tax exceeded original estimates and totaled \$803 million. The MAPS 3 Sales Tax, along with interest earnings of approximately \$32.7 million, are held in a dedicated segregated fund of the City and are sufficient to fully fund the described projects. As of February 12, 2021, the combined budget, including contingencies, for all MAPS 3 projects totaled \$831.7 million. The MAPS 3 Advisory Board will make recommendations to the City Council as how to spend any surplus funds.

### **CITY CAPITAL IMPROVEMENTS SALES TAX**

At an election held on September 12, 2017, voters approved the City Capital Improvements Sales Tax. This tax will fund various capital improvement construction projects throughout the City including: street resurfacing, streetscapes, sidewalks, trails and bicycle lanes. This one cent sales tax took effect on January 1, 2018, one day after the expiration of the MAPS3 Sales Tax, and will last for 27 months during which it is expected to generate approximately \$240 million in revenue.

### **2017 GENERAL OBLIGATION BOND AUTHORIZATION**

At an election held on September 12, 2017, voters authorized a \$967,400,000 General Obligation Bond Program. Included in the authorization is \$907,400,000 in capital improvement projects and \$60,000,000 for economic development purposes. It is anticipated that these bonds, which include the Series 2021 Bonds, will be issued over a ten-year period.

### **METROPOLITAN AREA PROJECTS 4 (MAPS 4) SALES TAX**

At an election held on December 10, 2019, voters approved the MAPS 4 temporary sales tax to fund various projects throughout the City. This one cent temporary sales tax took effect on April 1, 2020 and expires on March 31, 2028. It is expected to raise \$978 million over the life of the program to fund the MAPS 4 projects. The sales tax proceeds accumulate while the program and projects are planned, so the projects are fully funded before construction begins. The City Council established the Maps 4 Citizens Advisory Board and its six subcommittees to monitor, review and make recommendations to the Council concerning the Maps 4 projects. Each project will be refined in the coming years as the process unfolds, much like the [previous MAPS programs](#). The Council has final authority on all Maps 4 projects.

The approved projects include: Parks; Youth Centers; Senior Wellness Centers; Mental Health and Addiction; Family Justice Center; Transit; Sidewalks, Bike Lanes, Trails and Streetlights; Homelessness; Chesapeake Energy Arena; Animal Shelter; Fairgrounds Coliseum; Diversion Hub; Innovation District Freedom Center; Clara Luper Civil Rights Center; Beautification; and a Multipurpose Stadium.

### **CULTURAL, EDUCATIONAL, AND HEALTH FACILITIES**

The City is a regional cultural and art center. The Oklahoma Art Center, Ballet Oklahoma, and the Arts Council of Oklahoma City host renowned artists each year and provide opportunities for local musicians and artists. The Oklahoma City Philharmonic Orchestra performs in Oklahoma City and tours other communities each season.

The City has 143 public parks that provide playgrounds, community recreation centers, gymnasiums, tennis, golf and nature gardens. Other attractions include the Zoo with more than 2,000 animals, the National Cowboy and Western Heritage Museum, the Science Museum Oklahoma which features scientific museums, the National Softball Hall of Fame, the Oklahoma Firefighters Museum, and the 45th Infantry Division Museum.

There are several major institutions of higher learning in the metropolitan area including Oklahoma City University, the University of Oklahoma at Norman, the University of Oklahoma School of Medicine, the University of Central

Oklahoma in Edmond, Oklahoma Baptist University in Shawnee, Southern Nazarene University, Oklahoma Christian University of Science and Arts, Oklahoma City Community College, and Rose State College. There are also many business and technical schools in the area.

The City is a regional center for health care. The Oklahoma Health Sciences Center is located in a 200-acre complex near downtown which includes: The University of Oklahoma School of Medicine, Oklahoma Memorial Hospital, University Medical Research Foundation, Columbia Presbyterian Hospital, Oklahoma Children's Memorial Hospital, the Veterans Administration Hospital, the State Department of Health, and the State Department of Human Services. Other hospitals located in the City include: INTEGRIS Baptist Medical Center of Oklahoma, Mercy Health Center, SSM Health St. Anthony Hospital, INTEGRIS Southwest Medical Center, INTEGRIS Deaconess Hospital, and Hillcrest Health Center.

## EMPLOYMENT

The relative stability of the economy is derived from the diversity of its economic base. Declines in energy production from the boom of the early 1980's have been offset by increases in the service sector, mirroring national economic trends. Oklahoma City is the home of Devon Energy Corporation's headquarters, Chesapeake Energy and Continental Resources as well as many other energy related companies. Manufacturing of communications equipment, computers, electronics, oil and gas well supplies and equipment accounts for much of the area's industrial activity. The City is a major market for the State's livestock industry with major processing plants for both livestock and agricultural products. In addition, Oklahoma City is a regional center for health care services. There are approximately 93,400 employees involved in providing education and health care services in the metropolitan area. Other major private sector employers in the area include Hertz, AT&T and Dell. Along with the private sector employment, the City has several major governmental employers. The Federal, State, County, and City governments are all major employers. As the capital city of Oklahoma, the City is home to numerous state agencies and over 45,000 state employees. Tinker Air Force Base and the Oklahoma City Air Logistics Center, located in the southeast part of the City, have approximately 24,000 total civilian and military employees. The Federal Aviation Administration's Mike Monroney Aeronautical Center is located in the City at Will Rogers World Airport which is in the southwest part of the City and employs approximately 7,000 employees.

**Table A-2**  
**Oklahoma City MSA**  
**Annual Average Non-Agricultural Employment (in thousands)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Natural Resources & Mining	16.3	22.0	20.0	16.9	17.9
Construction	32.4	31.3	29.7	29.2	29.4
Manufacturing	33.2	33.7	33.9	33.5	36.1
Trade, Transportation & Utilities	114.5	113.2	111.1	111.7	112.3
Information	6.8	7.3	7.5	7.9	8.3
Financial Activities	33.8	33.4	33.3	33.2	33.1
Professional & Business Services	86.4	85.7	83.3	79.8	79.7
Education & Health Services	96.1	93.3	92.5	91.3	90.9
Leisure & Hospitality	71.0	74.5	73.2	70.6	69.3
Other Services	28.8	29.4	28.4	27.2	25.7
Government	<u>130.5</u>	<u>129.9</u>	<u>129.3</u>	<u>128.4</u>	<u>128.3</u>
Total Non-agricultural	<u>649.8</u>	<u>653.7</u>	<u>642.2</u>	<u>629.7</u>	<u>631.0</u>

Source: United State Bureau of Labor Statistics; Average Annual Non-agricultural Employment. As reported in the City's Supplemental Disclosure Annual Financial Report for Fiscal Year 2020.

**Table A-3**  
**OKLAHOMA CITY MSA**  
**Major Employers - Private and Public**  
**Oklahoma City Metropolitan Area**  
**Estimated Number of Employees (1)**

<u>Employer</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>Employer</u>						
INTEGRIS Health (2)	9,000	6,000	6,000	6,000	6,000	6,000
Oklahoma University Health Science Center	7,500	5,000	5,000	5,000	5,000	5,000
Hobby Lobby Stores Inc.	6,500	5,100	5,100	5,100	5,100	5,100
Mercy Health System of OK	5,500	4,500	4,500	4,500	4,500	4,300
Amazon	5,000	-	-	-	-	-
The Boeing Aerospace Company	4,200	3,000	2,600	2,600	2,600	1,800
Oklahoma Gas & Electric	3,400	3,400	3,400	3,400	3,400	3,400
OU Medical Center	3,300	3,300	3,300	3,300	3,200	3,200
SSM Health Care of Oklahoma, Inc.	3,000	3,000	3,000	3,000	3,000	3,000
Paycom	3,000	2,500	2,000	-	-	-
<u>Government (3)</u>						
Federal	29,500	29,383	28,792	28,800	27,700	26,990
State	47,300	46,075	46,750	47,300	45,700	44,400
Local	55,442	54,475	53,792	55,200	54,400	53,500
Tinker Air Force Base	24,000	24,000	24,000	24,000	24,000	26,000
FAA Aeronautical Center	7,000	7,000	7,000	7,000	7,000	6,500

- 
- (1) Information on employers is revised annually to provide the ten largest employers for the current year regardless of employment in prior years reported. Therefore, prior years may have no employment reported for some employers. This is not an indication of their prior year employment status. Information was provided by the Greater OKC Chamber and was last updated February 2020.
- (2) Includes INTEGRIS Baptist Medical Center and INTEGRIS Southwest Medical Center of Oklahoma.
- (3) Information includes civilian and non-civilian combined.

## UNEMPLOYMENT

The Oklahoma City MSA has consistently maintained a lower unemployment rate over the past ten years than the State of Oklahoma and the United States.

**Table A-4**  
**Oklahoma City MSA**  
**Average Annual Unemployment**  
**As a Percent of Labor Force**

<u>Year</u>	<u>Oklahoma City MSA</u>	<u>State of Oklahoma</u>	<u>United States</u>
2011	5.6	6.0	8.3
2013	4.8	5.1	7.9
2014	5.1	5.4	7.4
2015	4.0	4.5	6.2
2016	3.7	4.2	5.3
2017	4.2	4.9	4.9
2018	3.7	4.1	4.1
2019	3.2	3.2	3.8
2020	5.1 (1)	5.3 (1)	6.0 (1)

Source: U.S. Department of Labor, Bureau of Labor Statistics

(1) Source: City's annual disclosure; data for the State of Oklahoma and the United States is seasonally adjusted.

## BUILDING ACTIVITY AND PROPERTY

Residential building activity and commercial building activity are summarized for the past ten years.

**Table A-5**  
**City of Oklahoma City**  
**Building Activity**

<u>Year</u>	<u>Commercial</u>		<u>Residential</u>	
	<u>Construction Permits</u>	<u>Costs (1)</u>	<u>Construction Permits</u>	<u>Costs (1)</u>
2011	1,700	\$860,646	4,672	\$524,798
2012	1,685	673,075	6,978	585,898
2013	1,803	851,718	8,423	720,670
2014 (2)	2,062	868,878	13,212	773,993
2015	2,065	1,382,474	9,303	717,511
2016	1,895	1,095,538	8,255	695,723
2017	2,163	944,305	4,325	612,210
2018	1,835	1,279,166	4,293	630,972
2019	1,372	1,248,372	4,234	661,922
2020	2,444	814,310	5,232	817,277

(1) Dollars in thousands.

(2) This report was adjusted in 2014 due to prior year numbers being reported incorrectly. The large increase in the number of residential construction permits issued during FY 2014 is attributed to the damage caused by the two EF5 tornados that struck portions of Oklahoma City on May 20, 2013 and May 31, 2013.

Source: The source of this information is the Oklahoma City Development Services Department annual building permits reports.

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**APPENDIX B**

**THE OKLAHOMA CITY ECONOMIC DEVELOPMENT TRUST  
ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**APPENDIX C**

**THE CITY OF OKLAHOMA CITY  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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## **APPENDIX D**

### **DEFINITIONS OF CERTAIN TERMS AND SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL BOND INDENTURE THE SECURITY AGREEMENT AND THE AGREEMENT OF SUPPORT**

## **APPENDIX E**

### **PROPOSED FORM OF OPINION OF CO-BOND COUNSEL**

## **APPENDIX F**

### **FORM OF CONTINUING DISCLOSURE AGREEMENT**

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## FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement dated August \_\_, 2021 (this “Disclosure Agreement”), is executed and delivered by the Oklahoma City Economic Development Trust (the “Issuer”), a public trust established for the use and benefit of The City of Oklahoma City (the “City”), and by the City in connection with the issuance of the Issuer’s Tax Apportionment Refunding Bonds (Increment District #8) Series 2021A Taxable in the original principal amount of \$\_\_\_\_\_ (the “Series 2021A Bonds”) and its Tax Apportionment Refunding Bonds (Increment District #8) Series 2021B Tax-Exempt in the original principal amount of \$\_\_\_\_\_ (the “Series 2021B Bonds” and, together with the Series 2021A Bonds, the “Series 2021 Bonds”). The Series 2021 Bonds are being issued pursuant to a General Bond Indenture dated as of August 1, 2021, by and between the Issuer and BOKF, NA, as trustee (the “Trustee”), as supplemented by a Series 2021A Supplemental Bond Indenture, dated as of August 1, 2021 and a Series 2021B Supplemental Bond Indenture, dated as of August 1, 2021 (collectively, with any future supplements thereto, the “Indenture”), by and between the Issuer and the Trustee. This Disclosure Agreement has been accepted by the Trustee.

The City, pursuant to the Agreement of Support (as defined in the Indenture), has agreed to provide transfers and otherwise provide funds to the Issuer in support of the obligation of the Issuer to make payments with respect to the Series 2021 Bonds, subject to the requirement that the governing body of the City make an annual appropriation of the amounts of such transfers or provision of funds as may be required during the then current fiscal year.

The Issuer and the City hereby covenant and agree as follows:

**Section 1. Purpose of the Disclosure Agreement.** This Disclosure Agreement is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners of the Series 2021 Bonds and in order to assist each Participating Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the “Commission”). The Issuer and the City represent that they will be the only “obligated persons” (as defined in the Rule) with respect to the Series 2021 Bonds at the time the Series 2021 Bonds are delivered to each Participating Underwriter and that no other person presently is expected to become an obligated person with respect to the Series 2021 Bonds at any time after the issuance of the Series 2021 Bonds.

**Section 2. Definitions.** In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“*Annual Report*” shall mean the financial information and operating data of the Issuer provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“*Beneficial Owner*” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2021 Bonds (including persons holding Series 2021 Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2021 Bonds for federal income tax purposes.

“*Comprehensive Report*” shall mean any Comprehensive Annual Financial Report of the City provided by the City pursuant to, and as described in, Section 3 of this Disclosure Agreement.

“*Dissemination Agent*” shall mean any entity designated by the Issuer to act as the Dissemination Agent hereunder.

“EMMA” means the MSRB’s Electronic Municipal Market Access System. Reference is made to Commission Release No. 34-59062, December 8, 2008 (the “Release”) relating to the EMMA system for municipal securities disclosure effective on July 1, 2009.

“*Financial Obligation*” shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“*Listed Event*” shall mean any of the events listed in Exhibit B to this Disclosure Agreement with respect to the Series 2021 Bonds.

“*Listed Event Notice*” means notice of a Listed Event in Prescribed Form.

“MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended.

“*Official Statement*” means the “final official statement,” as defined in the paragraph (f)(3) of the Rule, relating to the Series 2021 Bonds. The final official statement related to the Bonds is dated \_\_\_\_\_, 2021.

“*Participating Underwriter*” shall mean any of the original underwriters of the Series 2021 Bonds required to comply with the Rule in connection with offering of the Series 2021 Bonds.

“*Prescribed Form*” means, with regard to the filing of the Annual Report and the Comprehensive Report and notices of Listed Events with the MSRB at [www.emma.msrb.org](http://www.emma.msrb.org) (or such other address or addresses as the MSRB may from time to time specify), such electronic format, accompanied by such identifying information, as shall have been prescribed by the MSRB and which shall be in effect on the date of filing of such information.

“*Rule*” means Rule 15c2-12 promulgated by the Commission under the Securities Exchange Act of 1934 (17 CFR Part 240, §240.15c2-12), as in effect on the date of this Disclosure Agreement, including any official interpretations thereof.

“*State*” shall mean the State of Oklahoma.

### **Section 3. Provision of Annual Reports.**

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than 190 days after the end of the Issuer’s fiscal year (presently July 1 through June 30), commencing with the report for the 2021 Fiscal Year, provide to the MSRB in Prescribed Form (with a copy to the Trustee) the Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; *provided* that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date but within 10 business days after they become available. If the Issuer’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5 of this Disclosure Agreement.

(b) If the Issuer fails to provide an Annual Report to the MSRB by the date required in subsection (a), the Issuer shall send a notice of such failure to the MSRB and to the Trustee by a date not in excess of 10 business days after the occurrence of such failure.

(c) The City shall, or shall cause the Dissemination Agent to, not later than 190 days after the end of the City's fiscal year (presently July 1 through June 30), commencing with the report for the 2022 Fiscal Year, provide (i) its Comprehensive Report to the MSRB in Prescribed Form (with a copy to the Trustee); and (ii) an annual update of all material financial and operating data of the City, to the same extent as provided in those portions of the Official Statement identified in Exhibit A hereto under the heading "II. City Information" to the Issuer for inclusion in the Issuer's Annual Report. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5.

**Section 4. Content of Annual Reports.** The Issuer's Annual Report shall contain or include by reference the following:

(a) Annual audited financial statements of the Issuer and an annual update of all material financial and operating data of the Issuer and the City, to the same extent as provided in those portions identified in Exhibit A hereto of the Official Statement and as required by applicable state law. Such information may be included in a single document such as the Issuer's Annual Report or the City's Comprehensive Report. The descriptions in the Official Statement of financial and operating data of the Issuer and the City are of general categories of financial and operating data deemed to be material as of the date of the Official Statement. When such descriptions include information that no longer can be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be provided in lieu of such information. Any annual financial and operating data containing modified financial information or operating data shall explain, in narrative form, the reasons for the modification and the impact of the modification on the type of financial information or operating data being provided.

(b) The audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting principles ("GAAP") as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board; provided, however, that the Issuer may from time to time, if required by federal or State legal requirements, modify the basis upon which its financial statements are prepared. Notice of any such modification shall be provided to the MSRB and to the Trustee, and shall include a reference to the specific federal or State law or regulation describing such accounting basis. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report within 10 business days of when they become available.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB. If the document included by reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

**Section 5. Disclosure of Listed Events.** The Issuer hereby covenants that it will disseminate in a timely manner, not in excess of 10 business days after the occurrence of the event, a Listed Event Notice to the MSRB in Prescribed Form with a copy to the Trustee. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Series 2021 Bonds need not be given under this Disclosure Agreement any

earlier than the notice (if any) of such redemption is given to the owners of the Series 2021 Bonds pursuant to the Indenture. The Issuer is required to deliver such Listed Event Notice in the same manner as provided by Section 3(a) of this Disclosure Agreement.

**Section 6. Duty To Update EMMA/MSRB.** The Issuer shall determine, in the manner it deems appropriate, whether there has occurred a change in the MSRB's e-mail address or filing procedures and requirements under EMMA each time it is required to file information with the MSRB.

**Section 7. Termination of Reporting Obligation.** The Issuer's and the City's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2021 Bonds. If such termination occurs prior to the final maturity of the Series 2021 Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event Notice under Section 5.

**Section 8. Dissemination Agent.** The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Agreement.

**Section 9. Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the Issuer may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Series 2021 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2021 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Series 2021 Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Series 2021 Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event Notice under Section 5, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

**Section 10. Additional Information.** Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or Listed Event Notice, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or Listed Event Notice in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or Listed Event Notice.

**Section 11. Default.** In the event of a failure of the Issuer or the City to comply with any provision of this Disclosure Agreement, any Holder or Beneficial Owner of the Series 2021 Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer and the City to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer to comply with this Disclosure Agreement shall be an action to compel performance.

**Section 12. Duties, Immunities and Liabilities of Dissemination Agent.** The Indenture is hereby made applicable to this Disclosure Agreement as if this Disclosure Agreement were (solely for this purpose) contained in the Indenture. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent.

**Section 13. Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, each Participating Underwriter and Holders and Beneficial Owners from time to time of the Series 2021 Bonds, and shall create no rights in any other person or entity.

**Section 14. Recordkeeping.** The Issuer shall maintain records of all filings of Annual Reports and Listed Event Notices, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

**Section 15. Counterparts.** This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signatures on next page]



IN WITNESS WHEREOF, the Issuer and the City have executed this Disclosure Agreement and, if applicable, have caused their seals to be hereunto affixed and attested by an authorized representative, and the Trustee has accepted this Disclosure Agreement, all as of the date first above written.

OKLAHOMA CITY ECONOMIC  
DEVELOPMENT TRUST

(SEAL)

By: \_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

THE CITY OF OKLAHOMA CITY

(SEAL)

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

BOKF, NA, as Trustee

By: \_\_\_\_\_  
Authorized Signatory

Reviewed as to form and legality

\_\_\_\_\_  
Deputy Municipal Counselor

[Signature Page to Continuing Disclosure Agreement]

## **EXHIBIT A**

### **DESCRIPTION OF PORTIONS OF OFFICIAL STATEMENT REQUIRING ANNUAL UPDATE**

The transfer of any funds by the City to the Issuer, if required to be made in any fiscal year, under the Agreement of Support as described under “SECURITY FOR THE SERIES 2021 BONDS—Agreement of Support” in the Official Statement.

#### **I. Agreement of Support Information**

The transfer of the Appropriation Payment by the City to the Issuer, if required to be made in any fiscal year, under the Agreement of Support as described under “SECURITY FOR THE SERIES 2021 Bonds—Agreement of Support” in the Official Statement.

#### **[II. City Information**

To the extent that substantially all such information is not already included in the Audited Financial Statements or Comprehensive Annual Financial Report of the City, financial information of the type, but not necessarily in the same form, as set forth in certain tables under the captions “CITY DEBT,” “SALES TAXES”, “PROPERTY TAX LEVY AND COLLECTION PROCEDURES” and “FINANCIAL INFORMATION” in the Issuer’s Official Statement relating to the Series 2021 Bonds including the following:

General Long-Term Debt  
Outstanding General Obligation Debt  
General Obligation Bonds Annual Debt Service Requirements  
Computation of Direct and Overlapping Debt  
Ratio of General Bonded Debt to Assessed Value and  
Bonded Debt Per Capita  
General Fund Sales Tax Revenues Returned to City Including Applicable Sales Tax Rate (Previous Fiscal Year Only)  
Assessed and Estimated Market Value of Taxable Property  
Net Assessed Valuation Composition  
Property Tax Levies and Collections  
Principal Taxpayers of Oklahoma City  
Trend of Property Tax Rates of Major Taxing Units (Previous Fiscal Year Only)  
Government Funds: Statement of Revenues, Expenditures  
and Changes in Fund Balances Data  
Governmental Funds: Statement of Revenues, Expenditures  
and Changes in Fund Balances Data (Previous Fiscal Year Only)]

## EXHIBIT B

### EVENTS WITH RESPECT TO THE BONDS FOR WHICH MATERIAL EVENT NOTICES ARE REQUIRED

1. Principal and interest payment delinquencies.
2. Nonpayment-related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers, or their failure to perform.
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
7. Modifications to rights of security holders, if material.
8. Bond calls, if material, and tender offers.
9. Defeasances.
10. Release, substitution or sale of property securing repayment of the securities, if material.
11. Rating changes.
12. Bankruptcy, insolvency, receivership or similar event of the Issuer<sup>1</sup>.
13. The consummation of a merger, consolidation or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
14. Appointment of a successor or additional paying agent or the change of name of a paying agent, if material.
15. Incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect the security holders, if material<sup>2</sup>.
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties<sup>2</sup>.

<sup>1</sup> This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

<sup>2</sup> The Issuer intends to comply with Listed Events numbered 15 and 16 above, and the definition of “Financial Obligation”, with reference to the Rule, any other applicable federal securities laws and the guidance provided by the Securities and Exchange Commission in Release No. 34-83885, dated August 20, 2018 (the “**2018 Release**”), and any further amendments or written guidance provided by the Securities and Exchange Commission or its staff with respect to the amendments to the Rule effected by the 2018 Release.

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## APPENDIX G

### DESCRIPTION OF REFUNDED BONDS

Subject to the existence of favorable market conditions at the time of the pricing of the Series 2021 Bonds, proceeds of the Series 2021 Bonds will provide for the refunding of up to \$96,900,000\* in outstanding principal amount of the Issuer's tax apportionment bonds described below (the "Refunded Bonds"):

	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>Call Date</u>	<u>Call Price</u>
Series 2013A Taxable Bonds	3/1/2022	678553 AM0	2.904%	\$ 5,935,000	3/1/2023	100%
	3/1/2023	678553 AN8	3.004%	6,110,000	3/1/2023	100%
	3/1/2024	678553 AP3	3.204%	6,305,000	3/1/2023	100%
	3/1/2025	678553 AQ1	3.404%	6,515,000	3/1/2023	100%
	3/1/2026	678553 AR9	3.604%	6,750,000	3/1/2023	100%
	3/1/2027	678553 AS7	3.804%	7,005,000	3/1/2023	100%
	3/1/2028	678553 AU2	3.997%	7,285,000	3/1/2023	100%
	3/1/2029	678553 AV0	4.097%	7,585,000	3/1/2023	100%
	3/1/2032	678553 AT5	4.297%	19,570,000	3/1/2023	100%
				<u>\$ 73,060,000</u>		
	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>Call Date</u>	<u>Call Price</u>
Series 2013B Tax-Exempt Bonds	3/1/2032	678553 AA6	5.000%	\$ 5,235,000	9/23/2021	100%
	3/1/2033	678553 AC2	5.000%	9,070,000	9/23/2021	100%
	3/1/2034	678553 AB4	5.000%	9,535,000	9/23/2021	100%
				<u>\$ 23,840,000</u>		

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\* Preliminary, subject to change.