

JOINT RESOLUTION

JOINT RESOLUTION BETWEEN THE CITY OF OKLAHOMA CITY AND THE OKLAHOMA CITY ECONOMIC DEVELOPMENT TRUST APPROVING THE ALLOCATION OF GENERAL OBLIGATION LIMITED TAX BOND PROCEEDS AND/OR INVESTMENT PROCEEDS IN AN AMOUNT NOT TO EXCEED \$1,000,000 FOR THE PROVISION OF CERTAIN JOB CREATION ECONOMIC DEVELOPMENT INCENTIVES TO CANOO MANUFACTURING LLC, IN EXCHANGE FOR ITS ESTABLISHMENT OF A NEW MANUFACTURING FACILITY IN OKLAHOMA CITY, AND FOR ITS COMMITMENT TO CREATE APPROXIMATELY 550 NEW QUALITY JOBS OVER THE NEXT THREE YEARS, AND AUTHORIZING AND DIRECTING THE GENERAL MANAGER AND/OR DESIGNEE TO NEGOTIATE AN ECONOMIC DEVELOPMENT AGREEMENT WITH CANOO MANUFACTURING LLC FOR SUBSEQUENT TRUST APPROVAL AND CITY COUNCIL CONCURRENCE.

WHEREAS, The City of Oklahoma City (“City”) and the Oklahoma City Economic Development Trust (“OCEDT” or “Trust”) desire to promote and assist economic development and redevelopment projects, which involve substantial investments and the creation and retainage of jobs and employment opportunities; and

WHEREAS, The City and OCEDT wish to support redevelopment and investment in the urban core of the City by providing assistance through the creation and retainage of new jobs through the job creation incentive grants, which make possible investment, development, redevelopment, and economic growth within the urban core of The City; and

WHEREAS, on December 11, 2007, the citizens of Oklahoma City overwhelmingly approved Proposition #11 which provided for the issuance of \$75,000,000 in General Obligation Limited Tax (“GOLT”) Bonds for the purpose of expanding Oklahoma City’s economic base; and

WHEREAS, over the years, The City has issued several series of the GOLT Bonds totaling \$75,000,000 from the 2007 GOLT Bond approval; and

WHEREAS, on September 12, 2017, the voters of Oklahoma City approved the issuance of an amount not to exceed \$60,000,000 of taxable Economic Development Bonds (“GOLT Bonds”) by The City of Oklahoma City, Oklahoma (the “City”); and

WHEREAS, in May 2019, The City issued the first series of the 2017 GOLT Bonds totaling \$30,000,000, and in May 2021, The City issued the final series of the 2017 GOLT Bonds totaling \$30,000,000; and

WHEREAS, the Oklahoma City Economic Development Trust has approximately \$42,000,000 in GOLT Bond proceeds and/or investment income on hand from the 2007 and 2017

bond approvals to support new economic development projects authorized by the Municipal and County Industrial Development Bonds Act, 62 Okla. Stat. §§ 800, *et seq.*; and

WHEREAS, the Greater Oklahoma City Chamber of Commerce (“Chamber”), in the exercise of its obligations under its agreement with The City to identify and promote new business opportunities, along with the expansion of existing business within Oklahoma City, has pursued economic development projects including the location of a new manufacturing facility for Canoo Manufacturing LLC (“Canoo”), in Oklahoma City; and

WHEREAS, the Chamber has received an application for economic incentives from Canoo in conformance with the Oklahoma City Economic Development Trust’s and City’s Strategic Investment Program; and

WHEREAS, the Chamber has worked with Canoo since February 2021; and

WHEREAS, Canoo has designed a modular electric platform purpose-built to deliver maximum vehicle interior space that is customizable across all owners in the vehicle lifecycle to support a wide range of vehicle applications for consumers and businesses; and

WHEREAS, Canoo, is a public company headquartered in Justin, Texas with plans to move the headquarters to Bentonville, Arkansas; and

WHEREAS, prior to meeting with City and Chamber staff to discuss the needs of its planned expansion, Canoo considered multiple locations for a distribution center, including Arkansas, Indiana, Michigan and Texas; and

WHEREAS, based largely upon the availability of state and local incentives and the positive attributes of Oklahoma City and its business community, including low utility and occupancy costs, economic stability, the presence of three interstates, and other key metrics, Canoo has decided to locate its new manufacturing facility in Oklahoma City; and

WHEREAS, Canoo’s application with the Chamber provides that it intends to add 550 new-to-market jobs for employment over a three-year period; and

WHEREAS, Canoo plans to invest or cause the investment of approximately \$347 million in capital improvements at its Oklahoma City location over the next two years; and

WHEREAS, Canoo’s application to the Chamber further reflects that the company anticipates the average first year wage for the new jobs will be around \$71,558; and

WHEREAS, City staff and the Chamber have reviewed the application and information submitted to the Chamber by Canoo, and based on that information, staff is recommending, based in part on the number of jobs that will be created by Canoo, and in part on the investment anticipated by Canoo in Oklahoma City, that the City Council and Trust allocate \$1,000,000 from the General Obligation Limited Tax Bonds proceeds and/or investment income for a proposed Economic Development Agreement with Canoo under the Strategic Investment Program; and

WHEREAS, there is presently a sufficient amount of GOLT proceeds and/or investment income readily available to support a \$1,000,000 job creation economic development incentive for the proposed Canoo Manufacturing Facility; and

WHEREAS, it is further the recommendation of City staff to the Trust and City Council that the General Manager be authorized and directed to negotiate a job creation Economic Development Agreement in conformance with the Strategic Investment Program between the Trust and Canoo for subsequent consideration by the Trust and City Council; and

WHEREAS, after reviewing the information presented by City staff and representatives from the Chamber, the City Council and Trustees find that it is in the best interest of the Trust, the City, and the citizens of Oklahoma City that \$1,000,000 in General Obligation Limited Tax Bonds proceeds and/or investment income be allocated to the proposed Canoo Manufacturing Facility Economic Development Project and that the General Manager or his designee be authorized and directed to negotiate a job creation Economic Development Agreement between the Trust and Canoo in conformance with the Strategic Investment Program for subsequent consideration and approval.

NOW, THEREFORE BE IT JOINTLY RESOLVED by the Oklahoma City Economic Development Trust and The City of Oklahoma City that an allocation of \$1,000,000 from the General Obligation Limited Tax Bond proceeds and/or investment income for the proposed Economic Development Agreement with Canoo Manufacturing LLC, is hereby approved.

BE IT FURTHER JOINTLY RESOLVED by the Trustees of the Oklahoma City Economic Development Trust and by the Mayor and City Council of The City of Oklahoma City that the General Manager, or designee, is hereby authorized and directed to negotiate a job creation Economic Development Agreement with Canoo Manufacturing LLC, to incentivize the location of its new manufacturing facility in Oklahoma City and the expansion of its workforce by creating approximately 550 new quality jobs over a three-year period located in Oklahoma City, for subsequent consideration by the Trust and the City Council.

[Signatures on the following page.]

ADOPTED by the Trustees and **SIGNED** by the Chairman of the Oklahoma City Economic Development Trust this _____ day of _____, 2022.

ATTEST:

**OKLAHOMA CITY ECONOMIC
DEVELOPMENT TRUST**

SECRETARY

CHAIRMAN

ADOPTED by the City Council and **SIGNED** by the Mayor of The City of Oklahoma City this _____ day of _____, 2022.

ATTEST:

**THE CITY OF OKLAHOMA
CITY**

CITY CLERK

MAYOR

REVIEWED for form and legality.



ASSISTANT MUNICIPAL COUNSELOR