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# INCOG EDD

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## Annual Performance Report 2017

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Indian Nations Council of  
Governments Economic  
Development District

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Since the development and implementation of the 2013-2017 INCOG-EDD Comprehensive Economic Development Strategy (CEDS), local, regional and business leaders in the INCOG Economic Development District (EDD) have worked to ensure that successful partnerships are able to be developed to bring economic development opportunities to the region. The 2013-2017 recent CEDS was developed to keep a focus on the regional quality of life, transportation needs and business growth, and to use this focus to enhance the competitive advantage of the region. The first year of INCOG's current EDA Planning Grant marked the end of a very successful CEDS period. This annual report addresses the progress and planning activities that occurred towards achieving the strategic economic goals of the INCOG-EDD in the final year of the 2013-2017 CEDS.

Throughout the year, INCOG economic development staff visited several rural communities, such as Hominy, Collinsville, Bristow, Oilton and Drumright, in the INCOG-EDD to learn about community development strategies being developed to increase opportunity. One message staff routinely mentioned was how important it was to think regionally; how communities might be able to take advantage of opportunities outside their municipal boundaries to develop a resilient economy or to find ways to cooperate on the large-scale development projects that provide mutual benefits. INCOG staff attended other state EDD's CEDS meetings and monthly Oklahoma Association of Regional Councils (OARC) meetings.

INCOG economic development staff participated in several meetings with the Tulsa Regional Chamber of Commerce to discuss how EDA's programs might be able to help develop or enhance critical infrastructure for economic development purposes, and to create workforce pipelines for existing and prospective, out-of-state businesses. INCOG economic development staff attended monthly Tulsa's Future meetings hosted by the Chamber that were held in different communities in the region. These opportunities allowed INCOG to promote the CEDS and learn about new economic development projects.

In March, preparations began on the installment of a new INCOG-EDD Board. Regional public and private economic development professionals were contacted and asked to become members of the 2018-2022 CEDS Committee and assist in the development of the new strategic planning document. The first meeting of the 2018-2022 INCOG-EDD Board and CEDS Committee was conducted in April. The CEDS Committee convened four times to formally discuss revisions to the previous CEDS and what additional information was needed to address the new economic realities in the INCOG-EDD. The INCOG Economic Development Planner routinely communicated with individual members outside of formal meetings about how best to develop the updated strategic planning document to the new economic realities facing the District. In October, the INCOG Economic Development Planner attended CEDS training in Olathe, Kansas that was conducted by MarksNelson, LLC. It was a fantastic opportunity to learn about the new changes to the EDA CEDS guidelines and provided a better understanding of how to develop the strategic planning document. A number of weeks were spent producing several drafts of the updated CEDS for the Committees review at every meeting. The new 2018-2022 INCOG-EDD CEDS was finalized and submitted for federal review and approval in December 2017.

In April, work began on developing an EDA grant application for a significant, multifaceted economic development project in Rogers County. Though Rogers County is not in the INCOG-EDD, the county, as a member of INCOG, requested that INCOG's knowledgeable economic development staff partner with the Grand Gateway Economic Development Association to develop a proposal on an economic

development project that will leverage a \$360,000,000 private sector commitment to create 233 new jobs. The public works project consisted of the construction of a waterline, sanitary sewer and total retention lagoon infrastructure to an industrial area in Inola, Oklahoma. After the proposal was determined to be in line with EDA investment priorities, INCOG submitted a full application to EDA requesting \$1.5 million in assistance to develop the public works infrastructure on behalf of Rogers County. The EDA grant was awarded in October 2017 and post award management activities occur on a weekly basis.

Throughout May and June, INCOG worked with the City of Sapulpa to determine if a public works economic development project the city was planning would be eligible for EDA funding. After several meetings with the City and the beneficiary of the development, the project appeared to fit within the investment priorities of the EDA. In October, INCOG, on behalf of the City of Sapulpa, submitted a full application to EDA requesting \$2 million in assistance to develop a 6-mile long force main sanitary sewer line. In December, EDA issued a grant award of \$1.5 million to assist the construction of the public works project. Construction is expected to start April-May 2019. The project will help deliver over 1,500 new jobs over a period of 10 years with an estimated \$640,000,000 impact to the region.

In May and July, INCOG was asked to attend two Smart Growth Workshops in Pawhuska and Tulsa, respectively. These workshops were awarded and hosted by the US Environmental Protection Agency. The speakers at these workshops discussed the many ways to create a sustainable community. Some topics that were discussed in these workshops were incorporated into the 2018-2022 INCOG-EDD CEDS.

INCOG met with the new Regional Director for GoRail, Jeffrey Holliday, to discuss several rail opportunities in the region. At this meeting the Port of Catoosa's regional economic impacts were discussed. INCOG staff discussed ways that EDA programs could be used to assist any regional rail development projects that were brought to the attention of GoRail.

In July, INCOG economic development staff and Executive Director attended the three-day 2017 SWREDA Annual Conference in Baton Rouge, Louisiana. (The 2018 SWREDA Conference will be held in Tulsa, OK where INCOG is headquartered.)

Throughout the summer and fall of 2017, INCOG economic development staff was asked to participate in discussions on the development of an Unmanned Aerial Vehicle/Systems program led by the Osage Nation. INCOG is consulting with the Osage Nation on the best ways to develop the program using existing Osage Nation assets, existing assets in the town of Hominy and a large area of land in Osage County. Utilizing EDA economic development programs were thoroughly discussed.

INCOG economic development staff was asked to be a permanent member of the Owasso Economic Development Authority Steering Committee in the summer of 2017. The purpose of the Steering Committee is to provide insight and guidance to the consultant that was hired to assemble the economic development strategy that Owasso will use in its efforts to strategically invest resources so that it can sustain and perpetuate opportunities in the community.

The City of Tulsa requested INCOG to prepare an application for assistance for infrastructure improvements to a City-owned Brownfield site. This property is to be leased for the national Headquarters of BMX USA. It is expected to deliver over 40 new jobs to the area and generate an economic impact of more than \$18,000,000 over a five-year period.

INCOG economic development staff has been working with the City of Tulsa to prepare a proposal for EDA's assistance in vital improvements to the Greenwood Cultural Center (GCC). The GCC is a vital, but underutilized, resource for the African American community. This project will greatly enhance access to economic, entrepreneurship, education and research opportunities through various local, regional and national partners.

#### 2008-2017 EDA PROJECT LISTINGS:

The Following list consists of EDA projects awarded between 2007 and 2017:

1. Though **Rogers County** is not in the INCOG-EDD, the county, as a member of INCOG, the County requested that INCOG's knowledgeable economic development staff partner with the Grand Gateway Economic Development Association to develop a proposal on an economic development project that will leverage a \$360,000,000 investment by Sofidel America to construct a two million square-foot manufacturing and distribution facility that will create 233 new jobs. The public works projects consisted of the construction of a waterline, sanitary sewer and total retention lagoon infrastructure to an industrial area in Inola, Oklahoma. After the proposal was determined to be in line with EDA investment priorities, **INCOG submitted a full application to EDA requesting \$1.5 million** in assistance to develop the public works infrastructure on behalf of Rogers County. **The EDA grant was awarded in October 2017** and post award management activities occur on a weekly basis.
2. **City of Sapulpa**, submitted a full application to EDA requesting \$2 million in assistance to develop a 6-mile long force main sanitary sewer line to service 250-acres of land where SeneGence International will construct a new global headquarters. In December 2017, **EDA issued a grant award of \$1.5 million** to assist the construction of the public works project. Construction is expected to start April-May 2019. The project will help deliver over 1,500 new jobs over a period of 10 years with an estimated \$640,000,000 impact to the region.
3. **City of Bristow** was awarded an EDA grant in August 2017 for its Airport Runway Reconstruction. The \$1,000,000 grant will be used to assist in the construction of a new asphalt runway (4,000' in length and 75' in width) and upgraded intensity runway lights necessary for night operations. The existing runway will be converted to a future parallel taxiway to serve the new runway that is being constructed.

As part of the justification for the runway extension, letters were submitted by multiple businesses located in the area stating that they would increase their operations and/or begin to operate at the airport, because of the improved capacity of the longer runway to accommodate larger aircraft. The new wider and longer runway, parallel to the existing runway, will allow Category B-II, approach speeds 91-121 knots, tail heights up to 30' and wingspan up to 79' and meet current FAA standards.

4. **Tulsa County** received an EDA grant award in September 2014 for a Jobs Access Project. The grant of \$950,000 in federal funds for was road improvements along 76<sup>th</sup> Street North to accommodate the increase in vehicular and freight traffic for the Macy's Fulfillment

Center. Total cost for the public improvements was more than \$2.2 million. Existing per capita income and employment statistics within a ten-mile radius of the site are significantly lower than the metro area, which were important factors in securing the federal grant funding. Macy's invested \$160 million; the company confirmed 1,000 current new employees with a seasonal peak of 3,400 jobs in 2015. The economic impact of the project is estimated to be more than \$53 million annually.

The completed project represented a successful partnership among the County, City of Owasso, Owasso Chamber, Cherokee Nation, Oklahoma Department of Transportation, Tulsa Regional Chamber and Oklahoma Department of Commerce. Governor Mary Fallin committed \$1.5 million from the Governor's Closing Fund for job training efforts. INCOG assisted with the EDA application and guided the County through the process of establishing a Tax Incentive District that offers a five-year property tax abatement to the company. Owasso Public Schools was instrumental in approving the incentive district. INCOG also assisted with securing Industrial Access Road funds from ODOT.

5. In April 2012, **Tulsa Industrial Authority** was awarded a \$200,000 matching grant from EDA for construction of sidewalks connecting the Blue Dome District, ONEOK Field and the Brady/Greenwood Districts. These improvements, nearly complete, provide a safe and attractive pedestrian, bicycle and vehicle friendly pathway between these districts where, previously, severely deteriorated conditions existed. Matching funds were provided through the Blue Dome Tax Increment District. Additionally, the project includes installation of new LED light fixtures, street trees and grates on both sides of this street that adjoins a railroad track.
6. EDA awarded the **City of Sapulpa** a \$1,500,000 grant in September 2012 to provide roadway and utility infrastructure critical to retention and expansion of an industrial park adjacent to Interstate 44. Once an underdeveloped tract of land, this project has significantly improved access to the site. A unique collaborative effort of the City of Sapulpa, Tulsa County, Oklahoma Department of Transportation and BNSF Railroad, these partners contributed \$1,300,000 toward the EDA match. To date, this investment has realized private investment of \$27,000,000 and produced 190 new jobs. The project was completed in the Fall, 2016.
7. A ribbon cutting was held in 2013 as a result of the September 2011 EDA award to the **Oklahoma Innovation Institute** (OII) of \$800,000 in funds for the Tulsa Community Supercomputer, now called the Tandy Supercomputing Center. A significant grant from the Tandy Foundation was secured in part as a result of the investment by EDA. OII's flagship asset, a dense memory supercomputer, provides the only computing capabilities of its kind in the region and puts this area on the map with the most competitive technology clusters in the United States.

Currently, seven full-time staff are on site with OII for management of the project. The supercomputer leverages universities, colleges, research centers, enterprises and small

business to address computational needs across multiple industries and disciplines. OII represents a historic, collaborative, multidisciplinary research partnership formed by local universities and colleges. Research outcomes are already producing measurable and marketable results for university clients in the region.

<http://oklahomainnovationinstitute.org/>

8. The **City of Tulsa** completed construction of a 10,000 l.f. water line to serve the **Tulsa Botanic Garden** in 2015. EDA awarded \$1,000,000 in 2010 to be used with matching funds for design and construction of this vital infrastructure. The Garden produced a new master plan in 2013 to make the land, gardens and utility systems more environmentally efficient throughout its life. In 2010, the Garden had 1-2 part time employees. The facility has blossomed now with 12 employees on staff under the guidance of its executive director.

Tandy Floral Terraces opened in 2015 and the Children's Discovery Garden is scheduled to open this spring. The Garden also received a \$3,000,000 foundation grant to fund capital and operational costs and there is an \$18,000,000 capital campaign currently underway. The Garden, which will include a research and education center, secured sixty acres of land donated by a group of investors and led by Tulsa businessmen. One hundred acres of Cross Timbers ancient forest and prairie are also being preserved for historical and ecological significance. The site is in southeastern Osage County and within the City of Tulsa fenceline.

The Spears School of Business at Oklahoma State University estimates the Garden will generate \$107 million annually for the Tulsa area economy and will employ nearly 300 people. The site also serves as a living laboratory where researchers and educators are expanding the knowledge and understanding of Oklahoma's resources. Educational partners include Oklahoma State University, Tulsa Community College, Tulsa Technology Center, University of Oklahoma, and the University of Tulsa. <http://www.tulsabotanic.org/>

9. In September 2011, EDA awarded the **Tulsa Economic Development Corporation** \$600,000 to help build a permanent home for the organization and **The Forge**, a business development center established by Tulsa's Young Professionals for start-ups and existing small businesses in the region. Startup companies have filled the space since its completion providing the long term economic benefit of retaining young professionals in the region.

A tour of the offices demonstrated the success of addressing the need for affordable space and auxiliary services for entrepreneurs. Each of the spaces was rented, and the startups were employing 1-4 staffers per space. Networking, educational and advisory resources are available at no-or-low cost to the tenants. The facility has seen several new businesses graduate to become self-sustaining and successful startups in the EDD.

<http://theforgetulsa.com/>

10. In 2013, **i2E** launched its IMMERSION program to provide core curriculum, training and seed funding for start-up technology businesses with high growth potential. For example, five small companies worked with i2E specialists during a 12-week period of intensive business

and market analysis to refine their business models in order to achieve an improved outlook for success. The team partners these clients with venture advisory services to support successful technology commercialization.

The project was a joint venture between INCOG and i2E to implement an EDA-funded Long-Term-Industry Plan designed to encourage success for technology businesses. This partnership with the Oklahoma non-profit provided expansion of the goals of the grant. Due to the accomplishments of this intensive and comprehensive program, i2E subsequently secured a direct EDA grant of \$393,756 to expand its services. Their presence in Tulsa serves to foster business and job growth throughout the region and partners regularly with The Forge and Oklahoma Innovation Institute. <http://i2e.org/>

11. In the fall of 2012, a grand opening was held for the 20,000 s.f. multi-bay business incubator building in Pawhuska. Two years earlier, EDA awarded the **Osage County Industrial Authority** (OCIA) \$750,000 in matching funds for construction. The grant was part of a \$2 million funding package, which included the Osage Nation and the City of Pawhuska. OCIA recently acquired high-speed internet connections, 1000mbs, for its tenants.

In 2013, the company used the facility to train more than 400 workers resulting in the hire of 250 for permanent pipeline jobs. The Osage Nation received an award from the US Department of Labor in 2015 in recognition of its outstanding efforts in job training and creation through its 477 program. In addition, one bay and eight offices are occupied with new businesses, primarily Osage-owned. One of the tenants, Blue Star Studio, has won a Social Environmental Economic Design (SEED) 2015 Award for Public Interest Design for its work on a resilient community master plan project on the Rosebud Indian Reservation in South Dakota. One of Blue Star's principals was also recognized by the National Center for American Enterprise Development, 2015 Native American 40 Under 40, for his demonstrated leadership, initiative and dedication in making significant contributions in their business and community.

Tri-County Technology Center, based in Bartlesville, provided furnishings and a lease to maintain and operate the facility. Tri-County also provides a full-time staff position as well as classes for area students and prospects. Business incubators are designed to accelerate the successful development of entrepreneurial companies through an array of business support resources and services. This historic partnership is a proud accomplishment for the region.

12. **Tulsa's Future**, a nonprofit subsidiary of the Tulsa Regional Chamber, was awarded a \$160,000 EDA grant in 2013 for technical assistance to conduct a *Workforce Analysis and Strategy Project* for the Economic Development District. The project focused on three population segments of the region, west, north and east, experiencing the lowest employment and education rates in greater Tulsa. A national consulting firm, Council for Adult & Experiential Learning (CAEL), employed a successful model of studying workforce issues. The project goal was to identify industry sectors with the best opportunity for ALL

residents, enhance education and training alignment to support these sectors, and remove barriers to skills development opportunities.

A completed study was delivered in September 2014 and included an implementation plan for workforce agencies and partners. Other contributing partners to the project were AEP Public Service Company of Oklahoma, the George Kaiser Family Foundation, Community Service Council, INCOG and Tulsa Regional Chamber. For more information or to obtain a copy of the study, please contact Denise Reid [denisereid@tulsachamber.com](mailto:denisereid@tulsachamber.com)

13. In 2008, EDA provided \$500,000 in matching funds that were awarded to **Tulsa County** for preliminary analysis of proposed **Arkansas River Corridor** projects. A scope of services was developed to meet the goals of the EDA grant, and to prepare as much technical information as possible with the funding available to ultimately assemble a complete Section 404 permit application as required by the Clean Water Act and the U.S. Army Corps of Engineers (USACE) regulation, which was accomplished in 2013. Due to the completion of the activities and reports from the Corridor Study, the EDA-funded project advanced significantly addressing the various regulatory requirements. Significant development projects are now underway.

With major funding from the **George Kaiser Family Foundation**, a new 75-acre park under construction along Riverside Drive in Tulsa will be connected to the river, south of 21<sup>st</sup> Street. With an expected cost of \$350,000,000, the park will feature wetland gardens, playgrounds, sports courts, nature walk and earth bridges. A few miles south, at 81<sup>st</sup> Street, the **Creek Nation** is constructing a high-rise hotel and entertainment venues on the Arkansas River bank totaling more than \$350,000,000. Hundreds of jobs have already been created.

The **City of Jenks** and the Oklahoma Turnpike Authority are currently constructing a \$20,000,000 road project that creates frontage roads along the Creek Turnpike providing upgraded access to the City of Jenks Riverfront Entertainment District. The dynamics of Riverfront South will be enhanced with activities associated with a river lake created by a Low Water Dam on the Arkansas River at this location.

Major improvements to the **Arkansas River** were approved on a City of Tulsa ballot initiative by area voters in April 2016. Some of the concepts for the river can be seen on this video [https://www.youtube.com/watch?v=kp\\_dVdj9v8&feature=youtu.be](https://www.youtube.com/watch?v=kp_dVdj9v8&feature=youtu.be)