



The University of Oklahoma
Graduate College

SEE SAND SPRINGS

A Professional Project
Submitted to the Graduate Faculty
in partial fulfillment of the requirements
for the degree of
Master of Science in Architectural Urban Studies

By:
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Tulsa, Oklahoma
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A Professional Project approved for the College
of Architecture Urban Design Studio

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Special thanks to Daniel Sperle for assistance in graphic design.

EXECUTIVE SUMMARY

To better position itself for success, the City of Sand Springs needs to answer the question, how can a city be proactive in attracting and retaining successful small businesses, developers, employers and visitors to maintain a healthy economic balance?

This project aims to answer these questions by meeting two goals: 1. Creating a solid foundation for the City of Sand Springs to initiate economic development. 2. Developing an implementation strategy that targets appropriate audiences and answers questions about incentives, marketing and cohesion with City planning.

A Community Profile and Market Evaluation list of the Sand Springs business climate was created to set the stage for appropriate data gathering that would be relevant for various audiences' interests in Sand Springs. Research of other regional communities was conducted to determine which economic development resources were available publicly and where they were found.

To share the Community Profile and Market Evaluation data while promoting Sand Springs competitively with regional communities, a Web site was created. The site was developed with multiple audiences in mind. Two primary audiences are targeted as umbrella categories: business developers and visitors. In summation, the data collected through the Market Profile and Evaluation now lives on the See Sand Springs Web site, which highlights the potential for growth in Sand Springs. It is clear that the trade area is robust and ready for more commercial opportunities to serve the traffic coming to Sand Springs whether it be for sports tourism, jobs or shopping and dining.

Next, an Economic Development Implementation Strategy was created with six underlying objectives:

- A. Web and Social Media Promotion
- B. Determining Development Incentives
- C. Overcoming Physical Barriers
- D. Overcoming Workforce Barriers
- E. Overcoming Stereotypes
- F. Package Marketing Strategy

By utilizing the compiled resources, tools and strategy created by this project, Sand Springs staff will be on a more level playing field when attempting to grow a municipal tax base. Creation of the implementation strategy will allow staff to utilize the site, decide on appropriate incentives and define other economic objectives. In addition, a list of recommendations was made for staff and Council to use.

PROJECT TIMELINE



PROJECT GOALS

1. Creating a solid foundation for the City of Sand Springs to initiate economic development.
2. Developing an implementation strategy that targets appropriate audiences and answers questions about incentives, marketing and cohesion with City planning.

I. INTRODUCTION: PROJECT WHAT, WHY AND HOW

“While it has become popular to bemoan the quality of government services, a reasonable benchmark may be our levels of satisfaction with mobile phone service, computer operating system, insurance claims... We hold government to a higher standard because, implicitly at least, we acknowledge its functions are critically important.” (Feldman, Hadjimichael, Kemeny, & Lanahan, 2014).

Like all municipalities across the state of Oklahoma, the City of Sand Springs relies heavily on sales tax- 66 percent to be exact. The Oklahoma State Auditor’s FY 2013 State Auditor & Inspector Forms give record of Oklahoma Municipal Revenues for that fiscal year with sales tax being 66 percent and services and sales ranking next at a low 13 percent. Cities like Sand Springs are often left deciding how to fund this revenue gap (Oklahoma Municipal League (OML), 2015).



Figure 1



Figure 2

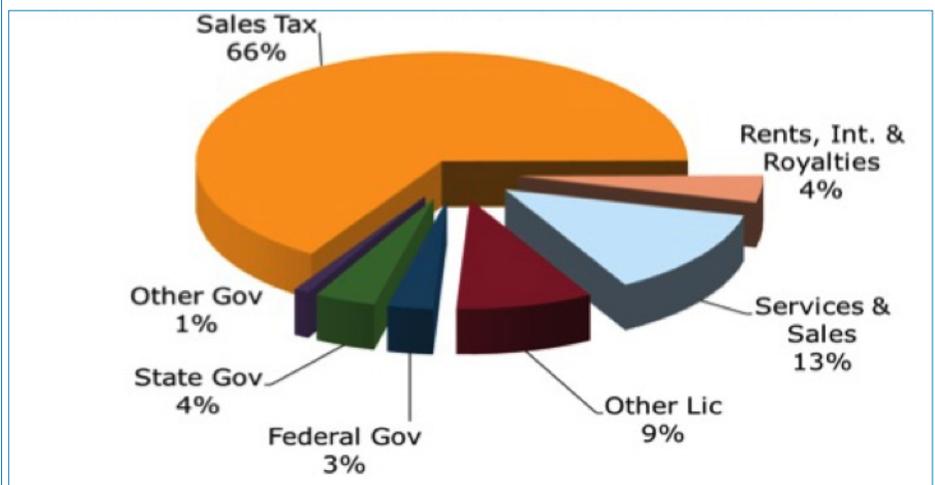


Figure 3

Figure 1-3: FY 2013 Oklahoma Municipal Tax Revenues, Oklahoma Municipal League (OML), 2015

In order to compete, cities need strong economic development strategies and plans. The City of Sand Springs does not currently have an economic development director and has recently undergone a staff transition with new people in the following positions: City Management, Planning and Marketing.

To better position itself for success, the City of Sand Springs needs to answer the question, how can a city be proactive in attracting and retaining successful small businesses, developers, employers and visitors to maintain a healthy economic balance?

This project's first goal is to create a solid foundation for the City of Sand Springs to initiate economic development. This includes collecting relevant and new data, making it easily accessible and user-friendly to a variety of audiences while also making it attractive.

I completed a needs assessment in the Summer of 2015 regarding the need for economic development data, opportunities and strategies in Sand Springs. This consisted of an information scan on the City's current Web site, files and servers as well as, a driving survey of available or abandoned properties based on Tulsa County Assessor data.

From this assessment, it appears that a variety of properties are poised for commercial, industrial and residential development in addition to a 30 acre commercial development called River West.

River West was formed with Vision 2025 sales tax funds. The current site was once full of abandoned and blighted homes while also presenting a host of environmental issues. The clearing of this 30 acres was a success for Sand Springs. However, the property sat undeveloped for several years until dirt began moving in the summer of 2014. To date, a new Holiday Inn Express and Starbucks have opened and are flourishing in the development area.

As momentum grows for the continued development of River West and other areas in Sand Springs, it is necessary to create a resource hub and to address the second goal of developing an implementation strategy that targets appropriate audiences and answers questions about incentives, marketing and cohesion with City planning.

River WEST

**A 30 Acre Commercial Development
At The Intersection Of
Hwy 97 & Keystone Expressway (412/64)
Sand Springs, Oklahoma**

ORION REALTY ADVISORS, L.L.C.
Commercial Brokerage & Development Services
Phone: (918) 248-5481 Fax: (918) 248-5476

TAPP
Development Corporation
www.tappdevelopment.com

ORION REALTY ADVISORS, L.L.C.
Commercial Brokerage & Development Services
Phone: (918) 248-5481 Fax: (918) 248-5476
Email: orionrealtyadvisors@cox.net

Figure 4: River West Development promotional Flier from TAPP Development.

RESEARCH AND METHODOLOGY

Although there is no universal definition to encompass all that is economic development, the International Economic Development Council (IEDC) (2015) best describes it as having a goal of “improving the economic well being of a community through efforts that entail job creation, job retention, tax base enhancements and quality of life” (p.3) . The IEDC explains that with no single strategy, policy or program at an International or National level, each community will have a unique set of challenges for economic development (Anderson & Garmise, n.d.).

With the priority of strengthening the municipal tax base, it is necessary to focus on a diverse set of audiences that live, work and play in Sand Springs.



Figure 5: Project audience graphic

To determine which strategies, policies, or programs might work for a given community, it is helpful to first examine and gather information on the current business climate.

According to the IEDC, businesses often relocate or expand in places with favorable business climates. Businesses look for key factors of a business climate such as: income levels, workforce, quality of life, market information and incentives (Anderson & Garmise, n.d.).

The following Community Profile and Market Evaluation list of the Sand Springs business climate was created to set the stage for appropriate data gathering that would be relevant for the various audiences' interests.

COMMUNITY PROFILE AND MARKET EVALUATION

- Location
- Climate
- Tax Rates
- Schools/Performance
- Quality of Life Amenities
- Municipal Budget
- Future Plans and Capital Improvements
- Utility Rates
- Construction Costs
- Traffic Counts
- Demographics
 - » Population
 - » Race/Ethnicity
 - » Age
 - » Income
 - » Educational Attainment
 - » Household Size
- Employment
 - » Jobs
 - » Commute In/Out
 - » Major Employers
 - » Unemployment Rate
 - » Jobs by Industry
 - » Worker Training
- Housing
 - » New Housing Starts
 - » Average Sale Price
 - » Average Rent
 - » Ownership
 - » Hospitality
 - » Hotel Rooms and Rates
 - » Number of Visitors
 - » Taxes
- Land
 - » Available Parcels
 - » Assessed Value
 - » Zoning Districts
- Office and Industrial
 - » Available Properties
 - » Rail/truck Access
- Retail
 - » Rents
 - » Available Properties
 - » Retail Sales
- Macro-Economy
 - » Location Quotients
 - » Shift/Share Analysis
 - » State and National Trends
- Local Resources
 - » Subsidies
 - » Tax Abatements
 - » Municipal Sites
 - » BIDs
 - » Organizations

To collect the relevant raw data needed to compile the Community Profile and Market Evaluation, a variety of resources were accessed: (including but not limited to) U.S. Census, American Community Survey, Indian Nations Council of Governments (INCOG), Oklahoma Department of Commerce, Tulsa Regional Chamber, Commercial Real Estate Firm CB Richard Ellis (CBRE), and the City of Sand Springs.

In addition, the City of Sand Springs completed a Community Survey in September of 2015 in conjunction with the Comprehensive Plan Update process. The survey results were useful in determining the citizen perspective of business climate and future desires.

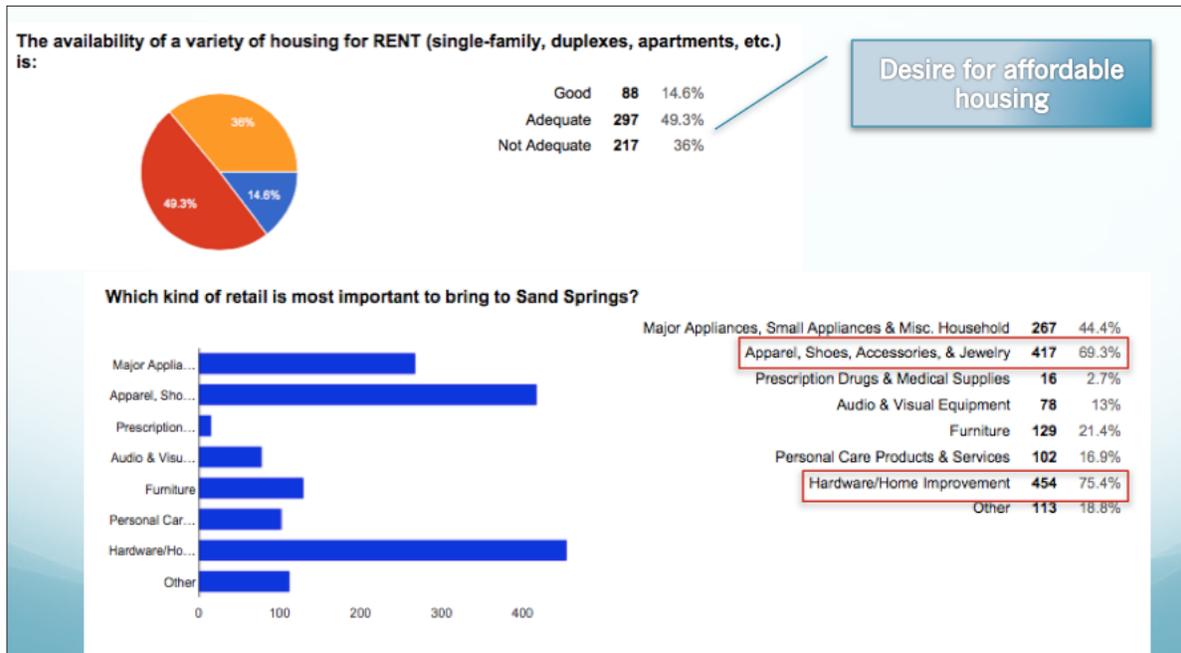


Figure 6: Survey results for housing and retail desires.

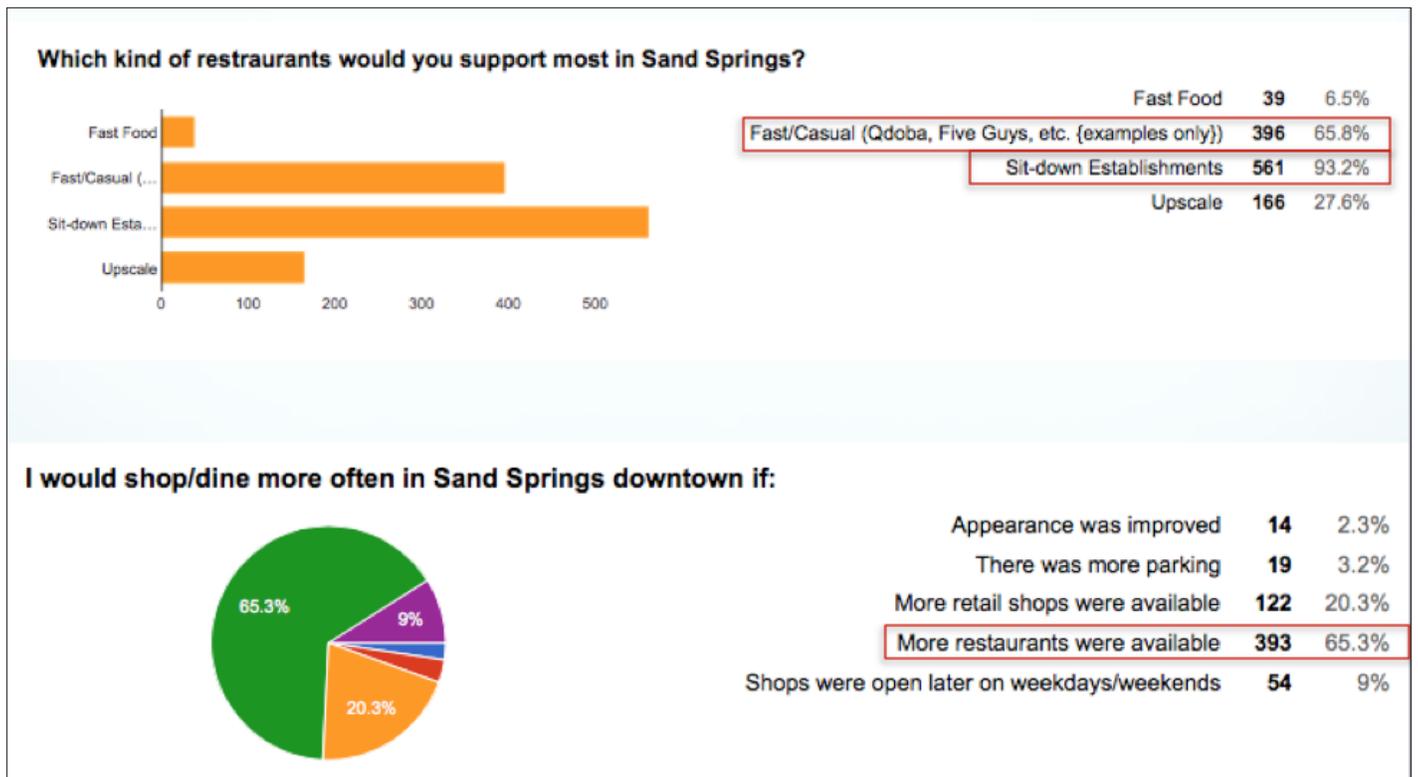


Figure 7: Survey results for dining desires.

650 citizens, or just over 3% of the Sand Springs population, participated in the Community Survey. Questions about public safety, quality of life, housing and economy were asked in the survey.

Positive responses from the survey were:

- 79 percent feel that the quality of public safety is good or excellent.
- 90 percent feel safe walking alone in their neighborhoods.
- 84 percent were satisfied or very satisfied with the response time of the fire department.
- 71 percent would definitely support redevelopment of industrial areas with 27 percent saying they would possibly support.
- 64 percent would definitely support river development (recreational and commercial) with 31 percent saying they would possibly support.
- 70 percent were in favor of additional annexation of land into the city limits.
- 74 percent were neutral to very supportive of additional multi-family housing.
- 73 percent feel positively toward park and recreation opportunities.
- Respondents describe Sand Springs with the words community, friendly, supportive and involved.

When asked about areas of challenge with needs for improvement, responses from the survey were:

- 78 percent of citizens eat at restaurants in Tulsa frequently or very frequently.
- 82 percent feel that Sand Springs needs more commercial development.
- 90 percent feel that retail/restaurant development is important for the future of Sand Springs.
- 36 percent feel the variety of housing (apartments, duplexes, etc.) for rent is not adequate.
- 75 percent feel there is a need for hardware/home improvement retail opportunities.
- 69 percent feel there is a need for Clothing/Shoes/Accessories retail opportunities.
- 93 percent listed sit-down restaurants as a high priority for restaurant development with 65 percent following closely for fast-casual restaurants.
- 46 percent feel a need for additional night-life opportunities.
- 44 percent feel the image of Sand Springs to non-residents is below average or poor.

When asked what Sand Springs should do to improve public appearance, responses were:

- 53 percent said to improve parks.
- 55 percent said to preserve the historic appearance of downtown.
- 73 percent were supportive of the demolition or redevelopment of blighted areas.

In analyzing the Community Survey data, it can be said that there are several high priority needs of Sand Springs' citizens. Citizens desire to have greater shopping and dining opportunities and wish to improve the public appearance of the town. They also desire more multi-family housing and improved land development.

To compare, data at the National level aligns strongly with Sand Springs resident perceptions. The National League of Cities' Local Economic Conditions 2015 Report lists the top three positive and negative drivers for local cities (National League of Cities (NLC), 2015).

Figure 8: Positive and negative economic drivers, from National League of Cities' (NLC) Local Economic Conditions 2015 Report.

Positive +		Negative -	
47%	Number of new business starts	40%	Skills alignment with employer needs
43%	Number of business expansions	33%	Affordable housing availability 33%
26%	Health of retail sector	23%	Demand for survival services (e.g., food banks, shelters, etc.)

Sand Springs is not currently meeting any of the top three positive drivers but is facing a lack of affordable housing and alignment of worker skills to employer needs. To address these drivers, priorities must be set to:

1. Increase business growth and retail health/strength.
2. Bring in business that aligns with current worker skills and/or encourage worker training to match current employer needs.
3. Develop additional affordable housing.

These top priorities must be a hallmark in any economic development strategy utilized by the City Administration in order to ensure success.

In line with the first goal of creating a solid foundation for economic development, research was conducted to examine the available economic development information in other regional communities.



Figure 9: Screenshot of the City of Broken Arrow's Economic Development Web page.

Communities like Owasso, Broken Arrow and Claremore have robust Web sites that serve as information hubs and connection points for those looking for economic development information. Business climate information on demographics, workforce, and quality of life can be found on these sites along with other valuable resources or links to chamber and state commerce sites.

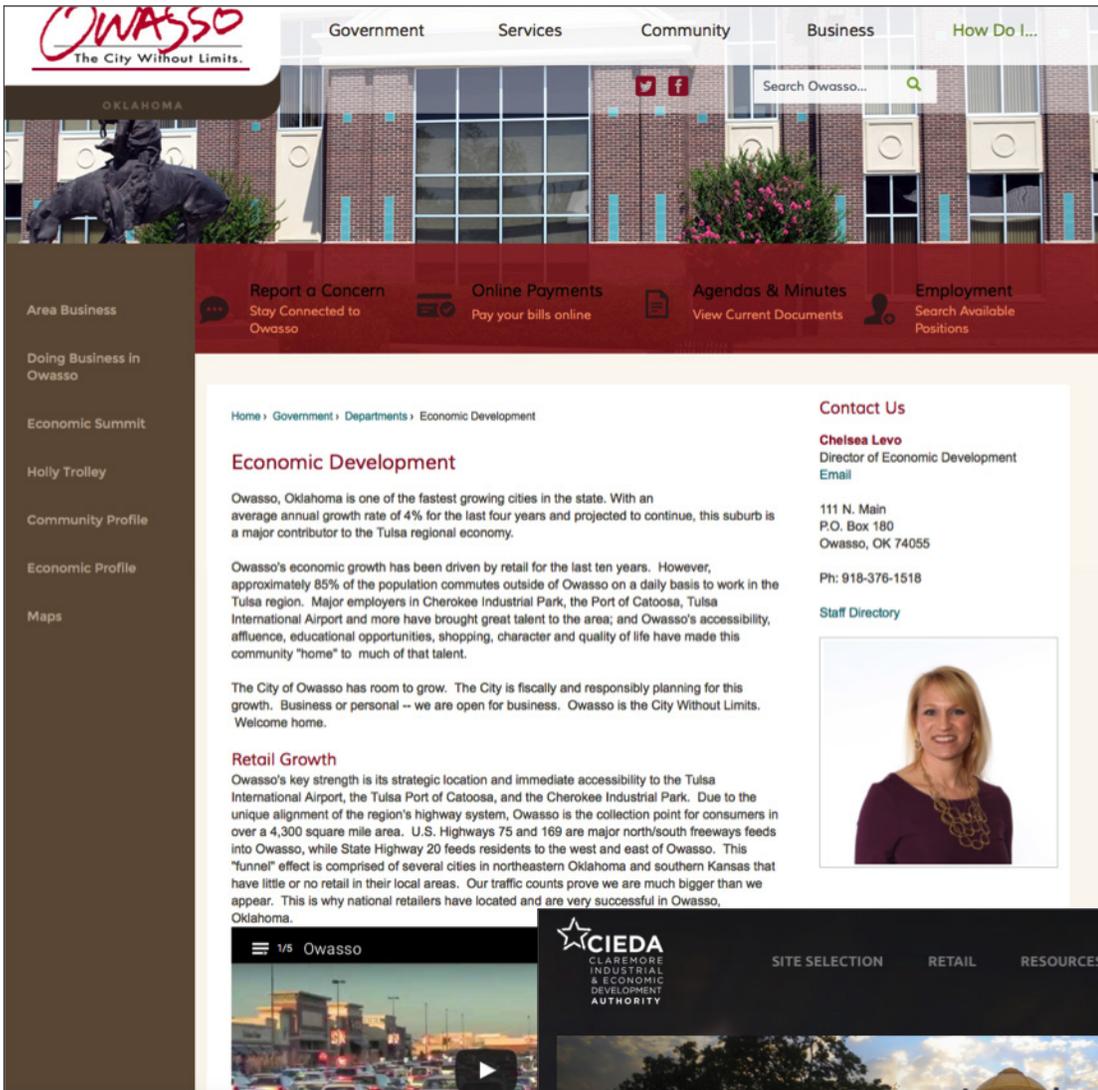
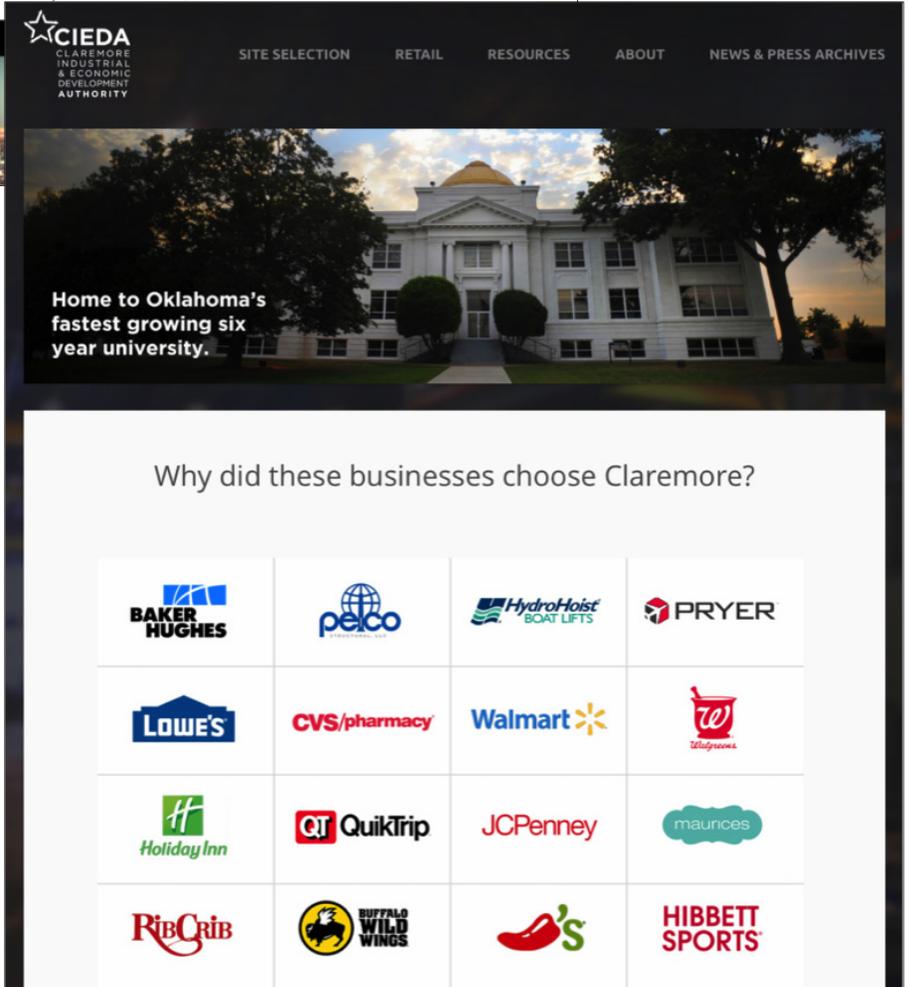


Figure 10: Screenshot of the City of Owasso's Economic Development Web page.

Figure 11: Screenshot of the Claremore Economic Development Authority's Web site homepage.



PROJECT CREATION

To compete in site selection and business attraction, solid data collection often provides a competitive advantage to cities that are able to highlight economic, industrial, and workforce trends. This type of data provided on Web sites offers 24/7 availability, which can increase the positive experience site selectors or employers have with a community (Anderson and Garmise, n.d.).

According to Development Counselors International (DCI) in a 1999 survey of national site location professionals, the role of web-based marketing increased two-fold from 1996. In the 2014 Winning Strategies in Economic Development Report, the DCI reports that 63 percent of respondents planned to utilize a Web site in their next site selection process (Development Counsellors International (DCI), 2014).

To share the Community Profile and Market Evaluation data while promoting Sand Springs to meet the three leading economic development priorities, a Web site was created.

The Web site, SeeSandSprings.com, will serve a variety of functions in addition to what is listed above: bridging the gap between City staff and potential economic interests; supplying relevant data to local businesses; and encompassing a future for tourism/attraction.

II. SEE SAND SPRINGS

In the digital age, a city's role in economic development has changed. Rather than a strict regulator of land resources, a city government must switch strategies to offer digital tools and become a resource partner. "The real role of local governments will be to increase the livability of communities, which serves as an attractor of talent." (Blakely, 2001, p.139).

Based on this approach, the See Sand Springs Web site has a major focus on livability. One can ask the question, do you see yourself or your employees living here? Photos are used to convey that Sand Springs is a livable community with many amenities that families and workers desire.

The site was developed with multiple audiences in mind. Two primary audiences are targeted as umbrella categories: business developers and visitors. As you can see by the site's tabs and calls-to-action, you can select the appropriate page or link based on how you identify yourself.

Under Developer and Business Resources, the data compiled in the Community Profile and Market Evaluation is found divided into categories: Quality of Life, Employment Data, Market/Trade Information, Available Properties, River West Development Information, Sand Springs Demographics and Incentives. Graphs, reports, datasets and photos are all available with the click of a button.

Within the Quality of Life section information on the school district, housing, amenities climate and even sports tourism are listed. The data collected for Quality of Life shows:

- A healthy school district with good rankings, grades and finances.
- Desirable amenities within City parks, an exceptional city-owned golf course and airport that can accommodate general aviation.
- High regional attraction of sports tourism.



Figure 11: Screenshot of the See Sand Springs Web site homepage.

SEE Sand Springs

Home | About | Developer and Business Resources | Visitors | 2035 Comprehensive Plan | Contact

What do you want to see in Sand Springs?



Have you ever driven out of town to eat at a certain restaurant? Do you see a vacant building that would be great for a store we don't have? Post photos or ideas to social media!

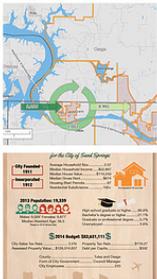
[Read more](#)



Can we partner on economic development?

Looking to grow your business? Interested in retail development opportunities? Let us help you find useful information and let you See Sand Springs as right for you!

[Read more](#)



Post. Share. #seesandsprings

918-246-2500 | planning@sandspringsok.org

Figure 11: Screenshot of the See Sand Springs Web site Developer and Business Resources Page.

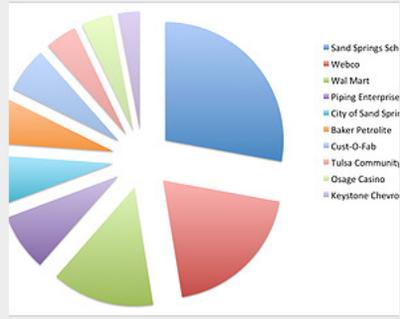
SEE Sand Springs

Home | About | Developer and Business Resources | Visitors | 2035 Comprehensive Plan | Contact

Developer and Business Resources



Quality of Life



Employment Data



Market/Trade Information

Employment data listed shows an overall potential to be considered a “bedroom community” with low unemployment and 46 percent of workers commuting outside of the community for work. Location quotients, or the concentration of employment in Sand Springs in relation to the national level, is higher in the following industries: Mining/Quarrying/Oil and Gas, Construction, Retail and Manufacturing.

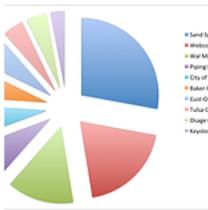
Employment Data

From top employers to commute information, check out why Sand Springs is a great place to grow your business or serve our workers! The unemployment rate for the Tulsa Metropolitan Area was 4.3% as of May 2015.



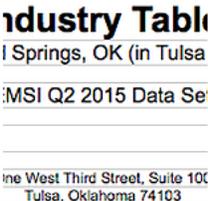
Commute In/Out

Click [here](#) for full commute numbers provided by the Census.



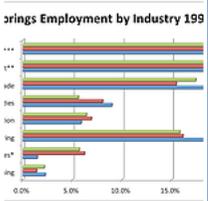
Top 10 Employers

Our top 10 employers range from the manufacturing industry to the public school system. Click [here](#) for full graph.



Shift/Share Analysis

Industry Shift/Share Analysis provided by The Tulsa Regional Chamber [here](#).



Jobs By Industry

[Sand Springs Employment by Industry](#)
[Tulsa County Employment by Industry](#)
[Osage County Employment by Industry](#)
[Tulsa MSA Employment by Industry](#)



Occupational Structure

[Occupational Structure Chart](#)



2015 Economic Profile

View the Tulsa Regional Chamber's Annual Economic Profile [here](#).

Sand Springs Chamber of Commerce

Tulsa Regional Chamber of Commerce

Figure 12: Screenshot of the See Sand Springs Web site Employment Data page.

Market and trade data gives Sand Springs a 26,000 mile capture area with a full factor of 1.31 making it more than double the average in comparison to other cities of similar size in the state. In other words, the potential to attract shoppers/diners from outside Sand Springs is high.

A property database is currently being compiled. This will include all available commercial properties for lease or purchase as well as, land in a variety of zones. The site now features highlighted properties of high priority to City Administration that are prime for development. The River West retail development site and former K-Mart Big Box site are among a selection of highlighted property fliers available on the See Sand Springs site.



CITY OF SAND SPRINGS

100 E. Broadway St. • P.O. Box 338 • Sand Springs, Oklahoma 74063
Phone: 918.246.2500 • sandsspringsok.org



Property Info

Address: 1200 E CHARLES PAGE BLVD
Lot Size: 7.39 ACS
Building Size: 84,210 sf
Year Built: 1974
Zoning: CS (Commercial Shopping)
HWY Traffic Count: 51,000+ Cars per day
Sand Springs (Median Income): \$54,831
Average Household Size: 2.63
Sand Springs Population (2013): 19,399
Property Broker:

CBRE Ben Gankow 918-665-3830

Trade Area Info

3 Mile Population – 20,620
3 Mile Avg. HH Income - \$54,600
3 Mile Avg. Age – 37.7 yrs

7 Mile Population – 74,220
7 Mile Avg. HH Income - \$51,352
7 Mile Avg. Age – 37.8 yrs

Trade Area Population – 101,938
Trade Area Avg. HH Income - \$52,736
Trade Area Avg. Age – 38.7 yrs

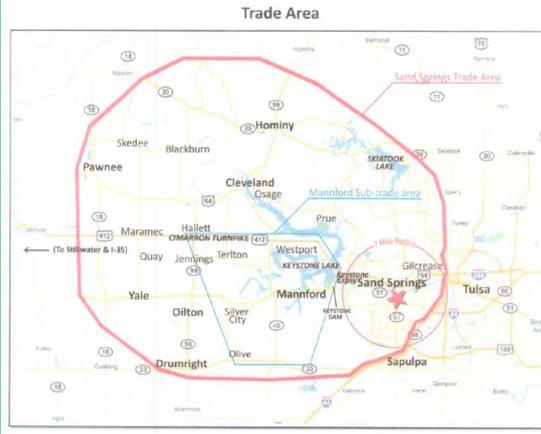


Figure 13:
Highlighted
property flier
for the former
K-Mart Big Box
space available
in Sand Springs.



CITY OF SAND SPRINGS

100 E. Broadway St. • P.O. Box 338 • Sand Springs, Oklahoma 74063
Phone: 918.246.2500 • sandsspringsok.org



Property Info

Address: 2 W. Alexander Blvd., 102 S. Main St., 1 W. Morrow Rd., or 101 S. Booker T. Washington Ave.
Lot Size: 8.4562ACS
Building Size: N/A
Year Built: N/A
Zoning: CS (Commercial Shopping)
HWY Traffic Count: 51,000+ Cars per day
Sand Springs (Median Income): \$54,831
Average Household Size: 2.63
Sand Springs Population (2013): 19,399
Property Developer: TAPP Development

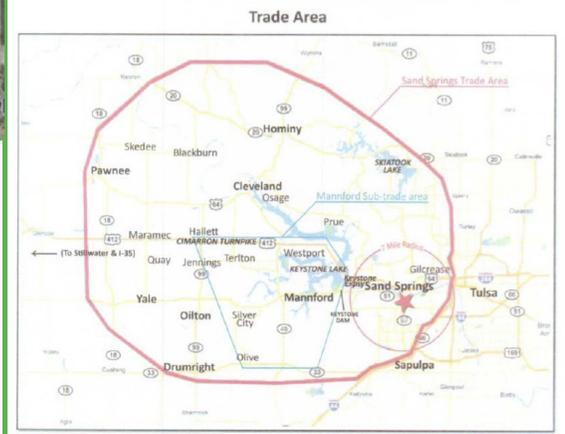


Figure 14:
Highlighted
property flier
for the 8 acre
portion of the
River West
Development.

3 Mile Population – 20,620
3 Mile Avg. HH Income - \$54,600
3 Mile Avg. Age – 37.7 yrs

7 Mile Population – 74,220
7 Mile Avg. HH Income - \$51,352
7 Mile Avg. Age – 37.8 yrs

Trade Area Population – 101,938
Trade Area Avg. HH Income - \$52,736
Trade Area Avg. Age – 38.7 yrs



ORION REALTY ADVISORS, L.L.C.
Commercial Brokerage & Development Services
Phone: (918) 248-5481 Fax: (918) 248-5476
Email: orionrealtyadvisors@cox.net

Information is available showcasing the unique history of Sand Springs, highlighted events and activities as well as, a social media feed with weekly updates on happenings in the City of Sand Springs.

Welcome to Sand Springs!

Just five minutes from downtown Tulsa, Sand Springs was built on a rich history and boasts small town charm with big features. Visit Sand Springs for a family weekend getaway during many of the community's special events or just enjoy shopping at unique boutiques, the world-class golf course and proximity to the region's best outdoor recreation.



Hospitality

Whether you're doing business in downtown Tulsa or taking your soccer team to compete at River City Park, several hotels in Sand Springs are available to accommodate your needs.
[Best Western](#)
[Hampton Inn](#)
[Holiday Inn Express](#)



History

Sand Springs is Oklahoma's only planned industrial town. In 1907, entrepreneur and oilman, Charles Page sent a group of orphaned children and widows to his land west of Tulsa to begin a children's home and widow's colony.

Page developed a total community to provide for his children's home and widows' colony. The Sand Springs Cultural and Historical Museum's permanent exhibit chronicles the story of Charles Page, the Sand Springs Home and Widow's colony, and life in an early 20th century industrial town.

The Sand Springs Museum is located in the heart of downtown in the historic Page Memorial Library Building. The building is an excellent example of art deco architecture and was built to honor Charles Page in 1929. It was listed on the National Register of Historic Places in America in 1999.

Visit the [Museum Web site](#) for more information on exhibits and hours.



Herbal Affair

Each spring, more than 20,000 people flow into the streets of downtown Sand Springs for the Annual Herbal Affair and festival.

Vendors selling herbs (of course!) and a variety of plants, arts and crafts set up for this one day event.

Visit www.herbalaffairandfestival.com for more details.

Figure 15: Screenshot of the See Sand Springs Web site's Visitors page.

What's Going on in Sand Springs?














Last updated: 12 minutes ago
Powered by SocialStream.io

Figure 16: Screenshot of the social media feed on the See Sand Springs Visitors page.

The 2035 Comprehensive Plan update and relevant information will be included in the See Sand Springs site in hopes to show the City's progress, local engagement and emphasize the City's Community Survey responses, which directly correlate to citizen shopping habits.

Last but not least, the See Sand Springs site has contact information for City staff. Providing contact information and staff photos provides an approachable attitude and engagement opportunity that will break a barrier that the City often faces when approaching businesses or citizens.

A presentation of the project and Web site was made on October 19, 2015 to the Sand Springs Department Heads staff meeting. The Department Heads group is comprised of City Administration and individual department leadership for the entire City of Sand Springs.

Discussion from Department Heads was positive, supportive of the project and all staff seemed excited about progress. Suggestions included additional resources or information that could be added to the Business and Developer Resources page. Ideas for implementation of the project were limited however, most vocalized the need for some type of thoughtful strategy.

As requested by City management, a presentation will be made to the Sand Springs City Council at an upcoming staff and Council combined workshop on January 13, 2016. Discussion with City Council will determine a public launch date and review of release materials.

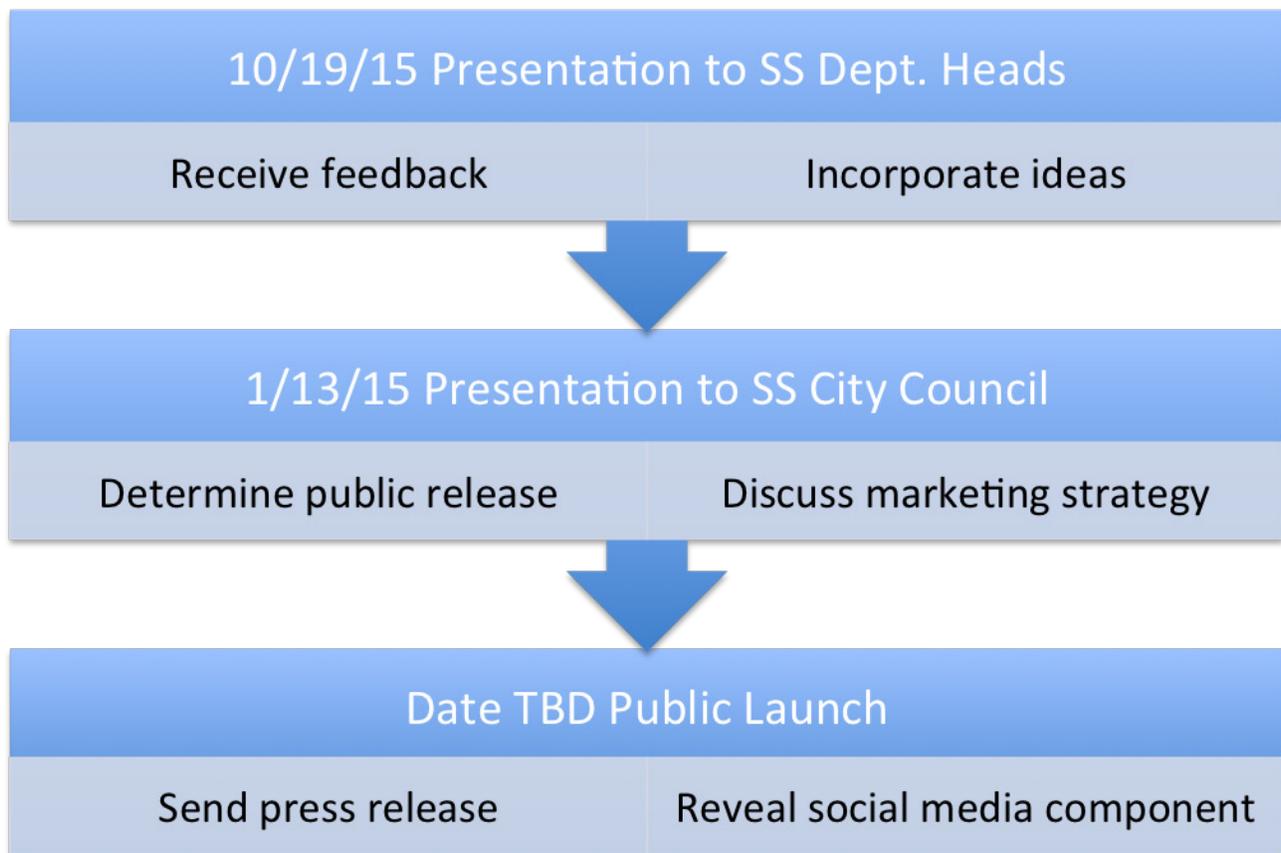


Figure 17: Estimated timeline of See Sand Springs project presentations and public launch.

In summation, the data collected through the Market Profile and Evaluation now on the See Sand Springs site highlights the potential for growth in Sand Springs. It is clear that the trade area is robust and ready for more commercial opportunities to serve the traffic coming to Sand Springs whether it be for sports tourism, jobs or shopping and dining. The scene is set to promote Sand Springs as a livable community where residents are offered a good school system, short commute within the Tulsa region and plethora of park and recreation opportunities.

III. IMPLEMENTATION STRATEGY

The See Sand Springs Economic Development Implementation Strategy has six objectives to meeting the top three economic driver priorities (Increase business growth and retail health; Business/worker skills matching; Develop affordable housing) that align with the National League of Cities' Local Economic Conditions Report.

- A. Web and Social Media Promotion
- B. Determining Development Incentives
- C. Overcoming Physical Barriers
- D. Overcoming Workforce Barriers
- E. Overcoming Stereotypes
- F. Package Marketing Strategy

All of these components work concurrently and must continue until desired measurements are met. While realizing gains in economic development might take decades or more, quarterly reviews are often common (Feldman, Hadjimichael, Kemeny & Lanahan, 2014).

More than just post evaluation, these example measures should be analyzed early and often throughout the implementation strategy. Example measures: Earnings and wealth of citizens; types of goods and services introduced to the market; quantity of jobs created; and number of homes built.

City staff should prepare a list of measureable objectives and allow for benchmarking of these objectives at the staff and Council level.

A. WEB AND SOCIAL MEDIA PROMOTION

With City Council approval, a public launch date will be set to release the Web site. For the launch day, a press release will be sent out to alert local media and a social media campaign will be initiated promoting the hashtag, #SeeSandSprings.

Social media users will be asked to share what they could see in Sand Springs, whether that be a company providing local jobs or new restaurant they've seen elsewhere. The social media campaign will encourage use beyond Sand Springs residents, asking visitors of parks, hotels, schools, etc. to also become a part of the vision.

A short viral video will accompany social media promotion utilizing both the hashtag and a direct link to the site. Paid social media advertising or "Facebook Boosts" should be utilized to increase the amount of attention at a low cost to the City.

In addition to a public launch, the City will host a business forum through Google's "Let's Put Your City on the Map" program. Google's program supports communities through a series of courses to partner with local businesses and update their web presence through Google tools. The program will enhance

relationships with the City, local businesses and local Chambers. It will also give a platform to discuss the See Sand Spring site and need for continued communication about available properties, resources and local business needs.

B. INCENTIVES

Do incentives create jobs? Do incentives generate revenue? After decades of research and experimentation, no clear conclusion has been found. The only clear evidence is that incentives can be challenging to support and produce a cyclical effect of starving governments of resources they need to provide services.

The following types of incentives are used nationwide to attract new business:

TAX BASED

Local governments often use tax-based incentives to encourage, expand or maintain local businesses to their city. A staggering 59% of American communities reported offering some form of tax-based incentives in 2004. These incentives include use of direct tax benefits, that include abatements of existing taxes or credits against potential tax liabilities and the use of tax increment financings (TIFs) of business-oriented infrastructure projects (Felix & Hines, 2013).

“Heavily populated cities and counties, those with low median incomes, and those with larger concentrations of manufacturing industries, are the most likely to offer business incentives.” (Felix & Hines, 2013, p.81). This conflicts with the need for economic activity that is greatest in the poorest communities where business tax incentives are somewhat less effective there (Felix & Hines, 2013).

Because the level of economic activity can be influenced by so many factors it is often difficult to discern which factors correlate with incentives therefore, making it difficult to determine if tax-based incentives are appropriate.

A tax increment is the difference between the amount of property tax revenue generated before a TIF district is designated and the amount of property tax revenue generated after designation. TIFs can be financed only in cases in which it might reasonably be anticipated that the revenues will rise as a result of greater infrastructure expenditures, and this design feature makes it very difficult to use them in the poorest of communities (Felix & Hines, 2013). For revenue generation, TIFs are most beneficial in places with high property taxes. Many states may allow TIF access to retail sales taxes but these are often weak revenue generators (Peterson, 2014).

The Effects of Tax Increment Financing on Economic Development lists four motives toward utilizing TIFs: Market Failure, Blighted Area, Bidding War or Revenue Shifting. If a TIF enables a municipality to correct market failures, the municipality will grow faster than they would otherwise. If a TIF redistributes growth to blighted areas, it may grow slower. A combination of motives may provide stagnation of growth (Dye & Merriman, 2000).

A variety of equations are available to determine the effectiveness of adopting TIFs, one being the well-known Chamberlain Fixed Effects Logit and others like the TIF Adoption Equation.

TIF adoption often comes at a cost. A negative relationship has been found between TIF adoption and growth. When governments reallocate improvements, it becomes less productive in its new location. Raw data on TIF adoption shows a “devastatingly negative” impact on municipal growth (Dye & Merriman, 2000). Stimulating growth in one blighted area comes at an expense to the rest of the town.

PLACE BASED

Place Based Incentives such as Federal Empowerment Zones or Enterprise Zones, were created to increase economic opportunity in high-poverty areas. These programs include social services grants, loan guarantees and tax incentives for businesses in these zones (Smith, 2015).

Conclusions on place-based incentives are mixed, though there is data to show that these programs can have positive results for retail, small and minority businesses (Smith, 2015).

REVITALIZATION BASED

Business Improvement Districts (BIDs) are a rapidly growing trend among cities desiring to revitalize downtowns or neighborhoods in their community. BIDs are considered a “reincarnation of special districts”, providing public services while possessing the power to tax member properties (Meltzer, 2012,p.67). BIDs are a defined area where the businesses inside are required to pay additional taxes to fund projects within that district.

Research has found that BIDs are more likely to form in areas that show signs of appreciation and growth. They do not appear to be a tool for starving off neighborhood decline in areas with little or no growth (Meltzer, 2012).

NON-TAX INCENTIVES

Providing infrastructure projects. Waiving permitting or building fees. Free land. These are all excellent examples of non-tax incentives found across the nation. The Incentives Environment Index (IEI) provides the constitutional clauses governing non-tax economic development incentives and thus, what each state allows. The number and type of incentives available is an important factor in determining which incentives to use (Center for State and Local Finance (CSLF), 2014).

INCENTIVE CONCLUSION

The new age of economic development policy should refocus on providing the “...foundations for growth through sound fiscal practices, quality public infrastructure, and good education systems.” (Peters & Fisher, 2004, p.36). And an even broader focus can be simply put as achieving quality of life.

For Sand Springs, the most appropriate tools to use for an initial economic development kickstart would be a combination of non-tax incentive projects, limited tax abatements and tax credits. It is this project’s recommendation that a more sustainable strategy driving away from incentives be established in conjunction with a one-time phase of incentive programs. The City of Sand Springs currently owns some properties that could be gifted for incentive purposes. An inventory of “giftable” properties should be created and prioritized to match the appropriate retailer.

A draft economic development incentive policy has been created to accompany the development of incentive packages and is found in Appendix A. The policy highlights potential incentives as well as, the process a business must go through in seeking any incentives. The policy will be available on the See Sand Springs site as well as, the City of Sand Springs site. This policy will become a clear set of steps which allow City Administration to properly tailor an incentive package (if any) that may be appropriate for applying businesses.

C. OVERCOMING IMAGE AND PHYSICAL BARRIERS

In the Sand Springs Community Survey, 42.5% of participants responded that the city’s image to non-residents was “poor” or “below average”. Only 36% felt that the image was “good” to non-residents.

To assist in overcoming negative image issues, a portion of the Vision Sales Tax Renewal (recently approved by Sand Springs residents in an October 13, 2015 vote) will be used for cleanup of the Keystone Highway Corridor. This includes continued litter pick-up, removal of overgrown vegetation, the addition of nice fencing and potential removal of blighted buildings.

A continued effort of neighborhood cleanups with local churches, schools and civic groups will boost community interest and engagement in the process of overcoming this physical barrier.

An often ignored physical barrier is the abandoned or unused properties owned by majority property owner, the Sand Springs Home. The Sand Springs Home's history in Sand Springs is one of rich philanthropy and heartwarming stories. The mission behind the Home's beginnings to house and nurture families of widowed women and orphaned children has set a strong example of generosity for the community, which still lives on today. In the decades of existence, the Sand Springs Home has acquired many acres of property within the city's fenceline. Many of these properties are currently unused, not leased and could be considered abandoned under common real estate terms.

Goals for the Home's use of properties is unknown, however the mission of the Home is to provide lifelong funding of the housing and services provided for families living in Sand Springs Home facilities.

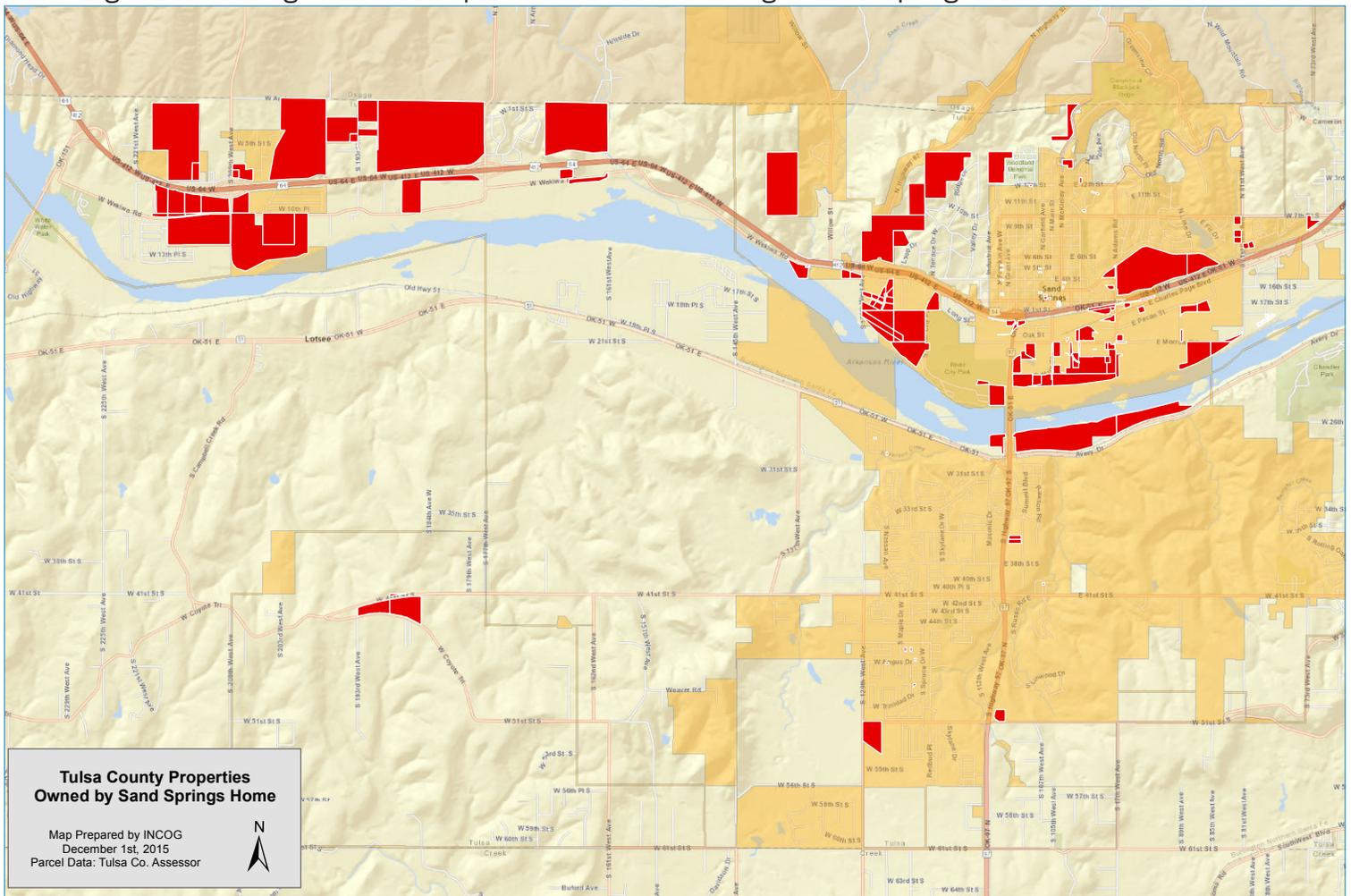


Figure 18: Map of properties owned by the Sand Springs Home, from INCOG, 2015.

While relationships exist between City Administration and the Sand Springs Home board, a differing mission is apparent. Efforts to work towards a similar mission of supporting economic development for sustainable growth in Sand Springs are necessary.

This project suggests the need for an interactive workshop between City Council, City Staff and Sand Springs Home Board Trustees. Within the workshop, presentation of this project will lead to discussion of collaboration. At a minimum, the workshop will result in the forging of a new partnership and engagement which could create additional ideas for community growth.

D. OVERCOMING WORKFORCE BARRIERS

The labor-demand model is more prevalent in Rustbelt, Farm Belt and Energy states. In other words, people are more likely to follow jobs (Partridge & Rickman, 2002). Sand Springs was once a hub for manufacturing businesses and has been known as a traditional “blue collar” town. Four of the 2014 top 10 employers in Sand Springs are in fact, within the manufacturing industry. As a state, Oklahoma ranks somewhere in the middle of top performing manufacturing states.

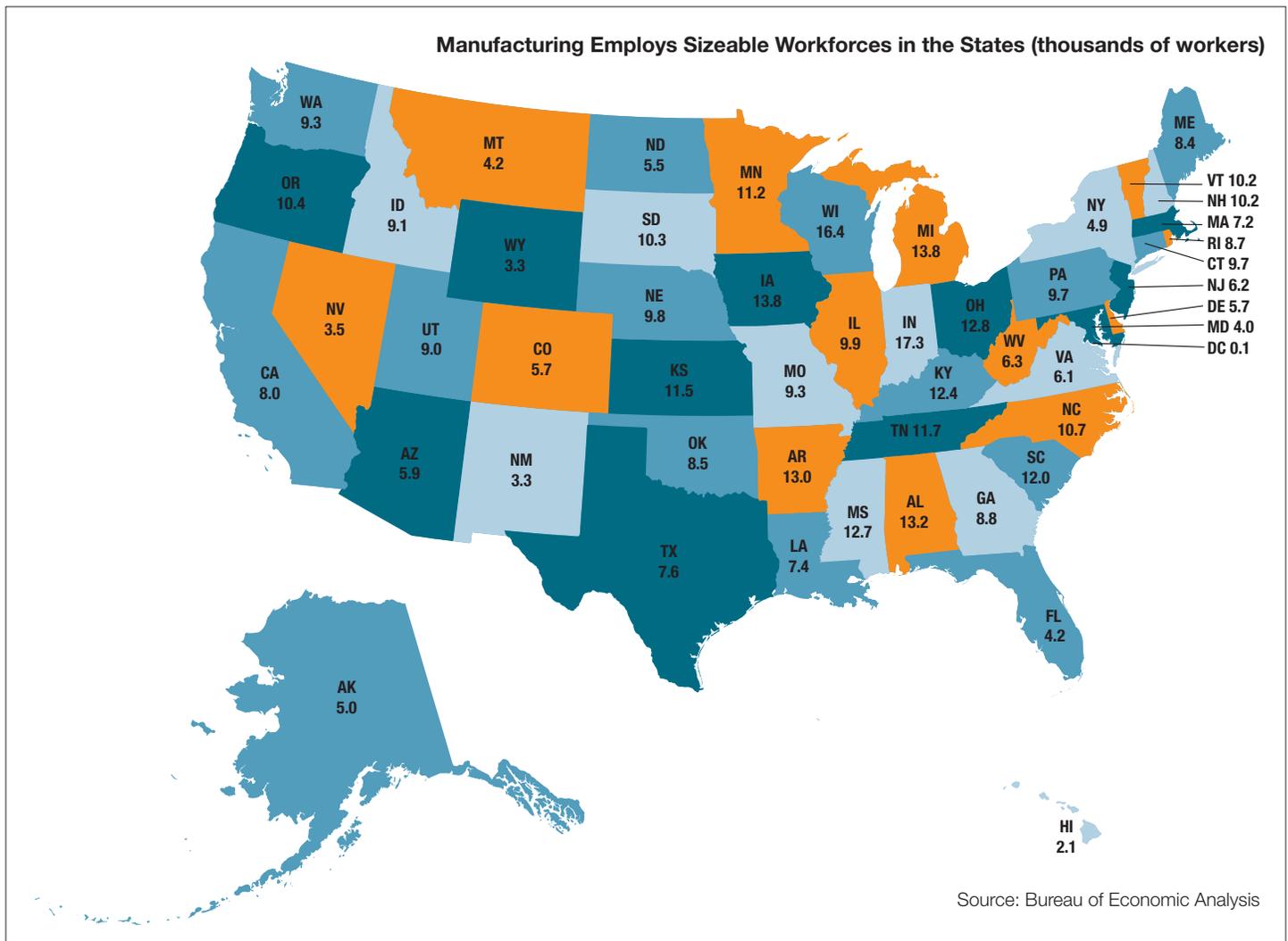


Figure 19: Manufacturing employment in thousands, by state.
Sources: Bureau of Economic Analysis and National Association of Manufacturers (NAM).

Properties like the former box factory and Gerdau Steel can be marketed to bring back manufacturers and restore the thriving industry which grew a once unique community within the Tulsa region. An index of land-use conversion can be utilized to target industries and sites which may be profitable in manufacturing uses (Lester, Kaza, & Kirk, 2013).

Forty-nine percent of manufacturers surveyed nationwide by the National Association of Manufacturers stated that it was challenging to attract a quality workforce (National Association of Manufacturers (NAM), 2015). To match the desire of restoring a manufacturing workforce, skill development within schools must run simultaneously. This will also result in a strong selling point to manufacturing companies interested in relocating to Sand Springs.

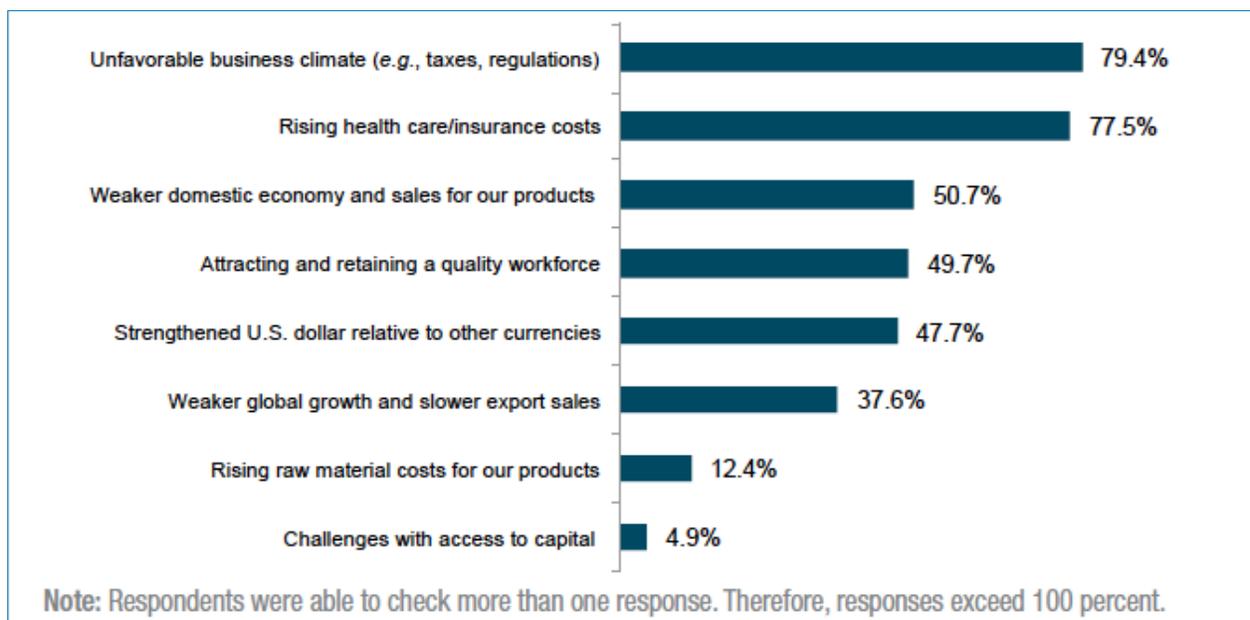


Figure 20: Primary current business challenges in the manufacturing industry.
Source: NAM, 2015.

A relationship with the OK2Grow organization has been established within the City of Sand Springs. Manufacturing and mechanical skills development is occurring at Charles Page High School in Sand Springs and internship roles will be developed within specific departments at the City.

Workforce development has not traditionally been a focus for city governments but, economic changes and the increased need to retain and attract businesses has increased the number of cities engaging in these activities (NLC, 2015). The most common way cities can engage in workforce development is by communicating with local businesses about their needs. The City of Sand Springs should utilize the list of top 10 local employers and actively engage in conversations to determine workforce objectives and methods of collaboration.

To maintain a robust workforce, an increased attention to entrepreneurship is also necessary.. “Entrepreneurs are the agents of change in an economy” (Feldman, Hadjimichael, Kemeny & Lanahan, 2014, p.7). Economic development that fosters innovation and entrepreneurship is a long-term solution. The City’s role in entrepreneurship can be one of providing business incentives like waiving permit fees, offering lowered utility costs for qualifying start-up companies or even housing a business incubator. This project suggests utilization of the above techniques in conjunction with resources offered by the local Chamber such as reduced internet/cable services, free advertising and member business exchange.

E. OVERCOMING STEREOTYPES

While the return of the manufacturing industry to Sand Springs can be a positive force in employment and economic prosperity to the community, the presence of a blue collar stigma could reinforce regional stereotypes that exist of a low-income, rural town.

Natural assets such as proximity to downtown Tulsa and topography must be promoted to strengthen the Sand Springs image as a premier commuter outdoor living community.



Figure 21: Photo of The Canyon's at Blackjack Ridge public golf course.

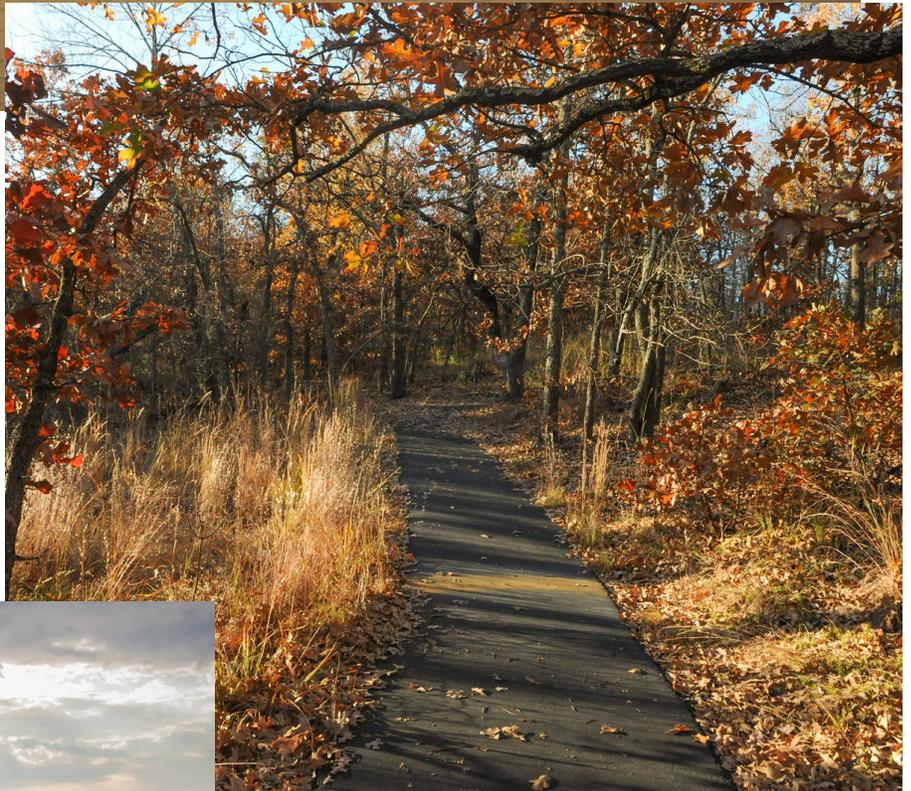


Figure 22: Photo of a plane on the runway at the Pogue Airport.



Figure 23: Photo of the Keystone Ancient Forest Nature Preserve.

Targeted promotion of the City owned golf course, The Canyons at Blackjack Ridge, the Keystone Ancient Forest, Pogue Airport and River City Park should be developed in the following forms:

- Brochures
- Web and Social Media
- Local tourism and attraction publications
- Presentations to local civic groups, travel organizations and Chambers
- Continued positive working relationship with sports groups using River City Park

F. OVERALL MARKETING STRATEGY

The DCI Winning Strategies survey asks client respondents to rate the effectiveness of seven conventional marketing techniques used by economic development groups (DCI, 2015).

A combination of all listed techniques would prove progress for the City of Sand Springs, however attention to the top five techniques should be of priority and is suggested for this project's strategy.

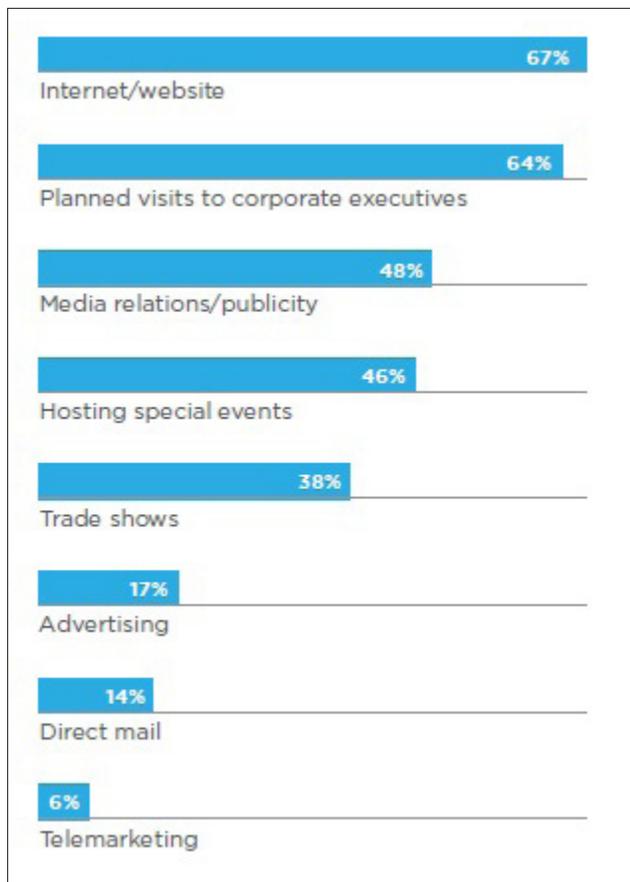


Figure 24: Effective marketing techniques used by economic development groups. Source: DCI Winning Strategies client survey, 2015.

1. Internet/Website- The See Sand Springs site will serve as the source for an internet presence in the overall marketing strategy. Inclusion of the web address in all economic development correspondence is necessary to created earned attention.
2. Planned visits to corporate executives- City Administration must prioritize top industry, retail and restaurant leaders to target. With assistance from the Tulsa Regional Chamber, meetings to discuss business growth and location to Sand Springs will lead to (at a minimum) relationship building and interest. Informational packets should be given to top industry leaders including See Sand Springs site address, highlighted property fliers and tailored information relevant to each industry.

3. Media Relations/Publicity- Positive media relations is a stepping stone to positive impressions of the City. Adoption of a Media Relations Policy will serve as a framework for professional dialogue and continued engagement with local media entities. Continued promotion of the City's "Things We Do Well" campaign can gain earned media attention that will result in constructive publicity for removal of stereotypes and focus on quality of life.
4. Hosting Special Events- Something Sand Springs does well is host special events. The Sand Springs Herbal Affair and Festival is the state's largest of its kind and boasts a history of 26 successful years. Other events such as the Chamber's Chillin' and Grillin' have attracted attention from National BBQ competitions and the Great Raft Race made a return in September 2015 to the banks of the Arkansas River with a launch in Sand Springs. Sustained efforts to support these successful events should continue at the City level.
5. Trade Shows- Attendance and participation in conferences/trade shows will enable City staff to have dialogue with various industries. An innovative approach to attract new businesses not currently seen in the state could generate unique opportunities that fit the unique atmosphere that is Sand Springs. Suggested trade shows/conferences for the 2016 FY are: NAM Manufacturing Summit, ICSC National Conference, and the IEDC Future Forum.

For direct marketing of specific properties to retail and restaurants, the City has purchased user rights to Retail Lease Trac, an online database and communication software that allows the user to contact site locators and other decision-makers. This tool shares property brochures, area demographics and relevant information with just a few button clicks. Retail Lease Trac ensures reliable contact information and provides support for users.

IV. CONCLUSION

This project's two goals, 1. Create a solid foundation for economic development and 2. Creation of an implementation strategy, are met by: the development of the See Sand Springs Web site, which serves as a resource hub for relevant data sought by businesses and developers; and creation of the implementation strategy to utilize the site, appropriate incentives and other economic objectives.

By utilizing the compiled resources, tools and strategy created by this project, Sand Springs staff will be on a more level playing field when attempting to grow a municipal tax base.

In addition the following recommendations are made to enhance the project's goals and provide a direct channel of action for City staff and City Council:

1. Prepare a list of measurement objectives and allow for benchmarking of objectives at the staff and Council levels.
2. Set a public launch date of See Sand Springs site and initiate social media promotion.
3. Utilize a combination of non-tax incentive projects, limited tax abatements and tax credits.
4. Set a long-term, sustainable strategy without incentives.
5. Create an inventory of City owned property that could be given as an incentive.
6. Adopt an incentives policy to direct the long-term process of economic development.
7. Continued engagement with local churches, schools and civic groups to further neighborhood cleanup efforts.
8. Hosting an interactive workshop between City Council, City staff and Sand Springs Home Board Trustees.
9. Tailored promotion of the former box factory and Gerdau Steel property.

10. Continued engagement with OK2Grow and development of internship opportunities.
11. Utilize the list of top 10 local employers and actively engage in conversations to determine workforce objectives and methods of collaboration with local businesses.
12. Provide attention to entrepreneurship in the form of permit fee waiving, lowered utility costs, a business incubator, reduced internet/cable fees, free advertising and a member business exchange of Chamber members.
13. Targeted promotion as a premier, outdoor living community with specific marketing of assets such as parks, golf course, airport and Keystone Ancient Forest in a diversity of forms.
14. Utilizing the Web site, visits to business firms, publicity, special events and trade shows to promote the information gathered in this project along with the many assets listed above.

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APPENDIX A: DRAFT RETAIL INCENTIVE POLICY



DRAFT
Retail Incentives Policy
City of Sand Springs, Oklahoma

Statement of Purpose

The purpose of this policy is to provide criteria for identifying situations where it is desirable and suitable to provide incentives for private development in the retail sector and support redevelopment and revitalization of underserved areas.

Goals and Objectives

The City of Sand Springs recognizes that the most effective incentive for economic development is being a livable and vibrant community. It is recognized that Sand Springs, like all cities in Oklahoma, is heavily reliant on sales tax revenues to support the City's General Fund. In order to provide the levels of programs and services necessary to remain a vibrant and livable community, the sales tax base must continue to grow. The goal of this policy is to ensure that Sand Springs continues to be a great place to live and serve surrounding rural areas in retail. This policy is intended to support commercial retail businesses that:

- 1) Increase sales tax revenue through direct sales, purchases by employees and purchases from the City of Sand Springs vendors;
- 2) Increase ad valorem revenue to the City, Tulsa County, school districts located within the City and other local and area education and governmental entities that benefit therefrom;
- 3) Enhance property values within the City;
- 4) Contribute to the economic well-being of the citizens and residents of the City, Tulsa County and the State of Oklahoma.
- 5) Diversify the local economy, provide economic stimulus for additional employment and other development, and provide training and employment opportunities in services, sales and management skills.
- 6) Contribute to an expansion of economic development opportunities in the City of Sand Springs through participation in public-private partnerships. If applicable, such efforts may include:
 - a. Providing enhancements to public infrastructure.
 - b. Encouraging private investments into facilities that increase the efficiencies of public transportation systems.
 - c. Increasing efficiencies of public access and convenience to engage in private commercial activities.

Economic Development Tools

It is recognized that each potential project may have different needs and each incentive will likely need to be tailored to particular projects. Economic development tools include, but are not limited to:

- Sales tax reimbursement
- Tax abatement
- Tax increment finance districts
- Investment in infrastructure
- Lease of publicly owned facilities or sites
- Gift of City owned property
- Business Improvement Districts
- Non-tax incentives such as waived building or permit fees

Eligibility Criteria (sales tax reimbursement)

Every proposal will be evaluated on its individual merit and overall contribution to the City's economy. An application may be for a stand-alone retail business, for development that includes multiple retail businesses or for development in an underserved area or area in need of redevelopment. Meeting eligibility criteria described herein does not guarantee incentives will be approved. The following criteria (recognizing a proposal may address some but not all criteria) will be used to evaluate whether a particular proposal may qualify for incentives:

Guidelines

Minimum requirements for applicants

- Stand-alone retail: Retailer must have projected annual gross retail sales of \$500 thousand by the third year of operation.
- Multi-business development: If the application is for a development with multiple businesses the project must contain at least 100,000 square feet.
- Underserved or distressed area: Locations within an enterprise zone, designated USDA food desert, or adopted as within the City's Comprehensive Plan as a deserving area.

Submission of Retail Incentives Proposal (RIP)

A company desiring to receive incentives from the City must submit a proposal to the Planning and Economic Development Department that includes, at a minimum, the following:

- 1) A description of the type of business and projected annual sales.
- 2) Identify specific project location and provide a description of infrastructure needs or unique, public utility service needs.
- 3) A description of initial plans for development, including a timeline for design, construction, hiring, and operation, as well as plans for any future expansion.
- 4) An estimate of planned capital investment that corresponds to any phasing for development and expansion.
- 5) The planned number and function of new full and part-time employees.
- 6) A narrative description and any other information that demonstrates how the applicant meets and/or exceeds the criteria set forth in this policy.

The applicant must provide sufficient information to allow staff to conduct an analysis of the direct and indirect impacts of the project.

Evaluation of Proposal's Public Purpose

The Retail Incentive Committee, the Sand Springs Development Authority and Sand Springs City Council will evaluate the public purpose served by the proposed development using the following criteria:

- 1) The way in which the public benefits compare to the way in which private parties may benefit;
- 2) The overall primary effect of the public expenditure;
- 3) The consideration given for the expenditure;
- 4) The location or site improvement of a particular project;
- 5) The creation of job opportunities;
- 6) The comparison of private dollars involved in a project to the number of public dollars;
- 7) Increased tax and/or other revenues;
- 8) Competition with other localities;
- 9) Nature and scope of public improvements to be constructed by retailer/developer.

Limits of Sales Tax Reimbursement

Should the evaluation of the proposal determine that the proposed retail project meets public purpose and other requirements stated herein, the calculation of the Sales Tax reimbursement is subject to the following limits:

- \$1 million maximum reimbursement per project for public infrastructure improvements. Annual amount available for sales tax reimbursement for the total of all projects is capped at 1 percent of

budgeted General Fund Sales revenue in the City fiscal year.

- Maximum term of incentive payment is 10 years.
- Annual amount of reimbursement is subject to the City's annual appropriation funds in the City's fiscal year budget.

Performance Standards

Any company receiving monetary incentives from the City will be required to enter into a development agreement. Each development agreement will vary based on the specific project. But all such agreements shall set specific performance goals (ie: gross retail sales) and the consequences (ie: failure to generate sufficient sales over the allocated period to be fully reimbursed, the retailer would forfeit the remainder) to the company of not meeting such goals.

Monitoring and Evaluating Compliance

A company entering into a development agreement must submit quarterly reports to the Planning and Economic Development Department for internal distribution. These reports must demonstrate the progress the company has made toward the performance goals outlined in the performance agreement. City staff will use these quarterly reports to conduct an annual compliance evaluation.

Process for Retail Incentives Proposal (RIP)

- 1) Contact the Planning and Economic Development Department within the City of Sand Springs for proposal guidelines.
- 2) Pre-Application conference with City Management and/or Planning and Economic Development Staff
- 3) Initial Application full completed and submitted to the Planning and Economic Development Department.
- 4) Review of RIP by the Retail Incentive Committee.
 - a. Committee Consists of a representative from the following:
 - i. Planning and Economic Development Department
 - ii. Public Works Department
 - iii. Finance Department
 - iv. City Administration
 - v. City Council
 - vi. Marketing Department
- 5) Analysis and determination of Project Plan's eligibility/feasibility by the Retail Incentive Committee.
- 6) Staff prepares a development agreement for approval by the City Manager.
- 7) Staff schedules a review by the Sand Springs Economic Development Authority.
- 8) City Council approval of development agreement by resolution.
- 9) Staff serves as project manager for development agreement (includes notification of proper financial entities/departments)

