



2018-2022

INCOG-EDD Economic
Development Plan

Comprehensive Economic Development Strategy (CEDS)

Approved and Submitted by



INCOG Economic Development District
to the



US Department of Commerce
Economic Development Administration



A Comprehensive Economic Development Strategy (CEDS) is a strategy-driven plan for regional economic development. It is a key component in establishing and maintaining a robust economic ecosystem by helping to build regional capacity (through hard and soft infrastructure) that contributes to individual, firm, and community success.

Throughout 2017, the CEDS Committee conducted several meetings to ensure that the updated 5-year strategy appropriately represented the region and addressed the criteria established by the U.S. Economic Development Administration (EDA) to qualify for assistance under the EDA Public Works and Economic Adjustment Assistance programs.

INCOG and the INCOG-EDD Board express their sincere thanks to everyone who devoted their time and efforts in the development of this document.

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CONTENTS



Document Summary.....	2
A Look Back	4
Where We Are	7
SWOT Analysis	8

Demographics	9
Action Plan	11
Goals	13
Appendix	18

Document SUMMARY



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 forged to bring economic development opportunities to the region. The most 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. A number of the economic development successes that resulted from the 2013-2017 CEDS are described on the following section. These successes, however, were unable to offset the economic shock that hit the region in late 2014 when the energy market collapsed.¹ The INCOG-EDD did not fully account for the external threats that could cause an economic shock and what would be needed in the region to ameliorate the consequences of market forces and state-level policies. This newly developed CEDS encourages the adoption of measurable goals adopted herein to ensure the region does not get caught flat-footed when the next economic shock hits.

The successes that the region experienced over the last five years helped to develop a new approach to economic development. The consequences of the 2014 economic shock also require an enhanced approach and attitude toward regional cooperation. As others began to witness how local governments and regional organizations were finding ways to utilize existing assets to create opportunity, private investors took notice, as well. Old buildings and underutilized properties were purchased, renovated and repurposed in an effort to revitalize the community and meet business needs in conjunction with creating economic opportunity. To further this cause, for example, a *Smart Growth Workshop* was held in Pawhuska to bring people together to learn about where the potential in their community exists and how to best realize a shared vision of future growth.

Developing a resilient region requires an understanding of where the competitive advantages of your region exists. In 2017, Tulsa learned that *INRIX Research* identified it as one of the *Top 10 U.S. Cities for Shared Highly Autonomous Vehicle Deployment*. To help promote the city as an ideal area for the location of businesses and R&D in the field of autonomous vehicle (AV) and connected vehicle (CV) technology, Tulsa can partner with state agencies and businesses that have an understanding of how to

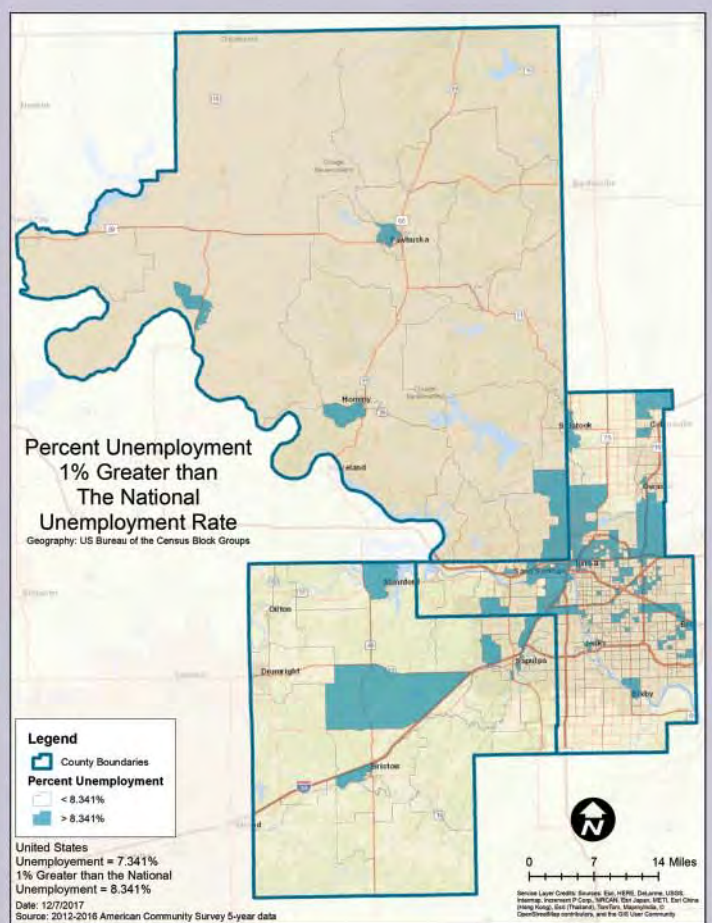
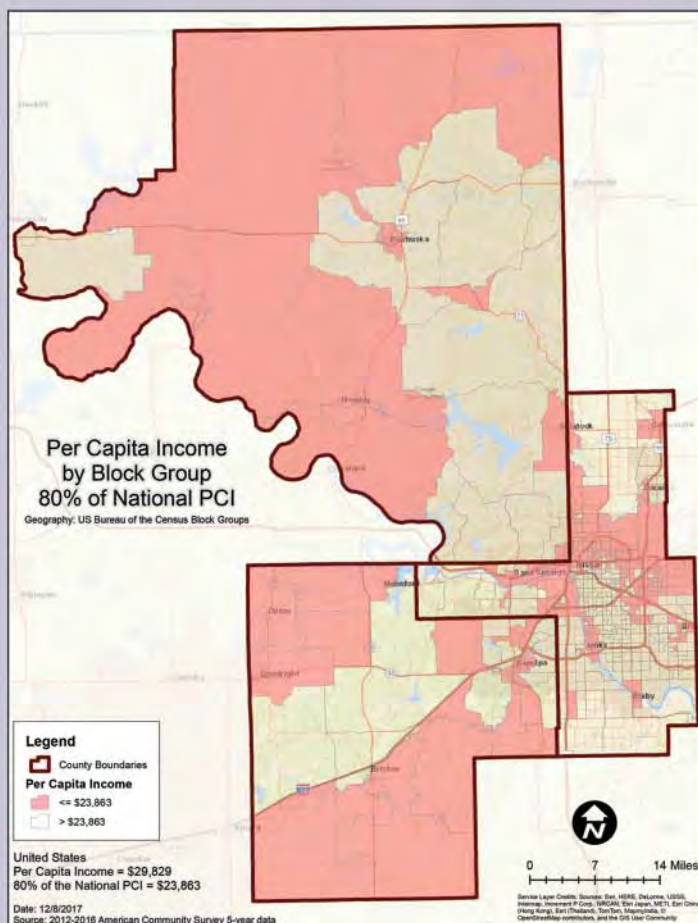
accommodate the needs of these technologies to create an economic sector that will bring opportunity to the community. Tulsa was selected over Chicago, IL to be the location for the corporate headquarters of *Logistyx Technologies*, a logistics software solutions provider. In 2016, the City of Sapulpa welcomed the news that *SeneGence International* will be moving its global headquarters to the community from Los Angeles. The company will construct a manufacturing and distribution facility that will bring up to 1,500 jobs over the next ten years. Pawhuska is receiving significant attention as a result of the entrepreneurial success of one of Osage County's residents and the opening of her *Mercantile* in the town's historic downtown district. Pawhuska is working to ensure that it is able to responsibly appropriate the influx of new revenues to benefit the future of the community.

One area of weakness of the INCOG-EDD is workforce. A recent *Comprehensive Regional Workforce Assessment* for the Tulsa Region

commissioned by the Tulsa Regional Chamber identifies the challenges that the 2018-2022 CEDS will work to resolve. The report states, "...when [workforce] demand is high and supply is tight, it is absolutely critical for the community to demonstrate the ability to meet the needs of current and future employers through workforce development efforts. One broad, but common theme throughout...is that, compared to other very competitive communities in production related sectors, Tulsa's employers report generally tepid satisfaction with workforce development engagement in the region." Despite this limitation, the strengths of the INCOG-EDD can be leveraged to overcome constraints and address workforce needs. The Tulsa Region is listed in the Top 30 of *the surprisingly short list of US metro areas achieving inclusive economic growth* which is becoming an essential component "to building a dynamic regional economy that generates middle-class jobs and expanding pathways to those jobs with customized training programs."

The CEDS supports the cooperation of its communities, in conjunction with the private sector, to develop or take advantage of existing statutory tools² to create opportunities that will directly or indirectly benefit regional communities. By doing so, the INCOG-EDD sends a signal to other in-state and out-of-state observers that there is a benefit to investing in the region. The strategy that is developed herein is a tool for the communities and counties that represent the INCOG-EDD to use in their respective economic development pursuits to create opportunity and a resilient region.

The CEDS Committee takes with it an understanding of what is needed in the region to mitigate the consequences of economic shocks. Continuing to build on the public and private relationships that helped realize many economic development outcomes over the last five years is the bedrock of what will make the next five years a success.





A LOOK BACK (2013-2017)

In the fall of 2012, the Osage County Industrial Authority opened a 20,000 square foot business incubator building in Pawhuska. This opening was made possible through an EDA grant award of \$750,000 and the economic development partnership with the Osage County Industrial Authority, the Osage Nation and the City of Pawhuska to meet the needs of the \$2 million funding package. Tenants at this business incubator, in a rural part of the INCOG-EDD, will be able to experience internet speeds of 1000 Mbps. As one of its first successes, the building has been used to train more than 400 workers for temporary and permanent pipeline jobs.

The City of Sapulpa was awarded a \$1,500,000 EDA grant in 2012 to support significant public roadway, utility and railroad infrastructure improvements that helped paved the way for business development in an industrial park adjacent to Interstate 44. A unique collaborative

effort of the City of Sapulpa, Tulsa County and BNSF Railroad, these partners contributed an estimated \$1,300,000 toward the EDA match. To date, this investment has realized private investment of approximately \$30,000,000, retained more than 80 jobs and produced over 200 new jobs for regional residents.

In 2013, Macy's announced that it would construct a 1.3 million square-foot fulfillment center in Tulsa County. Upon this announcement, a partnership was developed among Tulsa County, City of Owasso, Owasso Chamber, TulsaTech, Cherokee Nation, Oklahoma Department of Transportation (ODOT), Tulsa Regional Chamber, Oklahoma Department of Commerce (ODOC) and Oklahoma Employment Security Commission to help meet funding and workforce needs. Regional leaders recognized that the industrial area where Macy's was locating would experience increased freight flows and industrial development.

To ensure adequate infrastructure existed to meet the projected increased volume of vehicular and freight truck traffic, and in the interest of public safety, an EDA public works grant was submitted and subsequently awarded. The \$950,000 EDA grant was used to improve the roadway along 76th Street North in Tulsa County, Oklahoma.

Two economic development projects initiated in 2017 as part of the 2013-2017 CEDS will carry over into the 2018-2022 CEDS. The first project came to fruition as a result of the collaborative efforts amongst project partners, including INCOG, the City of Sapulpa and Muscogee (Creek) Nation to help bring SeneGence International to Creek County. The second project came about by way of a multi-jurisdictional, public-private partnership consisting of Rogers County, INCOG, Grand Gateway Economic Development Association, PSO, Tulsa Regional Chamber, Cherokee Nation, Muscogee (Creek)

Nation, Oklahoma Department of Commerce, Governor Mary Fallin, Town of Inola and Mayes County Rural Water District #2 that was formed to entice an major consumer products company to locate in Rogers County, Oklahoma.

The economic development project in Creek County will occur in Sapulpa as a result of an anticipated EDA award of \$1.5 million to help construct a 25,900 linear foot force main sanitary sewer line that will serve the 225-acre SeneGence complex and accommodate additional economic development in the area. The development of this complex will have a \$117 million economic impact in Sapulpa and help generate 750 jobs after Phase I build out.

The economic development projects that will be constructed in Rogers County are the result of a complex EDA grant application that was submitted to help incentivize a major international consumer products manufacturing company to locate to the region and construct a 1.6 million square foot manufacturing and distribution facility at the Black Fox site in Inola, Oklahoma. (Rogers County is outside the INCOG-EDD. The projects are mentioned herein because the county is represented by INCOG and the economic impacts that will experienced in the District as a result of the projects.) In October 2017, EDA awarded a \$1.5 million grant which will help fund the construction of a four-mile water line, a wastewater retention lagoon, a 4,500 linear foot force main and a lift station to service the manufacturing facility and accommodate additional economic development in the area. The facility will have a \$326 million economic impact in the region and create 230 new jobs and retain 70 jobs.

Throughout the previous 5-Yr CEDS, the INCOG-EDD experienced economic development successes beyond infrastructure improvements that helped bring

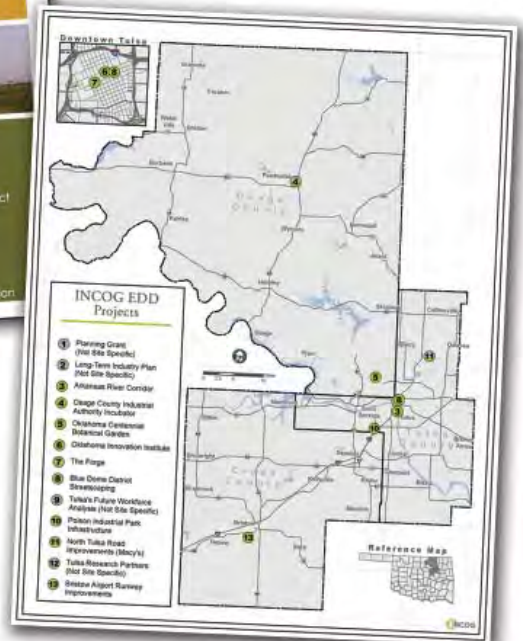
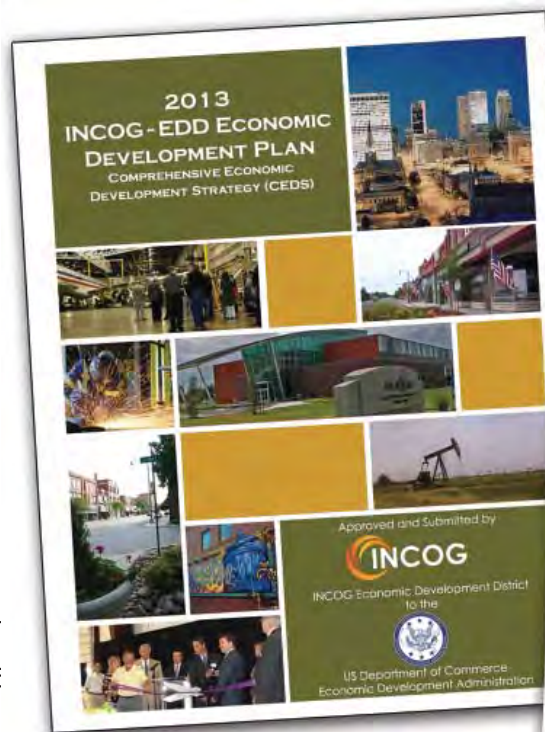
industrial job opportunities to the region. The additional, successful economic development projects that the region experienced range from connecting communities to downtown Tulsa to the development of a high-density community supercomputer. These successes are briefly described below.

The Tulsa Industrial Authority was awarded a \$200,000 EDA grant for the construction of sidewalks connecting the various arts and entertainment districts in downtown Tulsa. These improvements provide a safe and attractive pedestrian, bicycle and vehicle friendly pathway between these districts where, previously, severely deteriorated conditions existed. The INCOG EDD District was also awarded EDA planning funds for technical studies to advance the implementation of the Arkansas River Corridor Master Plan. The Master

Plan provides the framework for implementing the community vision for water in the river (to offset dramatic daily fluctuations in flow due to hydropower generation), preserving the natural beauty of the corridor with parks, trails and open space, and development at strategic locations.

In 2017, the City of Bristow was awarded a \$1,000,000 grant to assist in the construction of a new asphalt runway and upgraded intensity runway lighting that is necessary for night operations. Multiple businesses expressed direct support for the project as the new runway will facilitate increased business operations and an ability to directly utilize the airport to serve customer needs. The wider and longer runway will be able to accommodate larger aircraft and allow Category B-II, approach speeds of 91-121 knots, tail heights of up to 30-feet and 79-foot wingspan which meet current FAA standards. Construction of this project will begin in 2018.

To help local leaders better understand workforce and educational characteristics and business community needs in their efforts to develop public policy, Tulsa's Future, a non-profit subsidiary of the Tulsa Regional Chamber of Commerce, 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. Other contributing partners to this effort were AEP-PSO, the George Kaiser Family Foundation, Community Service Council, INCOG, and the Tulsa Regional Chamber of Commerce.

As part of an EDA Long-Term Industry Plan designed to encourage success for technology businesses, i2E (Innovation to Enterprise) secured an additional grant award in 2013 of \$393,756 to expand its business entrepreneurship services and IMMERSION program for start-up technology businesses. Utilizing the funding opportunity provided by way of this long-term project, i2E works with other regional programs, such as The Forge, to help foster the talents and business needs of aspiring entrepreneurs in the region.

In 2013, a ribbon cutting ceremony

was held to announce that the Tandy Super Computer was online. An \$800,000 EDA grant was awarded to the Oklahoma Innovation Institute (OII) in 2011 to help develop and acquire the needed technology infrastructure and systems to bring this technological achievement to fruition. The Tandy Super Computer 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.

To help showcase the beauty and pristine landscape characteristics of our region, the City of Tulsa completed the construction of a 10,000 linear foot water line to serve the Tulsa Botanic Garden in 2015. This major infrastructure need was accomplished through a \$1,000,000 EDA grant and regional partnership to meet the funding needs of the project. The Garden, which includes 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 being preserved for historical and ecological significance.



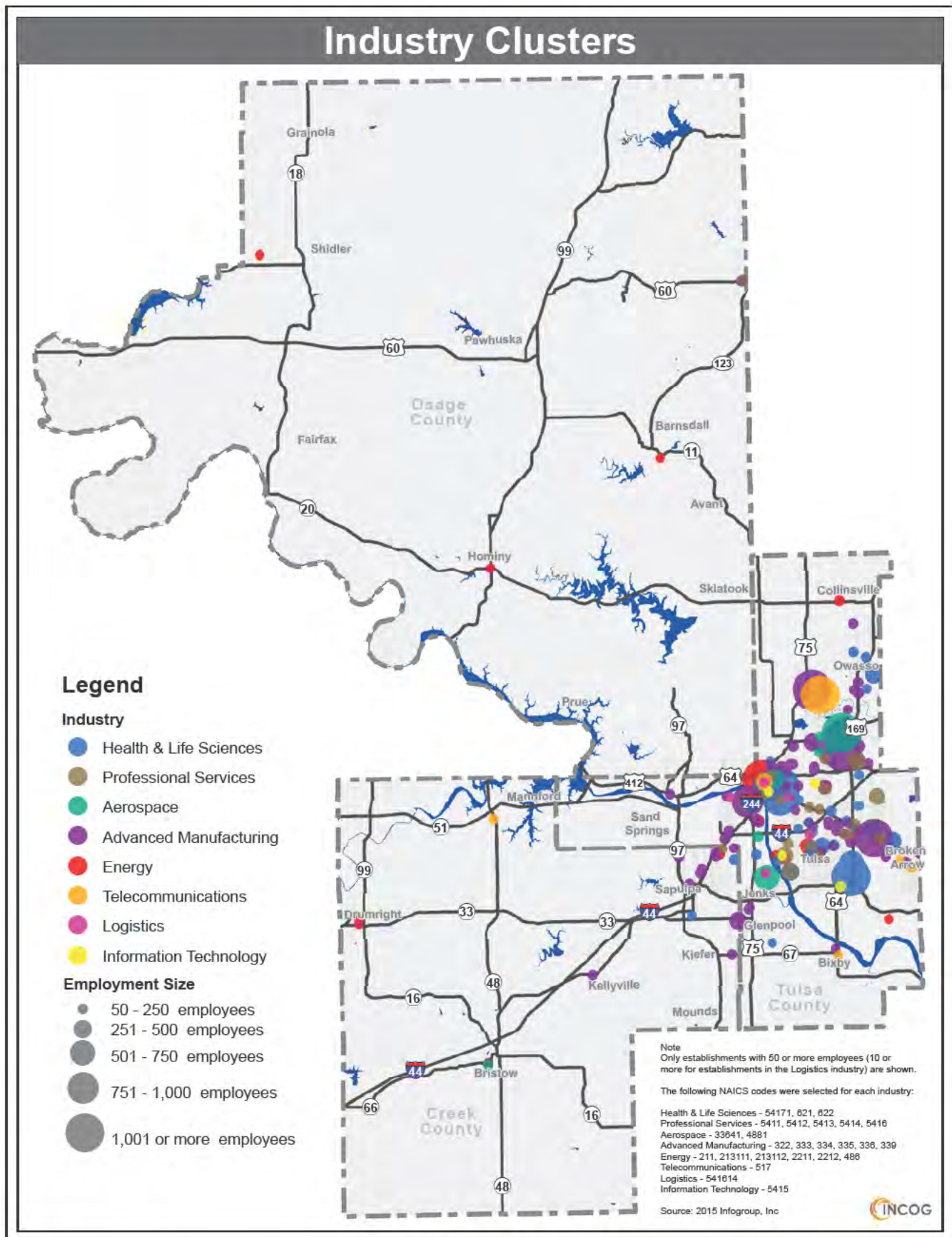
**GEORGE KAISER
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A supporting organization of Tulsa Community Foundation



**PUBLIC SERVICE
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WHERE WE ARE



STRENGTHS

- Central geographic location
- Manufacturing industry
- Pro-business climate, low cost of doing business
- Inclusive growth coalitions
- Port of Catoosa
- Aerospace and professional services sectors
- Low cost of living
- Quality of workforce/employees
- Governmental collaboration
- Tribal contributions to economic development
- Natural Resources-land, water, grasslands, agriculture
- Young Professionals-Civically active, regional ambassadors
- Health and wellness industry/sector
- Post-secondary education and training
- Community willingness to invest in itself
- Opportunities for free post-secondary education
- Ability to develop public-private partnerships
- Entrepreneurship
- Philanthropy
- Regional collaboration

WEAKNESSES

- Few non-stop flights
- No closing fund
- Aging water/sewer/roads infrastructure
- Criminal justice reform
- Municipal funding system & dependence on sales tax
- Poor health outcomes (#49)
- P-12 inadequate funding and poor outcomes (#48)
- Skills gap
- Lack of funding to construct non-tolled highways
- Crime statistics

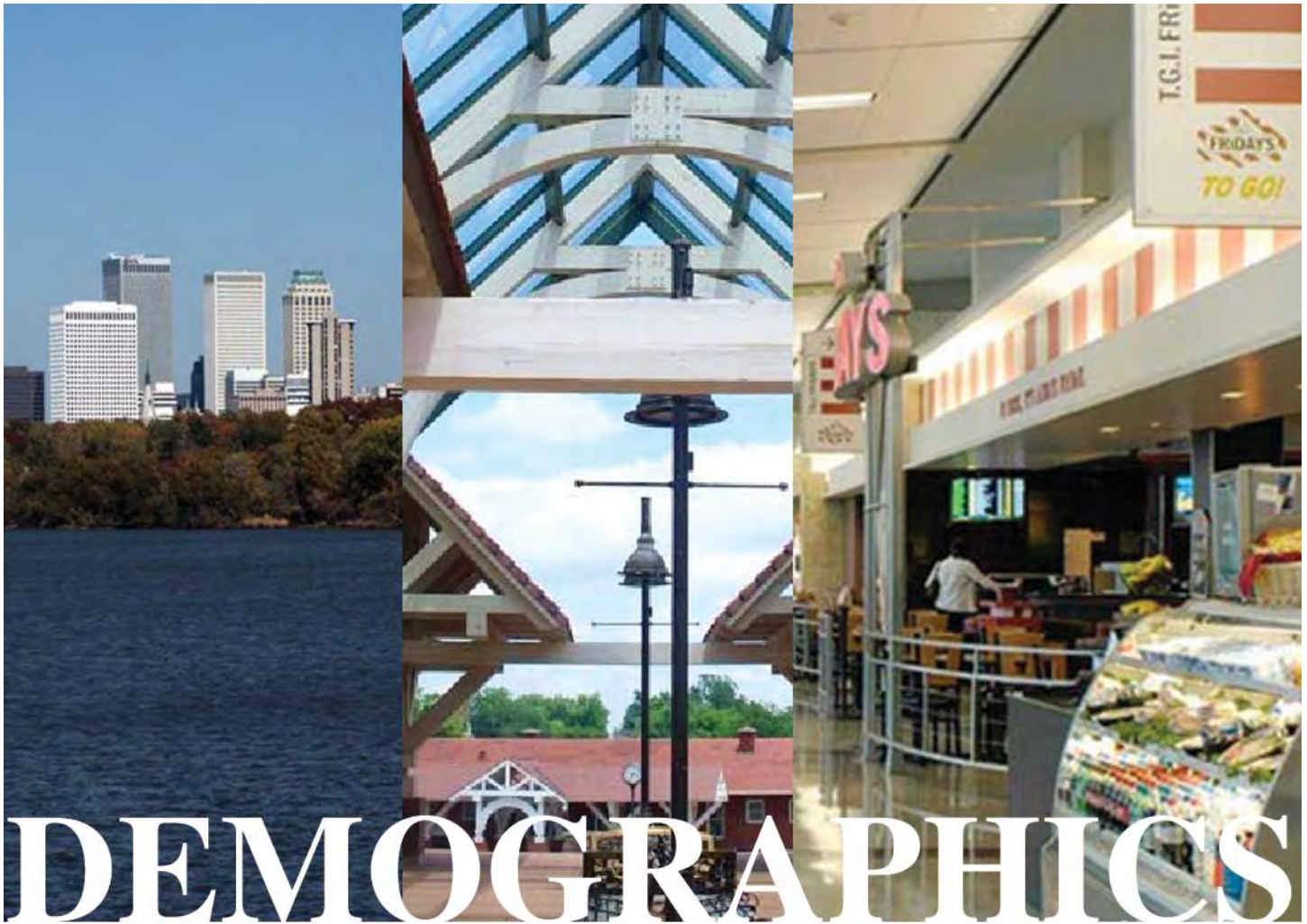


OPPORTUNITIES

- Communication technology
- Shifts in transportation of goods and in supply chain needs
- Tourism & film industry
- Wide open spaces, room for growth
- Low cost of living
- Desire for walkable cities
- Private industry partnerships
- Convention & visitor venue
- Intelligent Transportation Systems sector
- Ideas Industry expansion

THREATS

- Populism
- *Divergent Economies*
"Leaders: Left Behind." *The Economist*,
21 October 2017, p 11.
- Competition with other states/regions
- Low State bond rating
- Negative media
- Natural disasters
- Fiber-optic networks in rural areas
- Addiction and mental health
- Retail zoning changes



DEMOGRAPHICS

The CEDS project area encompasses Tulsa, Osage and Creek Counties in the State of Oklahoma. This area reflects an diverse region with urban, suburban and rural characteristics, and contains several cities and towns of various sizes with diverse social and economic features. These three counties are at the heart of a larger economic region represented by the designated Tulsa Metropolitan Statistical Area (historically composed of five counties until the 2000 Census updated the area to seven counties). Beyond the Metropolitan Statistical Area (MSA), Tulsa has a labor draw that comes from primarily 10 counties that contain a total population of over 1.16 million residents. The area is also home to three major Native American tribal nations: the Osage, Cherokee and Muscogee (Creek). The Arkansas River bisects the region and two

designated US Interstates, five US Highways and seventeen state routes serve the area. The region has a number of existing industrial sites, accessible by rail, a navigable water port, and highways, with available space for industrial use, as well as large amounts of land that can be developed for a variety of uses.

Tulsa International Airport, a designated small-hub, serves the region and is located in the northeastern portion of Tulsa County. The Airport covers an estimated area of 4,360 acres and is home to 72 companies, including the world's largest commercial aircraft overhaul and maintenance facility in operation. These companies employ over 15,000 area residents. The airport authority is engaged in a number of physical improvements, including enhancements to its terminal.

The most recent statistics for the Tulsa International Airport provide the following information for 2016: Enplane-ments - 1,359,609, Aircraft Operations – 105,024, and Total Cargo (in tons) – 53,612. Freight capacity needs at the airport are served by a Class I and shortline railroad, local/regional freight truck companies and asset/non-asset based third party logistics companies, with direct access to the major US Interstates and Highways.

TULSA COUNTY, with an area of 587 square miles, is largely urbanized and has 10 cities/towns within its borders: Bixby, Broken Arrow, Collinsville, Glenpool, Jenks, Owasso, Sand Springs, Skiatook, Sperry and Tulsa, which serves as the county seat. Tulsa County, with nearly 650,000 residents has the densest population of the CEDS project area at 1,058 persons

per square mile. Recent census data estimates show the Tulsa Combined Statistical Area population consists of a population that is greater than one million people. This area includes the counties of Creek, Okmulgee, Osage, Pawnee, Rogers, Tulsa, Wagoner, Washington, as well as Cherokee and Muskogee.

CREEK COUNTY, located southwest of Tulsa County, encompasses 970 square miles and has a population of 71,312 residents at 74 persons per square mile. Approximately 29 percent of the population lives in the county seat of Sapulpa. The county is largely rural with some population centers including Bristow, Drumright, and Mannford. Smaller communities, that include Depew, Kellyville, Kiefer, Mounds, and Oilton, represent the remaining populated areas. These communities were founded in the late 1800s with the emergence of the Pan-American railroad system and the discovery of oil; by 1920, the county population was approximately 62,000. Creek County is primarily linked to the region by Interstate 44, US Highway 75, US Highway 66, State Highway 97 and the Turner Turnpike (which is designated as a part of I-44).

OSAGE COUNTY is the northwestern component of the CEDS project area. Osage County is Oklahoma's largest county with a geographical area of 2,251 square miles and a population of 47,981 residents (21 people per square mile) that reside in cities and towns, such as Avant, Barnsdall, Burbank, Fairfax, Foraker, Grainola, Hominy, Shidler, and Wynona. Pawhuska is the largest of the cities with a population of 3,477 (2016 est.) and is the county seat. Additionally, portions of larger cities, such as Tulsa, Skiatook, Sand Springs, Bartlesville and Ponca City extend into the County. The county is linked to the region via State Highway 20, State Highway 60, State Highway 11 and State Route 99.

The Osage Nation jurisdictional boundary is conterminous with present-day Osage County. The headquarters of the federally recognized tribe of the **OSAGE NATION** is located in Pawhuska. The land consists of high plains, rolling hills, vast and pristine prairie land and the largest Tallgrass Prairie with over 2,000 bison. The oil, gas, and

other mineral rights within the boundaries of the Osage Reservation/Osage County are reserved in trust by the United States of America for the Osage Nation and known as the Osage Mineral Estate. The rights of mineral royalty interest income is reserved for the Osage Nation members who are descendants of the original 2,228 allottees designated in the Osage Allotment Act of June 28, 1906.

Though the capital of its government is located in the city of Tahlequah, Cherokee County, Oklahoma, the **CHEROKEE NATION** jurisdictional boundary encompasses a portion of the INCOG-EDD, specifically north Tulsa County. The Cherokee Nation is the federally recognized government of the Cherokee people and has inherent sovereign status recognized by treaty and law. The Nation plays an integral role in economic development projects within its boundaries that are beneficial to its people and other Oklahoma residents. Its operations and business activities in aerospace, defense contracts and entertainment venues have an economic impact of more than \$1.5 billion annually and it is one of the largest employers in northeastern Oklahoma. The Cherokee Nation partnered with the Oklahoma Department of Transportation in an economic development project resulting in major upgrades to Interstate 44 in eastern Tulsa County and revitalized the area near its *Hard Rock Hotel & Casino*.

The **MUSCOGEE (CREEK) NATION** is a self-governed Native American tribe that is one of the historic Five Civilized Tribes and is the fourth largest tribe in the United States. Its capital is in Okmulgee, Okmulgee County, Oklahoma. The tribal jurisdiction encompasses eight counties and parts of 3 counties in eastern Oklahoma, including Creek County and southern Tulsa County, in the INCOG-EDD. The Muscogee (Creek) Nation has a significant role in economic development projects and initiatives in the INCOG-EDD and within their tribal jurisdiction. The *Muscogee Nation Business Enterprise* was created to diversify the types of businesses operated by the Nation. The Nation has played a major role in economic development projects in the District by providing workforce training to meet the needs of new or expanding industries in Creek County.





ACTION PLAN

Despite the headwinds of fiscal uncertainty brought on by state level policies and revenue shortfalls that threaten private investment in the District, recent shifts in the economy are providing new opportunities for our region to create resilient communities. Abundant resources, inclusive growth and a rich history are the traditional foundations that have aided innovation in our region. Private and public leaders in the INCOG-EDD are developing and pursuing strategies to ensure that new markets are able to benefit from technological and strategic innovations within certain sectors of the state and regional economy. The results of these efforts will help ameliorate the impacts of economic downturns to communities, local businesses and governments in the region. The cooperative efforts of local leaders, regional groups and the private sector to leverage existing assets, create *inclusive growth coalitions* and identify areas of opportunity throughout periods of economic transition help to create a resilient and diverse economy that ultimately strengthens the region's competitive advantage. The INCOG-EDD region is ripe with opportunity as well as outstanding examples of long-term success stories of existing businesses. The strategies developed herein to help create a more resilient and competitive region will be the building blocks for more long-term success stories.

No region can remain competitive without a focused commitment to education and a skilled workforce. We are in constant competition with regions such as Dallas, Omaha, Louisville, Indianapolis, Oklahoma City, Wichita, Little Rock, Shreveport, and Kansas City to retain and recruit a skilled workforce of all ages. As with many other regions and states, we recognize and support improvement to the science, technology, engineering, and math (S.T.E.M.) disciplines throughout the system. And, as with all the major industry clusters, from logistics to the services sector and from retail to tourism, having diverse, multidisciplinary knowledge and/or strong technical skills is required for success and sustainability.

Clean community environments and sustainable cities are rapidly becoming a desired trademark of vibrant regions. The degree of sustainability in communities can be a significant attribute for strategies to encourage foreign direct investment. Green technologies are increasingly embraced by citizens, businesses, and governments. The CEDS recognizes that choices for new and existing businesses and residents require future-oriented activity, including diverse, alternative modes of transportation and development of autonomous and connected vehicle technology and systems.

Economic Development should not be seen as an exercise in picking winners for a future economy. Derived from discussions and research, and identifying the prominent features of the region, the CEDS lays out a path for growth and sustainability shared by all sectors of regional economies. The five District Goals listed below seek to synchronize the various components in establishing economic development strategies.

Vision Statement

The INCOG Economic Development District seeks to capitalize on its assets and provide for a strategic action plan that is collaborative, competitive, supports the development of a diversified economy, and enhances the regional quality of life. Acknowledging the history and ethnic diversity of this region strengthens the ability to expand economic development efforts and support the creation of opportunity in regional communities.

District Goals

1. Ensure a healthy, attractive and sustainable environment, vibrant, thriving communities and a high quality of life for all the region's residents.
 - Healthcare
 - Environment
 - Quality of Life
 - Public Funding
2. Foster a diversified, regional business climate that supports high quality private investment and job creation.
 - Regional Connections
 - Strategic Community Development
 - Inclusive Growth Coalitions
3. Ensure residents have better access to living wage jobs and employers have access to world class talent.
 - Education
 - Workforce
4. Harness and capitalize on the entrepreneurship and technology innovation developments and assets in the region.
 - Education
 - Strategic Community Development
 - Next-Gen Technology Infrastructure
5. Advance the region's transportation infrastructure to meet the demands of a globally connected modern economy.
 - Infrastructure
 - Transportation



GOAL 1

Ensure a healthy, sustainable environment, vibrant, thriving communities, and a high quality of life.

In July 2017, the United Nations Sustainable Development Solutions Network released its “U.S. Cities Sustainable Development Goals Index 2017” report that ranked the Top 100 best performing US Metropolitan Statistical Areas (MSA) on the 17 Sustainable Development Goals (SDGs) agreed to by the US and 192 other nations in 2015. Of those 17 SDGs, the Tulsa MSA was ranked in the Top 10 in the category of Clean Water and Sanitation. This recognition serves as an indicator of the commitment the Tulsa MSA and INCOG-EDD has towards sustainability.

Residents of the Tulsa area appreciate the trails, bike and pedestrian paths which can also serve as low cost transportation alternatives. Research suggests that access to a clean environment and outdoor amenities encourages physical activity that leads to direct health benefits for people of all ages. The State of Oklahoma, local governments, universities³ and businesses are taking the lead in developing alternative energy technologies and adopting sustainable practices. Through the collaborative efforts of the public and private sectors, the construction of sustainable building and expansion of utility infrastructure that can bring electricity generated by alternative sources of energy will help support the attainment of this goal.

The implementation of policies to develop acres of donated land for conservation easements and community parks, reduce energy use in buildings and facilities, expand walking and biking trails, recycle and convert waste to fuel, identifying and protecting natural and historic features, amongst many others will help to ensure a healthy, sustainable environment, vibrant, thriving communities and a high quality of life in the District.

The INCOG Economic Development District partners continue to support opportunities for collaboration and creating resilient communities. The following strategies can be used by District communities and businesses to help measure performance of this goal over the next five years.

1.1 Healthcare

- Improve overall health and related statistics through integration of health care providers, tribal healthcare data, education and cutting-edge technology.
- Expand rural health care access.
- Enhance and expand healthcare programs on tribal lands.⁴
- Develop education and provision of health care workforce.

1.2 Environment

- Protect the region’s natural environment and cultural amenities as cultural and/or economic assets.
- Expand, maintain, and enhance an interconnected system of parks, trails and open spaces.
- Foster environmentally-friendly businesses, modes of transportation and sustainable enterprises.

1.3 Quality of Life

- Continue to make the region more attractive to the young professional workforce and hospitable to those from previous generations.
- Increase focus on affordable housing to facilitate population growth.
- Increase awareness and understanding of all ethnic cultures that live, work or visit in the region.
- Support the development of affordable, vibrant, and safe communities for all residents.

1.4 Public Funding

- Promote public funding initiatives for cities’ investment in infrastructure and services resulting in new development or redevelopment.
- Reduce the number of approved sales tax exemptions.
- Develop policies and initiatives that can be used in conjunction with state agencies and the private sector to encourage the development of new industries and/or expand existing industry.





GOAL 2

Foster a diversified, regional business climate that supports high quality private investment and job creation.

The greater region encompasses northeastern Oklahoma and represents a diverse array of small to medium size business and industry. The Tulsa Metropolitan Area ranks as Number 59 of the Top 100 Best U.S. Cities to Live according to U.S. News & World Report. FORBES ranks Tulsa as the 89th Best Place for Business and Careers and the Number One City for young adults and entrepreneurs. Our regional partners strive to retain all businesses and help them grow. Understanding and integrating the positive traits of existing business practices, market forces and access to capital, research, and public policy can enhance the climate for greater investment and job creation. Further development of inclusive growth coalitions in the District can help find ways to become economically diverse.

A number of studies over the past several years identified the target industry clusters throughout our region as well as seeds of opportunity. The Lobeck Taylor Family Foundation is bringing attention to one of the District's advantages through its annual report on the Tulsa State of Entrepreneurship. As clusters thrive, competitive advantages become apparent. (Examples are listed in the Appendix.) The CEDS continues to emphasize and support the existing industry clusters and actively pursue additional opportunities that exhibit capacity for high-growth and innovation.

An important component of our success is the recognition that cities, counties, schools, economic development organizations and regional initiatives can work proactively to further the bonds amongst citizens, enterprises and leaders to foster a positive business and civic climate. The INCOG-EDD partners continue to support the enactment of policies that help the obtainment of this goal. The following strategies can be used by District communities and businesses to help measure performance towards this goal over the next five years.

2.1 Regional Connections

- Develop and implement cluster specific strategies to create and expand employment and investment opportunities in the identified clusters.
- Enact a marketing/public relations campaign to promote the region's competitive advantages, including national media placement efforts.
- Assist in the development and expansion of needed transportation and utility infrastructure for industrial areas.

2.2 Strategic Community Development

- Support policy and resource development at the local, state and federal levels, such as legislation, regional initiatives, and grants, including US Department of Agriculture Rural Development programs and Environmental Protection Agency's Brownfields Program.
- Assemble sites that are under public ownership, where appropriate, so they can be developed by private business and industry which are in line with regional goals and/or expanding quality jobs opportunities.
- Expand access to traditional and venture capital for business investment across all communities within the District; identify areas in District communities that can benefit from the creation of increment districts.

2.3 Inclusive Growth Coalitions

- Work to identify opportunities to increase the viability and visibility of institutions and community centers that work to close regional and social disparities, and expand their abilities to reach larger sectors of society for the purpose of generating economic development.



GOAL 3

Ensure residents have better access to living wage jobs and employers have access to world class talent.

Effective educational and workforce systems⁵ are the key ingredient to achieving this goal. As a whole, the region has many valuable programs, such as *Tulsa Achieves* and those sponsored by the Oklahoma Center for the Advancement of Science and Technology (OCAST)⁶, which need to be sustained, expanded, and leveraged as part of the CEDS. However, common education, P-12, throughout the area needs significant attention and, likely, a direct revenue stream akin to that which is provided to state transportation.

The myriad of challenges in a rapidly changing economy for employers and employees are harder to overcome in a region where workforce is not to scale with its competitor regions, where economic diversification is minimal and opportunities for lateral movement constrain competition. A high school diploma is essential but insufficient to ensure a good job. Skill expectations in Oklahoma's key industries are increasing. Employers are looking for workers who bring substantial knowledge and abilities to their work, as stated in the Comprehensive Regional Workforce Assessment.

The INCOG Economic Development District partners put great emphasis on the need to adequately fund P-12 education and to take into account the costs for education that come with population growth, as well as what will be required to adequately meet workforce needs. The District partners continue to support the enactment of policies that help the obtainment of this goal. The following strategies can be used by District communities and businesses to help measure performance towards this goal over the next five years.

3.1 Education

- Analyze the economic impact of education as an industry cluster as a tool for information, advocacy and support.
- Prepare a regional inventory of educational programs that serve the needs of target industries and competencies.
- Strengthen college and university participation in economic development to allow improved, deliberate response by educators to changes in industry training needs.

3.2 Workforce

- Increase regional opportunities for credential attainment.
- Utilize the Tulsa Regional Chamber's 2017 Comprehensive Regional Workforce Assessment to link the region's workforce skills and strengths with education assets to meet the needs of high-growth and emergent industries.
- Utilize the tools available within the Career Advancement Through New Skills Act and the American Apprenticeship Act to expand opportunities and educational programs that serve high-growth industry needs and connect diverse areas of the region, including urban, suburban, and rural areas.

GOAL 4

Harness and capitalize on the entrepreneurship and technology innovation developments and assets in the region.

Many remarkable projects have taken off over the past several years that the CEDS can capitalize on with respect to entrepreneurship and technology. In 2016 the *36°North*⁷ entrepreneur Basecamp and Camp II opened as a place to provide high-quality work space and resources to help entrepreneurs create a long-lasting impactful business. i2E (Innovation to Enterprise) was created to respond to an Oklahoma Center for the Advancement of Science and Technology initiative.⁸

The Forge, under the auspices of *Tulsa Young Professionals (TYPros)*, *Tulsa Economic Development Corporation* and the Tulsa Regional Chamber created a business development center and incubator to allow young entrepreneurs to set up shop in a low-cost, supportive environment, in order to attract and retain creative and innovative people and provide a support network, an effort funded in part by EDA. According to the *Kauffman Index Entrepreneurship Series*, among the 25 “Small” States in the United States, the state of Oklahoma ranked 2nd in Startup Activity, 13th in Main Street Entrepreneurship, and 7th in Growth Entrepreneurship. All these data points indicate an upward trend in this economic sector from previous years.

The *University of Tulsa* has the nation’s largest *National Security Agency certified Cyber Security training program*. Expanding tech education service, like Coding Dojo, will help develop the skills needed to excel in university level education programs and for professional workforces.

Northeastern Oklahoma is host to a Google data center in Pryor. OII was awarded an EDA matching grant to establish the region’s first Supercomputer. It is housed in downtown Tulsa, a collaboration among four local colleges and universities. The region needs to enhance and expand its information technology network to meet the demands of a growing innovation economy. Many rural areas need significant improvements and access to technology services. The Tulsa metropolitan area has a significant amount of the population that subscribes to broadband internet service at 25 Mbps, according to a *digital mapping report* published by the Brookings Institution. However, other communities in the District have very low subscription rates which indicates a need to develop strategies and partnerships to expand fiber optic infrastructure that is capable of providing 25 Mbps service. An example of this initiative was undertaken by the Osage Nation. In 2017, the Nation was awarded a \$3 million Community Connect Grant from the USDA which will be used to deliver high-speed internet to the Grayhorse and Bowring communities in Osage County. As indicated in the following strategies, the CEDS can be used as a tool to bring 25 Mbps broadband networks to other areas of the INCOG-EDD.

The District partners continue to support the enactment of policies that help the attainment of this goal. The strategies outlined below can be used by District communities and businesses to work with other state agencies that are preparing for the emergence of new technological innovations and to help measure performance towards this goal over the next five years.

4.1 Education

- Expand development of university-linked technology research parks, including a testing facility for post-doctoral and graduate students and private-sector research, and next generation development and product development districts.
- Support biomedical and alternative energy and technology training and research for middle, high school and post-secondary students.
- Explore creation of a regional internship program that leverages the existing network to increase opportunities.

4.2 Strategic Community Development

- Collaborate with non-profits that provide assistance to entrepreneurs and innovators through regional incubation facilities, trainings, and support services.
- Identify resources to expand revolving loan funds and technical assistance for small and micro-business startups.
- Promote programs to convert unused buildings or main street retail spaces into small co-working space for entrepreneurs.

4.3 Next-Gen Technology Infrastructure

- Expand fiber-optic infrastructure into communities that allows minimum 25 Mbps broadband internet connection levels.
- Identify resources that can be leveraged to help network providers expand broadband service.
- Assist regional partners in obtaining state and federal resources needed to expand information technology infrastructure in suburban and rural communities that enhance economic growth, while working to develop partnerships with tech companies to help create opportunities in these areas.

GOAL 5

Advance the region's transportation infrastructure to meet the demands of a globally connected modern economy.

Transportation policies primarily address the public infrastructure of highways, streets, alleys, bikeways, sidewalks and transit services. The Tulsa region benefits from a central location geographically. Many transportation assets, highways, international airport, rail, and one of the largest ice-free inland river ports in the US provide important connectivity for the area.⁹ Tulsa International Airport continues to expand non-stop flights by various carriers and recently completed significant improvements to its terminal facilities.¹⁰

INCOG currently manages the Tulsa Area Clean Cities Program, through a cooperative effort with the Office of the Oklahoma Secretary of Environment and Energy, to promote increased access to CNG stations and electric vehicle infrastructure, achieve attainable fuel standards, increase national energy security, reduce dependence on imported oil, more economic opportunities, and the protection of public health.

Infrastructure is more than transportation alone; Supporting entrepreneurship, new technologies, education, and research require partnerships between public sectors and private technology companies to develop additional strategies to expand the region's information systems and provide greater access. Additionally, the CEDS encourages the development of partnerships to develop proposals to accommodate the infrastructure and technological needs of the Autonomous Vehicle and Connected Vehicle markets.¹¹

The INCOG Economic Development District partners put great emphasis on the need to adequately fund transportation and utility infrastructure to account for growth and business needs. The District partners continue to support the enactment of policies that help the attainment of this goal. The following strategies can be used by District communities and businesses to help measure performance towards this goal over the next five years.

5.1 Infrastructure

- Support regional infrastructure investments that enhance economic growth and development.
- Bolster mobility and connectivity between communities and commercial districts.
- Support the development of partnerships and strategies for the purpose of enhancing regional railroad assets; work with railroad companies to identify areas that can be used develop rail assets for logistical needs.
- Encourage the development and expansion of infrastructure and facilities that can address the needs of a growing logistics and aviation industry.
- Support the upgrade and expansion of Class I and shortline railroads in the region.

5.2 Transportation

- Assist in promoting and expanding bus rapid transit programs and an urban circulator system with public transit connecting the corridors between the Arkansas River to downtown, and nearby colleges and universities.
- Support the Regional Transit System Plan recommendation for creation of a Regional Transit Authority, including, identify and establish interim steps of a governance mechanism.
- Work with adjacent cities and counties to improve the transportation system that is plan-driven, user-friendly, and sustainable.



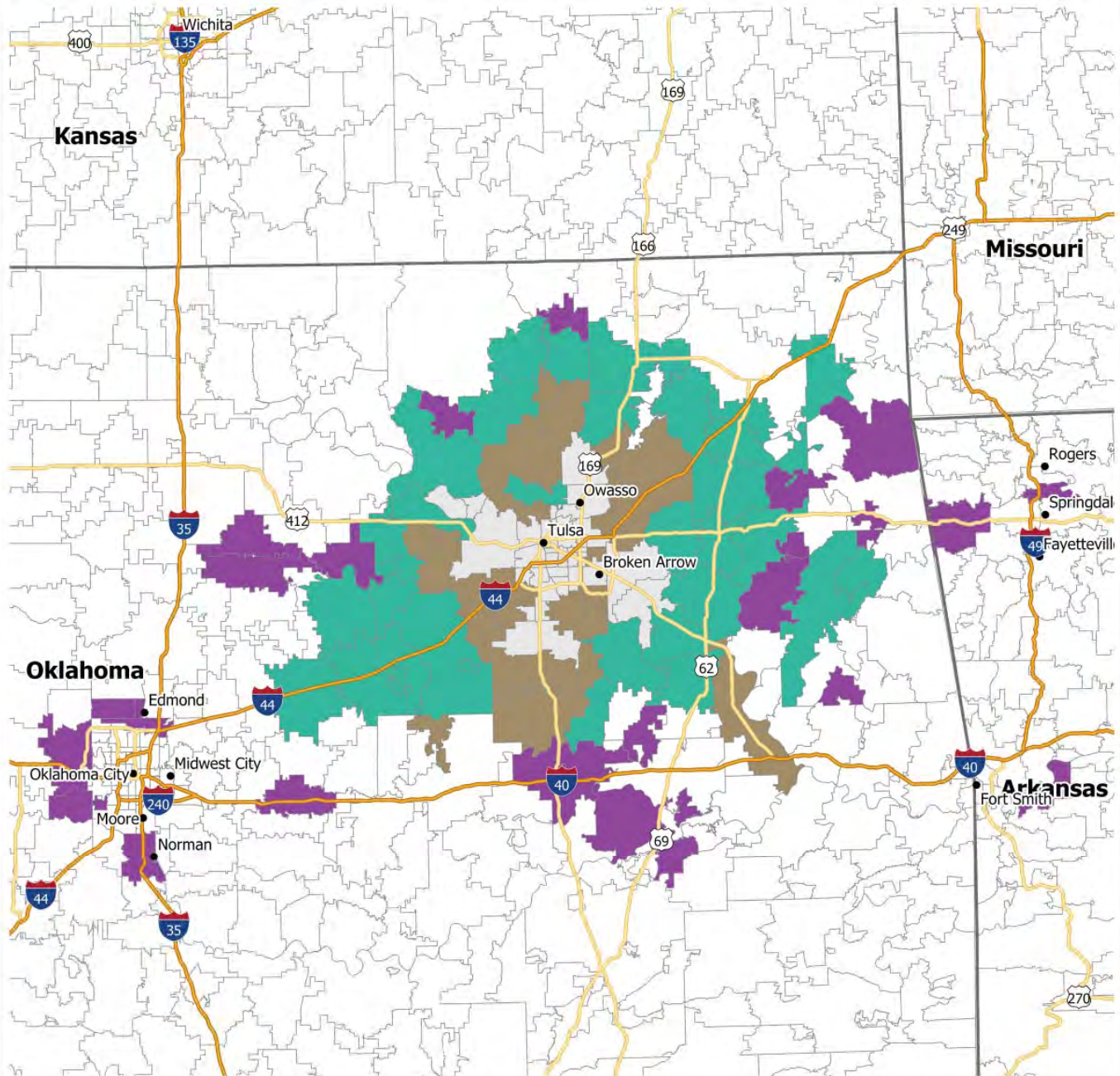
END NOTES

1. In 2014, the per barrel price of West Texas Intermediate crude oil dropped to \$29 from \$93 over a 4-month period. This exponential drop in price resulted in significant state-level revenue reductions and job losses.
2. Joint Creation of Transportation Authority (68 O.S. § 1370.7)
3. The University of Tulsa provided more than 42,000 hours of service to the community in 2012 through True Blue Neighbors.
4. The Osage Nation, Community Health Representative Program and healthcare delivery system is provided as an example, given its commitment to data driven results.
5. For example, the Pawhuska Business Development Center is a partnership of the Osage County Industrial Authority, Osage County, City of Pawhuska, the Osage Nation and Tri County Technology Center. TCTC manages the day to day operations of the incubator and provides training for businesses and educational opportunities for the surrounding area.
6. See Appendix for details on these valuable educational programs.
7. This entrepreneur hub has more than 300 members from 40 different industries and has contributed \$12 million to the Tulsa economy since opening.
8. i2E has assisted hundreds of entrepreneurs, companies, inventors, and researchers in turning their technological innovations into high growth business opportunities for Oklahoma.
9. The Port of Catoosa features a 2,000-acre industrial park and manages more than 2.2 million tons of cargo annually.
10. The Tulsa International Airport is home to the world's largest commercially-owned maintenance and engineering base.
11. The Oklahoma Department of Transportation has played a key role in working with national leaders and other state transportation officials to determine best practices for AV and CV deployment and how concepts such as truck platooning will impact the state highway system.



APPENDIX

- Kiva: The Lobeck Taylor Family Foundation (LTFF) has pledged a \$250,000 match fund for businesses in the Tulsa Metropolitan Statistical Area that become borrowers on Kiva. Any loan made to these businesses, regardless of where the lender is located, will be matched dollar for dollar by the LTFF.
- Since its inception in 1987, OCAST has endeavored to expand Oklahoma's technology-based economy resulting in the funding of 2,455 projects to date, representing more than \$249 million in state investment which has, in turn, leveraged more than \$5.1 billion in total economic impact. This has been accomplished primarily through three major avenues: basic and applied research competitive awards, innovative small business development, and financial and technical support to OCAST's strategic partners as part of the Oklahoma Innovation Model (OIM). The OIM creates a system where researchers become innovators who, in turn, become entrepreneurs, who move on to fund new research, then return to the continuum as appropriate to launch or grow companies, thereby improving the state's economy. Conversely, pre-existing businesses, inventors and manufacturers utilize the OIM as a distributed service delivery network. Choosing from various services each OIM partner provides to drive innovation, competitiveness and economic impact. Through the assistance of a grant from EDA, the Oklahoma Center for the Advancement of Science and Technology (OCAST) developed the OSU New Product Development Center, located in Stillwater and Tulsa, which provides engineering and business technical support, proposal development assistance, and guidance to OK manufacturers. OCAST has partnered with Baker Hughes in Barnsdall, Worthington Institute and Carter Aerospace in Skiatook, and Carter Aerospace to offer employees educational and technical assistance.






Regional Commute Time Map



Legend

-  5-Digit Zip Code
-  State Boundaries

Average Commute Time (minutes)

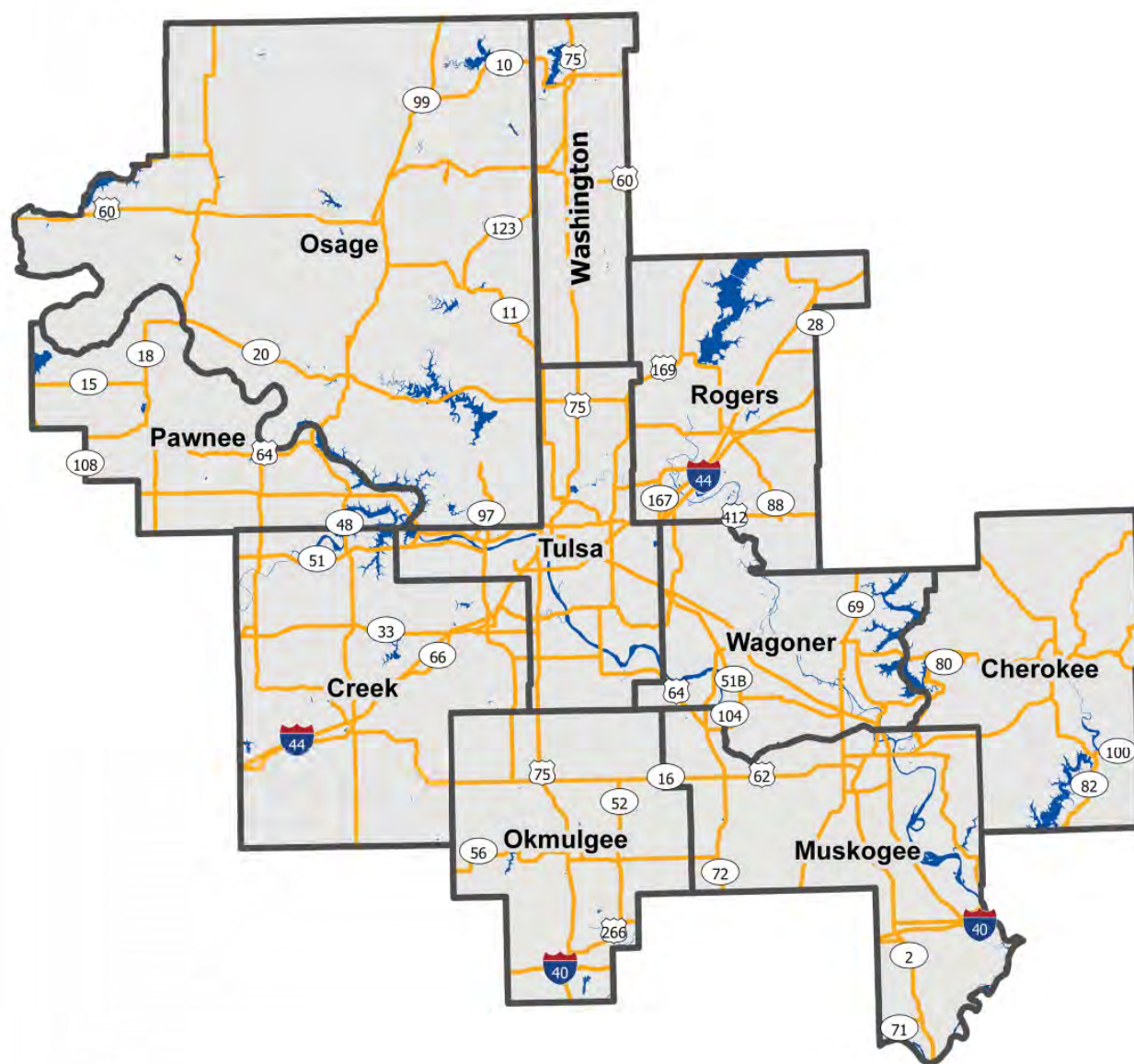
-  22.20 and below
-  22.20 to 40.00
-  40.00 to 59.00
-  59.00 and above
-  Other



0 5 10 20 30 40 Miles



Tulsa-Muskogee-Bartlesville Combined Statistical Area



Legend

- Highways
- County Boundaries

Tulsa MSA Broadband Subscription Rates

SHOW NEIGHBORHOODS WITH:

No availability at 25 Mbps

A 20%+ poverty rate

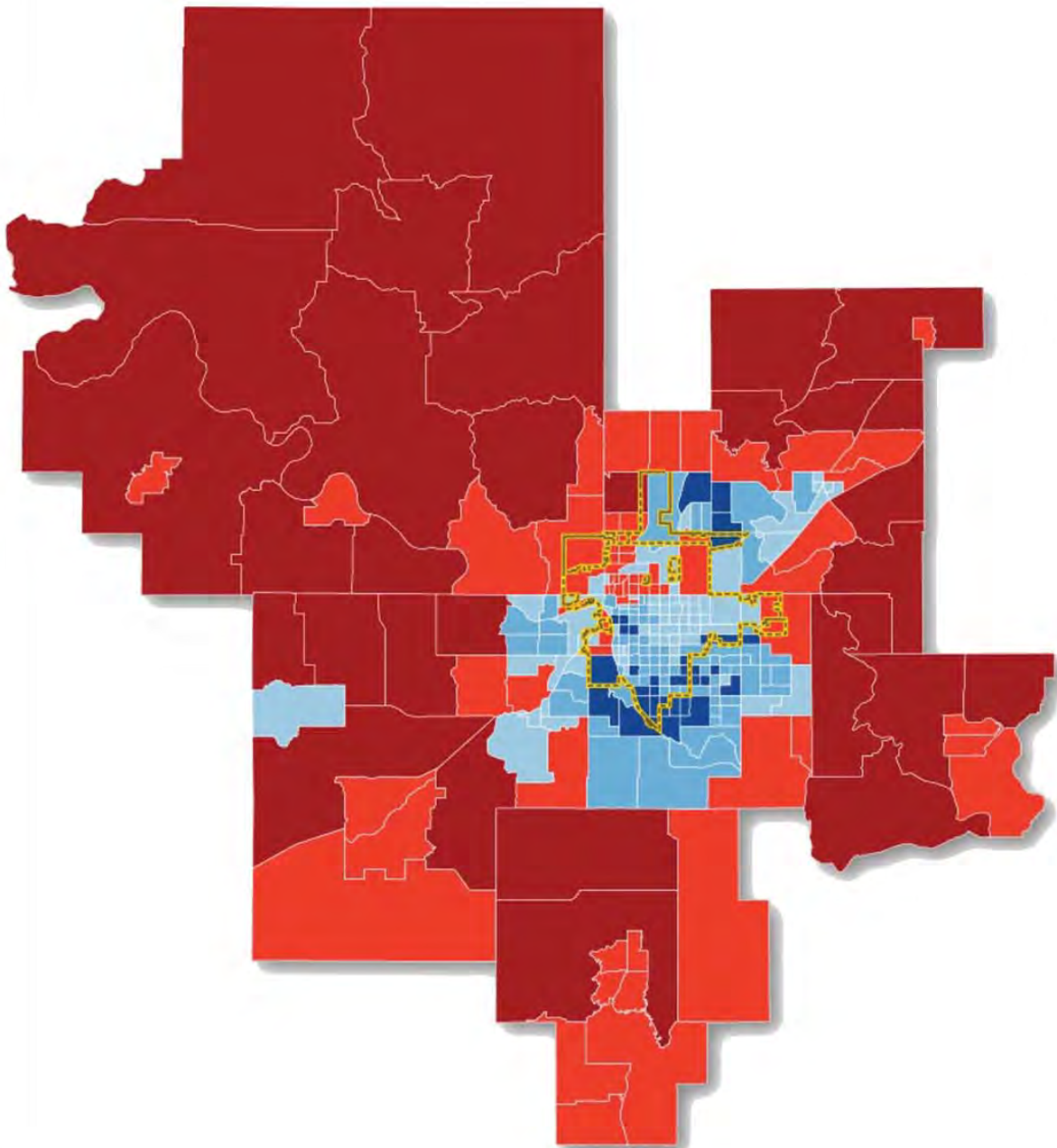
Above U.S. average share of children

Above U.S. average BA attainment

Neighborhood broadband subscription rates

0-20% 20-40% 40-60% 60-80% 80-100%

City boundary





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