

MEMORANDUM

TO: Elizabeth Chrz, City Clerk

FROM: John E. Dorman, City Attorney 

RE: City of Stillwater Referendum Petition 2018-1
July 6, 2018-Ordinance No. 3407

DATE: July 23, 2018

In accordance with 62 O.S. §868 (D)(2), I have reviewed the attached ballot title filed on July 18, 2018 in conjunction with the submittal of signed copies of a "PETITION FOR REFERENDUM" regarding City of Stillwater Ordinance No. 3407. The ballot title presented to me does not appear to be in proper form for the following reasons:

- (1) The ballot title calls for the "repeal" of Ordinance No. 3407 instead of demanding that the matter be "referred" to the voters for approval or rejection per 34 O.S. §1.
- (2) The gist of the proposition is incomplete because it omits material facts regarding the ordinance.
- (3) The gist of the proposition reflects partiality in its composition and is argumentative because it suggests that the ordinance has authorized the taking of *ad valorem* funding that rightfully belongs to other jurisdictions.
- (4) The gist of the proposition is misleading because it states that "repeal" will "restore taxes collected to the original taxing jurisdictions" even though the ordinance has not taken effect and no increment has been established or collected by any jurisdiction.
- (5) The proposed vote is inverted in violation of 62 O.S. §868 (D)(1) and 34 O.S. §9 (B)(6). The purpose of a municipal referendum is to permit citizens to vote on an ordinance presented in the same manner as the elected governing body. The proffered ballot title requires a "yes" vote to reject and a "no" vote to adopt.

Accordingly, pursuant to 62 O.S. §868 (D)(2), I have prepared the attached substitute ballot title which does conform to the requirements of 62 O.S. §868 (D)(1), 34 O.S. §1, and 34 O.S. §9 (B)(5) & (6). Please file this memorandum and ballot title in accordance with 62 O.S. §868 (D) and notify the petition proponents of this action.

CITY OF STILLWATER
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BALLOT TITLE FOR REFERENDUM OF ORDINANCE NO. 3407

This proposition would repeal City of Stillwater Ordinance No. 3407 which adopted a Tax Increment Financing District No. 3 (TIF No.3) funded through apportioning increases in the ad valorem tax base of properties located within TIF No. 3 from the current taxing jurisdictions; Stillwater Public Schools, Meridian Technology Center, Payne County and the Payne County Health Department, redirecting them to become Special Funds of the City of Stillwater or the Stillwater Economic Development Authority. A YES vote would repeal this ordinance and restore those taxes collected to the original taxing jurisdictions and would dissolve Tax Increment Financing District No. 3. A NO vote would not repeal this ordinance and the Tax Increment Financing District No. 3 would not be dissolved.

SHALL THE PROPOSAL BE APPROVED?

FOR THE PROPOSAL – YES

AGAINST THE PROPOSAL - NO

Ballot Title

**City of Stillwater Referendum Petition 2018-1
July 6, 2018-Ordinance No. 3407**

Ordinance No. 3407 approves the Stillwater (Re)Investment Project Plan and creates a tax increment financing district (TIF) located Downtown and southeast of the OSU campus.

The Plan authorizes payment of project costs to, among other things, stimulate new development, renovate old development, and create new job growth in the TIF district.

Project Costs are funded by new revenue attributable to increased property values and new sales tax activity in the TIF district, without new taxes.

No existing property taxes are affected by the TIF.

The TIF will last for 25 years or when \$32.5 million in project costs are paid, whichever comes first.

12% of increased property tax revenues will go to taxing jurisdictions other than the City.

Project costs include up to \$5.6 million to Stillwater Public Schools.

Shall Ordinance No. 3407 be adopted?

Yes

No

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