

STATE OF OKLAHOMA

1st Session of the 50th Legislature (2005)

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1249

By: Young

COMMITTEE SUBSTITUTE

An Act relating to capitol and capitol buildings; authorizing Oklahoma Capitol Improvement Authority to acquire certain real property; identifying property; stating authorized purpose of acquisition; authorizing Authority to hold title to real property; authorizing lease of real property; providing for transfer of title; authorizing issuance of certain obligations; requiring disclosure of terms of real estate purchase contract to Oklahoma Capitol Improvement Authority; stating legislative intent with respect to certain appropriations; imposing limit on cost of acquisition; providing for determination of fair market value; providing for payment of fees and costs; providing for reimbursement of certain costs; authorizing issuance of obligations in series; authorizing engagement of service providers; authorizing creation of reserves for certain purposes; providing for sale of obligations; authorizing agreements; providing for maturity of obligations; authorizing certain use of interest earnings; providing exemption from certain taxation; providing for investment of monies and providing guidelines for investment; providing for codification; providing an effective date; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 168.8A of Title 73, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Capitol Improvement Authority is authorized to acquire the real property fronting the corner of Harvey and N.W. 67th Street, and located immediately north of 6600 North Harvey, Building No. 6, Oklahoma City, Oklahoma County, Oklahoma, more formally described as the unplatted plot Section 4, Township 12N, Range 3W, formerly known as lots 1 through 12, of block 1 and lots

36 through 45, of block 1 excepting the west five feet of lots 36 through 45 of the Vernal View addition, now vacated, together with improvements located thereon for purposes of providing space to the Oklahoma State Bureau of Investigation for an equipment storage facility and a security buffer zone for Oklahoma State Bureau of Investigation headquarters and central Oklahoma operations. The Authority may hold title to the real property and improvements until such time as any obligations issued for this purpose are retired or defeased and may lease the real property and improvements to the Oklahoma State Bureau of Investigation. Upon final redemption or defeasance of the obligations created pursuant to this section, title to the real property and improvements shall be transferred from the Oklahoma Capitol Improvement Authority, to the Oklahoma State Bureau of Investigation.

B. For the purpose of paying the costs for acquisition of the real property and improvements authorized in subsection A of this section, and for the purpose authorized in subsection C of this section, the Authority is hereby authorized to borrow monies on the credit of the income and revenues to be derived from the leasing of such real property and improvements and, in anticipation of the collection of such income and revenues, to issue negotiable obligations in an amount not to exceed a sum to be disclosed to the Oklahoma Capitol Improvement Authority by the Oklahoma State Bureau of Investigation, before a real estate purchase contract containing the purchase price of the real property described in subsection A of this section has been executed by a seller and the Oklahoma State Bureau of Investigation. It is the intent of the Legislature to appropriate to the Oklahoma State Bureau of Investigation sufficient monies to make rental payments for the purposes of retiring the obligations created pursuant to this section. The costs for acquisition of the real property and improvements authorized in subsection A of this section shall not exceed the fair market value

of the property as determined by the Department of Central Services. In determining the fair market value of such property, the Department of Central Services may consider factors such as relocation costs and the costs of acquiring other equipment storage facilities further from headquarters and the cost of transporting such equipment to and from headquarters to equipment storage facilities not immediately adjacent to headquarters. The Department of Central Services is authorized to conduct an appraisal of any property which may be acquired pursuant to this section or to contract with others for such appraisal or appraisals as may be necessary. In the event the Authority leases any part of the real property acquired pursuant to subsection A of this section to any entity other than the Bureau, the Authority shall require such lease to comply with such security restrictions as may be requested by the Bureau.

C. To the extent funds are available from the proceeds of the borrowing authorized by subsection B of this section, the Oklahoma Capitol Improvement Authority shall provide for the payment of professional fees and associated costs approved by the Oklahoma State Bureau of Investigation. The Bureau shall reimburse the Department of Central Services for all costs incurred by the Department in determining the fair market value of any property pursuant to this section.

D. The Authority may issue obligations in one or more series and in conjunction with other issues of the Authority. The Authority is authorized to hire bond counsel, financial consultants, and such other professionals as it may deem necessary to provide for the efficient sale of the obligations and may utilize a portion of the proceeds of any borrowing to create such reserves as may be deemed necessary and to pay costs associated with the issuance and administration of such obligations.

E. The obligations authorized under this section may be sold at either competitive or negotiated sale, as determined by the Authority, and in such form and at such prices as may be authorized by the Authority. The Authority may enter into agreements with such credit enhancers and liquidity providers as may be determined necessary to efficiently market the obligations. The obligations may mature and have such provisions for redemption as shall be determined by the Authority, but in no event shall the final maturity of such obligations occur later than thirty (30) years from the first principal maturity date.

F. Any interest earnings on funds or accounts created for the purposes of this section may be utilized as partial payment of the annual debt service or for the purposes directed by the Authority.

G. The obligations issued under this section, the transfer thereof and the interest earned on such obligations, including any profit derived from the sale thereof, shall not be subject to taxation of any kind by the State of Oklahoma, or by any county, municipality or political subdivision therein.

H. The Authority may direct the investment of all monies in any funds or accounts created in connection with the offering of the obligations authorized under this section. Such investments shall be made in a manner consistent with the investment guidelines of the State Treasurer. The Authority may place additional restrictions on the investment of such monies if necessary to enhance the marketability of the obligations.

SECTION 2. This act shall become effective July 1, 2005.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

50-1-6918 MAH 02/28/05