

TULSA MARKET REPORT



**2ND LARGEST
CITY IN OK**



**CITY OF TULSA
AREA SIZE**



**SYSTEM OF
GOVERNMENT**
City Manager, Elected Mayor & City Council



**TULSA METRO
POPULATION**



**TULSA METRO
UNEMPLOYMENT**
2021 Average



Tulasi Commerce Park

Tulsa is the second-largest city in the State of Oklahoma and a regional leader in energy, aerospace, transportation, telecommunications, and business services. The Tulsa metro is home to several major companies' headquarters, including Bank of Oklahoma (BOK), Williams Companies, QuikTrip, ONEOK, and Helmerich & Payne, Inc.

Although the former "Oil Capital of the World" has moved away from an economy built wholly around oil and gas, the energy industry remains an important piece of Tulsa's economy. In Tulsa, the industry's share of total employment is nearly three times the national average.

Two years into the COVID-19 pandemic, the Tulsa metro has weathered the initial economic losses and has since posted record-low unemployment levels and increased sales tax revenue. Public-private partnerships between Vision Tulsa and the Tulsa Chamber of Commerce continue to pay dividends by improving the quality of life in Tulsa. Local and regional stakeholders also remain bullish on Tulsa, investing more than \$800 million in downtown developments in the past five years when factoring in projects currently planned or underway. These projects, in addition to others outside of Downtown Tulsa, pave the way for greater levels of economic growth in the years ahead.



Unit Corp

Image: CoStar

NOTABLE 2022 NEWMARK TRANSACTIONS

- **GableGotwals** | Office | 110 N. Elgin Ave.
New Lease | 42,511 SF
- **Unit Corporation HQ** | Office | 8200 S Unit Dr.
Sale | \$35M | 196,350 SF
- **Tuscany Hills Apartments** | Multi-Family
Sale | \$47.7M | 316 Units
- **The Cosmopolitan** | Multi-Family
Sale | \$65M | 264 Units



Tuscany Hills

Image: CoStar

WHAT WE'RE WATCHING **Santa Fe Square**

In mid-2021, construction began on the much-awaited Santa Fe Square project, a mixed-use development located in the Blue Dome District on the east side of downtown. Plans call for a 12-story office tower with ground floor retail and apartment space. Local law firm Hall Estill is set to occupy 50,000 square feet of the 150,000 square foot office building when it is completed in 2023.



The Cosmopolitan

Image: CoStar

WHAT WE'RE EXCITED ABOUT **Tulasi Commerce Park**

Following robust absorption and rent growth in 2021, construction recently began on Tulasi Commerce Park in northeast Tulsa. The nearly 685,000-square foot industrial development will include two Class A buildings with dock doors, drive-in doors, truck courts, and up to 36 foot clear heights when construction is complete in 2023.

ECONOMIC DRIVERS

AVIATION AND AEROSPACE

American Airlines Maintenance Base

- 22 buildings | 3.3 million SF | 33 acres
- World's largest commercial airplane maintenance facility
- Employees: 5,200

Aerospace Economic Impact

- 200+ aerospace firms in the region
- Over 31,000 tons of cargo moves through TIA each year
- Notable Firms: American Airlines, Nordam, Spirit Aerosystems, L3Harris Technologies, FlightSafety International

HEALTHCARE

Saint Francis, Ascension St. John, Hillcrest Healthcare, and other healthcare providers employ 65,900 workers in the region. The OSU Medical Center is the largest osteopathic teaching hospital in the nation.

MANUFACTURING

Tulsa is the manufacturing hub of Oklahoma, with more than 46,800 employees throughout the metro area. This accounts for 10% of the metro's nonagricultural workforce.

TECHNOLOGY

Tulsa is an emerging tech hub. There are a wide variety of tech startups located in Tulsa making advances in app development, energy tech, cyber security, and drone technology.

ATHLETICS



ONEOK Field

- Located in the Greenwood District
- Home to the Tulsa Drillers, the AA franchise for the Los Angeles Dodgers
- Home of FC Tulsa, a professional soccer team competing in the USL Championship League



BOK Center

- Venue in Downtown Tulsa with 19,200 seats
- Central component of Tulsa County's Vision 2025 economic development initiative
- Home to the Tulsa Oilers hockey team
(East Coast Hockey League)



Tulsa IRONMAN

- 3,000 triathletes
- 10,000 spectators
- Estimated economic impact of more than \$14 million



Tulsa Tough

- Three-day cycling festival for cyclists and spectators
- Competitive course that runs through Downtown and along the Arkansas River
- High octane action on Cry Baby Hill



Southern Hills Country Club

- Golf Digest - America's 100 Greatest Golf Courses (#30)
- Hosted 7 major championships
- 2022 PGA Championship host

Sources: Tulsa Regional Chamber of Commerce; Tulsa World; MILB.COM; Downtowntulsaok.com

Tulsa International Airport

- Non-Stop Destinations: 23 (Post-COVID-19)
- Daily Departures: 48 (Post-COVID-19)
- Passengers enplaned and deplaned in 2021: 2,316,751

Tourism Economic Impact

- 9.9M visitors annually
- 15,300 local tourism jobs
- \$1.7B economic impact
- State/local taxes from tourism offsets ~\$600 in taxes for households.

ENERGY

Although Tulsa's economy has diversified in the last 50 years, the energy industry remains a central component of the Tulsa economy. All three of Tulsa's Fortune 500 companies are in the oil and gas industry.

TRANSPORTATION & LOGISTICS

Tulsa has become a transportation and logistics hub due to its many transportation options and central location. The 2,000-acre Port of Catoosa is home to more than 70 companies and 3,100 workers.

PROF., BUSINESS, AND FINANCIAL SVCS

More than 61,000 employees, or 14% of the local workforce, provide business and financial services to businesses across the country.

2020-2021 TULSA HIGHLIGHTS

- 2020 US Census data showed that the population for the Tulsa Metropolitan Area eclipsed one million people.
- The City of Tulsa and American Airlines agreed to extend their sublease at Tulsa International Airport until 2048.
- German-based technology company Northern Data announced it would establish its North American headquarters at MidAmerica Industrial Park in Pryor.
- The Children's Discovery Museum at the Gathering Place opened in January 2022.
- Construction crews broke ground on the 44-acre Tulasi Commerce Park located near the Whirlpool plant in early 2022.
- Industrial equipment and technology company ClearSign Technologies completed the relocation of their company HQ from Seattle to Tulsa.
- Gaming company Aristocrat Technologies broke ground on a new operations and manufacturing center in East Tulsa.
- Construction began on the new \$120 million, 275,000 square foot VA Hospital near the OSU Medical Campus.
- Electric vehicle manufacturer Canoo Technologies announced it would build a new factory at the MidAmerica Industrial Park in Pryor, adding up to 1,500 new jobs in Northeastern Oklahoma.
- The opening of the Bob Dylan Center in the Tulsa Arts District is scheduled for May 2022.
- Southern Hills is set to host its record fifth PGA Championship in May 2022.

FEATURED DEVELOPMENTS, TAXES, IMPROVE OUR TULSA



BMX-USA HQ and Hall of Fame | 2022
\$23M | Former steel plant redeveloped as new national headquarters for BMX



Bob Dylan Center | 2022
16 rotating exhibits featuring 100,000 items, photos, and unreleased recordings



OKPOP Museum | 2023
Explores the history of OK artists and entertainers and their impact on culture

IMPROVE OUR TULSA

In November 2019, Tulsa citizens voted to renew the \$639 million Improve Our Tulsa capital improvements package. The package is largely directed towards infrastructure improvements, in addition to the rehabilitation of public facilities, beautification projects, and more.

Streets and Transportation Systems

\$127 million will fund infrastructure improvements, such as street upgrades and bridge replacements.

Capital Equipment

\$50.75 million will fund a variety of capital equipment upgrades
Funded by temporary sales tax

City Facilities

\$47.08 million for capital improvements to city-owned buildings and facilities
Funded by temporary sales tax

Parks and Recreation

\$30 million will fund upgrades to dilapidated parks and recreation areas.

Fire Department

\$26 million will be directed to the Fire Department for equipment and technology upgrades.

Permanent Rainy-Day Fund

\$19 million directed to a permanent rainy day fund via sales tax revenue.

Transit-MTTA

\$18 million will fund improvements to the Tulsa Transit bus system.

Community Development Priority Projects

\$9 million for community development projects and quality of life enhancements.

Economic Development Infrastructure

\$6.5 million for economic development and job growth initiatives.

Police Department

\$5.67 million will fund upgrades to vehicles and technological equipment for the Tulsa Police Department.

CITY FINANCES

The City of Tulsa pays for day-to-day operations from the General Fund. The largest contributor to that fund is sales tax (3.65%), followed by use tax. Sales tax is derived from retail sales, and use tax comes from goods purchased elsewhere and shipped or brought to Tulsa, including purchases from online retailers.

General Fund collections for FY 2022 are projected to increase by 5.5% from FY 2021 collections, largely due to improved economic conditions and higher levels of consumer spending. Use tax collections are also projected to increase over FY 2021 levels. Use Tax projections in the FY 2022 budget amount to \$50,086,000, which is a 15.7% increase over the FY 21 budget.

3.65%
OF CITY SALES
TAX RATE



2¢ GENERAL FUND

.45¢ IMPROVE OUR TULSA

1.15¢ VISION TULSA

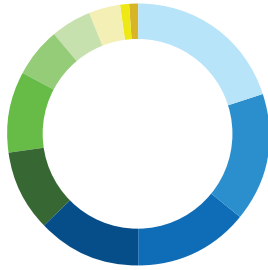
0.05¢ ECONOMIC
STABILIZATION RESERVE

MARKET SUMMARY | 2022

INDUSTRY DIVERSITY

Trade, Transportation Utilities	20%
Education and Health Svcs.	16%
Prof. and Business Svcs.	14%
Government	13%
Manufacturing	10%
Leisure and Hospitality	10%
Construction	6%
Financial Activities	5%
Other Services	4%
Mining and Logging	1%
Information	1%

Averages from 2020 | Source: US BLS

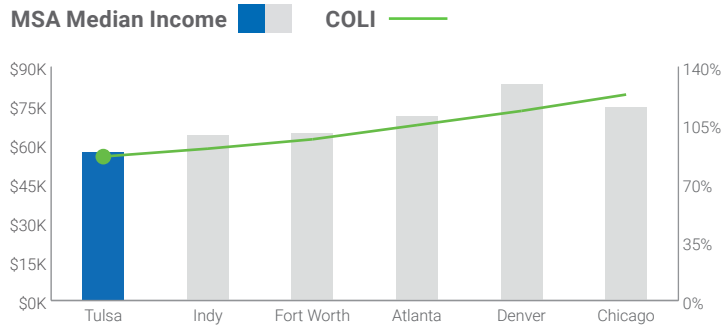


ENROLLMENT '21/'22

School	'21/'22	Type
University of Tulsa	3,809	Private Four-Year
Oral Roberts University	4,753	Private Four-Year
OSU Center for Health Sciences	1,329	State Four-Year
OSU-Tulsa	2,475	State Four-Year
Tulsa Community College	14,213	State Two-Year
University of Oklahoma - Tulsa Shusterman Center	1,116	State Four-Year

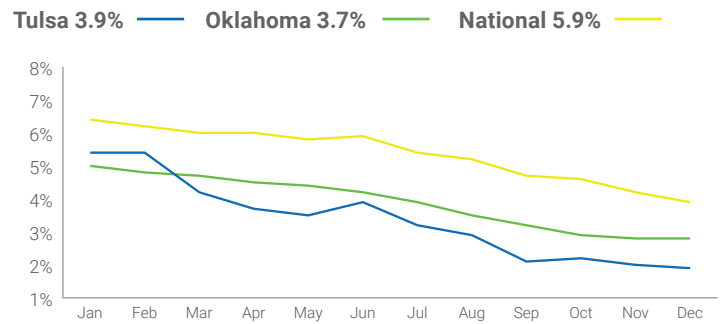
Sources: Oklahoma State Regents for Higher Education; Individual Colleges and Universities

COST OF LIVING INDEX COMPARABLES

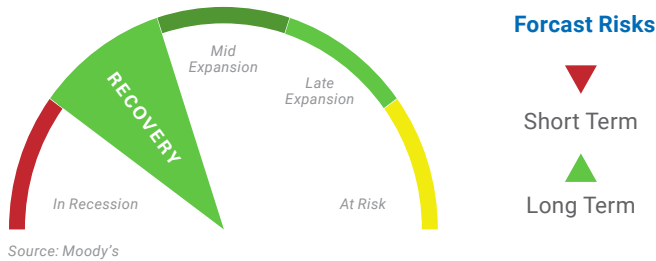


UNEMPLOYMENT RATE 2021

Averages as of APR 2022



ECONOMIC CYCLE



NEW JOBS

Company	Industry	Jobs	Announced	Investment
Northern Data	Technology	150	3.10.22	\$270M
RadNet	Healthcare	500	11.1.21	69,000 SF Office Lease
TAT Tech.	Aerospace	300	5.6.21	Manufacturing Facility
Canoo Tech.	Manufacturing	2,000	11.16.21	\$400M
Whirlpool	Manufacturing	150	5.27.21	\$15M Expansion

Sources: Tulsa Chamber of Commerce; Oklahoma Department of Commerce

MAJOR EMPLOYERS

HQ	Employer	Employees	Sector	Ticker	Market Cap	Years in Tulsa
	American Airlines Maintenance Base	5,400	Transportation	AAL	14.03 B	76
•	QuikTrip	3,051	Retail	Private	-	64
•	Bank of Oklahoma	2,288	Finance	BOKF	6.18 B	112
	AT&T/DirecTV	1,840	Telecommunications	T	210.46 B	-
•	Williams Companies	1,819	Energy	WMB	31.72 B	114
•	Nordam Group	1,800	Aerospace	Private	-	53
	Whirlpool Corporation	1,650	Manufacturing	WHR	14.81 B	28
•	AAON	1,600	Manufacturing	AAON	3.54 B	34
	Verizon Business	1,500	Telecommunications	VZ	234.04 B	13
	AEP/Public Service Company of Oklahoma	1,401	Utilities	AEP	-	109
	Blue Cross Blue Shield of Oklahoma	1,300	Insurance	Private	-	82
	Alorica, Inc.	1,200	Professional Services	Private	-	21
•	IC of Oklahoma LLC	1,200	Manufacturing	Private	-	23
	Spirit AeroSystems	1,200	Aerospace	SPR	4.93 B	17
•	ONEOK	1,000	Energy	OKE	23.37 B	116

Source: Tulsa Regional Chamber of Commerce