

**UNIVERSITY NORTH PARK TAX INCREMENT FINANCE DISTRICT
PROJECT
STATUTORY REVIEW COMMITTEE MINUTES
CITY OF NORMAN**

August 28, 2019, 1:00 p.m.

The University North Park Tax Increment Finance District Project, Statutory Review Committee, met in the Municipal Complex located at 201 West Gray Street on August 28, 2019, at 1:00 p.m., and notice and agenda of the meeting were duly posted at least 48 hours prior to the beginning of the meeting.

PRESENT: Mayor Breea Clark, Sandy Bahan, Darry Stacy, Jackie Kanak, Lisa Wells, Beth Sparks, Bob Thompson, Nick Migliorino, Jeanette Capshaw

STAFF PRESENT: Interim City Attorney Kathryn Walker, Director of Finance Anthony Francisco, Legal Admin Tech Sarah Encinias

**Item 1, being:
Call to Order**

Chair, Mayor Breea Clark, called the meeting to order at 2:00 p.m.

**Item 2, being:
Introduction of Members and Roll Call**

- Breea Clark – Mayor of Norman
- Sandy Bahan – Chair of the City Planning Commission
- Darry Stacy – Cleveland County Commissioner Chairman
- Jackie Kanak – Cleveland County Health Department Regional Director
- Lisa Wells – Executive Director of the Pioneer Library System
- Bob Thompson – At-Large Member
- Beth Sparks – At-Large Member
- Nick Migliorino – Superintendent of Norman Public Schools
- Jeanette Capshaw – Deputy Superintendent of Moore Norman Technology Center

**Item 3, being:
Recap of August 27, 2019**

Mayor Breea Clark asked that Kathryn Walker summarize the presentation from the previous meeting on August 27, 2019. Kathryn provided a slideshow presentation (see attached) that summarized the background and the proposed Project Plan amendments as well as information related to expenses to date, increment collections to date, and a comparison of actual collections to the increment projections developed during 2006 when

the original Project Plan was developed. She also highlighted the role of the Statutory Review Committee as set forth in the Local Development Act. In the case of any substantial changes to the project plan, the review committee may modify the findings and recommendations of the Committee during initial review of the Project Plan. Such findings include the conditions establishing the eligibility of the proposed district, the analysis used to project revenues over the life of the Project Plan, the effect on the taxing entities, and approval of the proposed plan and project. Additionally, the review committee may recommend that the Plan, as amended, be approved, denied or approved subject to conditions set forth by the Committee.

Item 4, being:

Discussion and possible action regarding proposed Project Plan Amendments

The Committee discussed each proposed amendment and then focused on the financial ramifications. This discussion centered on a couple of different issues, which reflected an understanding of the differing impact to the taxing jurisdictions. At the outset, the Committee recognized that the revenues, unlike when the Project Plan was initially adopted, were known because the increment has a specific end date under the Amendments. In comparing revenue thus far with the 2006 projections, the property tax that has been collected thus far from the growth in the district is relatively in line with the 2006 projections. Sales tax is lagging somewhat.

The Committee recognized that one impact of ending the TIF early is that most of the taxing jurisdictions, including the City, will receive 100% of the taxes that are generated from within the district once the TIF increment ends. However, the Committee discussed how the impact to Norman Public Schools would be different due to application of the state school funding formula. Dr. Migliorino confirmed that he understood the increment would end naturally (due to full collection for 2006 project costs) in approximately 18 months and that \$350,000 (contained in the Recreation Facility component as an offset to pool contributions) represents an estimate of the impact to the school by ending the TIF early. He also confirmed that his interest has primarily been on ensuring the school has adequate time to plan, prepare and budget for the end of the ad valorem increment. By including the 2019 ad valorem assessments (assessed value of everything built by 12/31/18, assessed in 2019 and taxes due in early 2020) in the TIF increment with these amendments, Dr. Migliorino acknowledged that the school has been given a one-year “runway” for planning purposes.

Finally, the Committee discussed the best way to address any shortfalls in revenues collected to fund the Project Costs set forth in the Amended Project Plan. At the time of the Committee meeting, the County Assessor had not yet completed the 2019 Property Tax Assessments and it was unknown whether the increment provided for in the proposed Amended Project Plan would be sufficient to cover the project costs set forth in said plan. One proposal was to include language that would continue the ad valorem increment until sufficient funds had been collected for the amended cost authorization. Another proposal was to include language obligating the City with providing additional funding in the event of a shortfall.

The Committee voted affirmatively on 3 motions:

1. Motion made by Ms. Bahan and seconded by Ms. Sparks to confirm finding that no, the proposed amendments to the Project Plan do not affect the eligibility of the proposed district. Mayor Clark called the vote: all in favor and none opposed. The motion passed unanimously.
2. Motion made by Ms. Bahan and seconded by Ms. Sparks that the record reflect the Committee's finding that the Revised Draft Project Plan dated 8-25-19 does affect the initial approval of the Project Plan and that the Committee recognizes that such amendments will result in the full ad valorem increment and sales tax increment going to the taxing jurisdictions, with the exception of the Norman Public Schools, which will be negatively impacted by the end of the increment due to the application of the State School Funding Formula. Mayor Clark called the vote and the following members voted in favor of the motion: Beth Sparks, Bob Thompson, Sandy Bahan, Jeanette Capshaw, Mayor Clark, Lisa Wells, Darry Stacy, Dr. Migliorino. Jackie Kanak did not vote. The motion passed.
3. Motion made by Ms. Bahan and seconded by Ms. Sparks to approve Revised Draft Project Plan dated 8-25-19 on the condition that the parenthetical in Section X(B) be removed from the final document and that the City identify in the Plan the source of funds for any projected shortfall. Mayor Clark called the vote and the following members voted in favor of the motion: Sandy Bahan, Beth Sparks, Jeanette Capshaw, Mayor Clark, Lisa Wells, Dr. Migliorino. The following members voted in opposition of the motion: Bob Thompson, Darry Stacy, Jackie Kanak. The motion passed.

**Item 5, being:
Future Meetings Schedule**

No additional meetings were discussed as the Committee voted on the Project Plan Amendments at this meeting.

**Item 6, being:
Other Business**

None

**Item 7, being:
Adjournment**

The meeting adjourned at 3:33 pm.