

CITY COUNCIL SPECIAL SESSION MINUTES

September 2, 2014

The City Council of the City of Norman, Cleveland County, State of Oklahoma, met in Special Session at 5:30 p.m. in the Municipal Building Conference Room on the 2nd day of September, 2014, and notice and agenda of the meeting were posted in the Municipal Building at 201 West Gray and the Norman Public Library at 225 North Webster 48 hours prior to the beginning of the meeting.

PRESENT: Councilmembers Greg Heiple, Robert Castleberry, Greg Jungman, Jerry Lang, Lynne Miller, Stephen Holman, Chad Williams, Clint Williams, and Mayor Cindy Rosenthal

ABSENT: None

Item 1, being:

PRESENTATION FROM THE NORMAN CONVENTION AND VISITORS BUREAU EXECUTIVE DIRECTOR TO PROVIDE AN UPDATE ON THE EFFORTS TO DETERMINE THE FEASIBILITY OF AN EXHIBIT HALL FACILITY FOR NORMAN.

On June 6, 2014, Mr. Dan Schemm, Norman Convention and Visitors Bureau (NCVB) Director, made a presentation to the Business and Community Affairs Committee (BACA), regarding an overview of NCVB activities, strategies, and his initial observation of tourist issues. He said BACA showed a strong interest in pursuing information on the feasibility of an Expo Center in Norman.

Mr. Schemm said Norman is a growing community with a lot of things happening. Norman has tremendous hotels and meeting space with many attractions and amenities. Norman is centrally located in the United States near a major interstate and would be a great location to hold regional and national tournaments. He said Norman currently hosts a few tournaments; however, Norman's facilities are not quite large enough to bid on many tournaments. He said a group known as Norman Forward is actively working to get a multi-use sports complex built in Norman. He said there are also plans being discussed to connect Campus Corner and Downtown Norman. He said NCVB is working on better communication and collaboration with stakeholders, citizens, and business owners.

Mr. Schemm said Norman needs a prime space, state-of-the-art facility such as an expo center to pursue tradeshow, exhibitions, conventions, gymnastic tournaments, etc. He highlighted components of an expo center that include ceiling heights with a minimum clearance of at least 35 feet from floor surface to the underside of the ceiling structure; floor utility boxes on a 30 x 30 matrix including industry standard power, telecommunications, water, compressed air, and other needed utilities; wireless internet capabilities in the exhibit hall; column structure that provides for no less than a 90 x 90 foot matrix; a length/width ratio that approximates two to one; and significant pre-function space leading into the exhibit halls; back of house service into the exhibit hall to allow for event set up without working through public spaces; consideration of natural lighting to address emerging industry trends and environmental standards; support/"show" office space for event planners; and covered loading docks for exhibit halls separate from docks for other facility operating needs. He said more conferences would come to Norman if the expo space were available.

Mayor Rosenthal asked what total square footage would be needed and Mr. Schemm said his best possible guess on square footage would be 60,000 to 100,000 square feet of sellable space. He said the facilities should not be too small or the City would lose the opportunity to have a facility that could be usable for the next 20 years nor should it be so large that it cannot be filled or supported. He suggested appropriating funds from the Guest Room Tax Fund to perform a market analysis to find out what type/size of facility the community can support based on what the competition provides.

Councilmember Miller asked if NCVB is proposing to work alone or if they have spoken with other groups such as the Cleveland County Fair Board for collaborative efforts and Mr. Schemm said he is proposing NCVB fund the study with Guest Room Tax. He said most consultants bring in stakeholders, they come into town multiple times to meet with the County, the City, hotel groups, business owners, etc., so they would be a part of the study.

Ms. Joy Hampton, The Norman Transcript, thought land in the University North Park Tax Increment Finance District (UNPTIF) had been set aside for this type of facility and Mayor Rosenthal said an expo center is one of the options discussed to be located in the UNPTIF. She said it has not been determined what type of facility would be constructed in the UNPTIF, but the UNPTIF plan did envision a cultural facility component. Mr. Schemm said a feasibility study would look at locations based on what hotels, venues, and land is available as well as funding mechanisms.

Councilmember Holman asked if the feasibility study would include looking at other cities that have built expo centers and how well they perform and Mr. Schemm said yes, the study will include a competitive set and analysis as well as economic return/impact based on location.

Item 1, continued:

Mayor Rosenthal said a “stand alone” facility was mentioned by Mr. Schemm a couple of times tonight and asked him to explain what the term meant. Mr. Schemm said, to him, a stand-alone facility would be a facility without additional meeting space located away from hotels and venues. He does not see this as an ideal option because a facility for conferences, trade shows, sporting events, gymnastics, etc., needs to be held near or be attached to a hotel. He said if a stand-alone facility is what the community wants, the feasibility study will provide data on that, but he did not believe a stand-alone facility would be able to provide the best return on the investment.

Mr. Schemm said current meeting/conference facilities in Norman include Embassy Suites with approximately 50,000 square feet of meeting space and the Postal Training Facility/Marriott with approximately 50,000 square feet of meeting space. He said Embassy Suites has 286 rooms and the Postal Training Center/ Marriott has 964 rooms so there are enough rooms in Norman to support small venues, but an expo center would require a minimum 500 peak room night (total number of rooms needed on the biggest nights). He said an expo center would be able to bring in citywide events that would impact every hotel in the community.

Mr. Schemm highlighted examples of lost business (conferences/tradeshows) as the Oklahoma City Dental Association (provides free dental services to lower income people) – 370 room nights; Church of the Living God – 3200 room nights; Vera Institute National Conference – 625 room nights; National Weather Association Annual Meeting – 1020 room nights; HB Winter Leadership Conference – 1,490 room nights; National Indian Council on Aging Biennial Conference – 1,490 room nights; Genesis Pure Corporate Meeting – 1,300 room nights; Southern Association of collegiate Registrars and Admissions – 1,150 room nights; and National Association of Celebrated Seniors – 500 room nights.

Mr. Schemm highlighted cities with convention centers that would compete with Norman, which includes Oklahoma City; Tulsa; Midwest City; Enid; Broken Arrow; Waco, Texas; Wichita, Kansas; Manhattan, Kansas; and Austin, Texas. He said all these cities were chosen for the similarities to Norman such as having a university, geographic location, or size of community.

Councilmember Miller asked the cost of the facilities in smaller communities and Mr. Schemm said it would be similar to building a house in that the more amenities you add, the higher the cost.

Mr. Schemm said next steps include a comprehensive feasibility study for a potential new expo center with the following scope:

- Market demand
- Development options
- Site analysis
- Construction costs
- Event levels
- Financial operations analysis
- Economic impact
- Funding/Ownership/Management

Mr. Schemm said the anticipated cost for a comprehensive feasibility study is \$50,000, which is available in the Guest Room Tax Fund Balance, and require an appropriation by Council. He said NCVB would then issue a Request for Proposal (RFP) and once a company is selected, the study would take approximately 12 to 14 weeks to complete.

Mayor Rosenthal asked the Finance Director, Mr. Anthony Francisco, what the Guest Room Tax Fund balance would be if \$50,000 was taken out and Mr. Francisco said \$60,000 and the City prefers to keep a balance of \$40,000 in the fund.

Councilmember Chad Williams asked who determines the stakeholders involved in the study. Mr. Schemm said he would meet with a variety of people and groups including the City, County, Norman Forward, business owners, etc. He would like Norman Forward to be one of the stakeholders the consultants would speak to since Norman Forward’s plans include a multi-use facility. He said the study may find that a multi-use center as well as an expo center is needed.

Councilmember Jungman asked how Oklahoma City’s convention center differs from space already provided by Embassy Suites and Mr. Schemm said Embassy Suites does not have the flat, non-column, high ceiling floor space with bay doors to allow large equipment inside. He said an expo center would not replace Embassy Suites, it would complement Embassy Suites as well as the Postal Training Center.

Councilmember Holman said he is skeptical of convention centers, but is willing to spend the \$50,000 for a study to find out what Norman can or cannot support. Councilmember Miller said many people are skeptical about convention centers and can name several cities where convention centers did not succeed. She said skepticism is very healthy because an expo center would be a huge financial outlay and people want to know how that would be good for the community. She said the subject has come up on a regular basis since the 1980’s, but to be successful with voters, there

Item 1, continued:

will need to be good data to support it. Mr. Schemm agreed and said the study will give the City good, hard data on whether or not such a facility is the right thing for Norman.

Mayor Rosenthal said an analysis of economic impact needs to be more sophisticated than just how much sales tax is generated because there will be a long term investment on maintenance to keep the facility fresh.

Councilmember Heiple said the big question is who will operate the facility and Mr. Schemm said that is part of the scope of the feasibility study.

Mayor Rosenthal asked who would approve the contract with the consultant and Mr. Schemm said the NCVB Board.

Mayor Rosenthal said hearing no opposition to the study, an appropriation item will be scheduled on September 9, 2014, agenda for Council approval.

Items submitted for the record

- 1. PowerPoint presentation entitled, “Norman City Council September 2 Study Session,” by Norman Convention and Visitors Bureau
- 2. The Norman Convention and Visitors Bureau Brochure

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Councilmember Robert Castleberry left the meeting at 5:50 p.m.

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Item 2, being:

CONSIDERATION OF ADJOURNING INTO AN EXECUTIVE SESSION AS AUTHORIZED BY OKLAHOMA STATUTES TITLE 25 § 307(B)(3) IN ORDER TO DISCUSS THE ACQUISITION OF REAL PROPERTY RELATED TO THE MCGEE SIDEWALK PROJECT.

Councilmember Lynne Miller moved that the Special Session be adjourned out of and an Executive Session be convened into as authorized by Oklahoma Statutes Title 25 § 307(B)(3) in order to discuss the acquisition of real property related to the McGee Sidewalk Project, which motion was duly seconded by Councilmember Greg Heiple; and the question being upon adjourning out of the Special Session and convening into an Executive Session as authorized by Oklahoma Statutes Title 25 § 307(B)(3) in order to discuss the acquisition of real property related to the McGee Sidewalk Project, a vote was taken with the following result:

YEAS:	Councilmembers Greg Heiple, Greg Jungman, Jerry Lang, Lynne Miller, Stephen Holman, Chad Williams, Clint Williams, and Mayor Cindy Rosenthal
NAYES:	None

The Mayor declared the motion carried and the Special Session adjourned out of; and an Executive Session was convened into as authorized by Oklahoma Statutes Title 25 § 307(B)(3) in order to the acquisition of real property related to the McGee Sidewalk Project.

The City Council adjourned into Executive Session at 6:15 p.m. Mr. Steve Lewis, City Manager, and Mr. Jeff Bryant, City Attorney, were in attendance at the Executive Session.

Mayor acknowledged return to Open Session.

Thereupon, Councilmember Chad Williams moved that the Special Session be reconvened, which motion was duly seconded by Councilmember Stephen Holman; and the question being upon reconvening the Special Session, a vote was taken with the following result:

YEAS:	Councilmembers Greg Heiple, Greg Jungman, Jerry Lang, Lynne Miller, Stephen Holman, Chad Williams, Clint Williams, and Mayor Cindy Rosenthal
NAYES:	None

The Mayor declared the motion carried and the Special Session was reconvened at 7:12 p.m.

Item 2, continued:

Thereupon, Councilmember Chad Williams moved that the Special Session be reconvened, which motion was duly seconded by Councilmember Stephen Holman; and the question being upon reconvening the Special Session, a vote was taken with the following result:

YEAS:	Councilmembers Greg Heiple, Greg Jungman, Jerry Lang, Lynne Miller, Stephen Holman, Chad Williams, Clint Williams, and Mayor Cindy Rosenthal
NAYES:	None

The Mayor declared the motion carried and the Special Session was reconvened at 7:12 p.m.

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The Mayor said the acquisition of real property related to the McGee Sidewalk Project was discussed in Executive Session. No action was taken and no votes were cast.

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ADJOURNMENT

There being no further business, Councilmember Chad Williams moved that the meeting be adjourned, which motion was duly seconded by Councilmember Stephen Holman; and the question being upon adjournment of the meeting, a vote was taken with the following result:

YEAS:	Councilmembers Greg Heiple, Greg Jungman, Jerry Lang, Lynne Miller, Stephen Holman, Chad Williams, Clint Williams, and Mayor Cindy Rosenthal
NAYES:	None

The Mayor declared the motion carried and the meeting was adjourned at 7:14 p.m.

ATTEST:

City Clerk

Mayor