

RESOLUTION OF THE COUNCIL OF THE CITY OF NORMAN FORWARDING TO THE PROJECT PLAN STATUTORY REVIEW COMMITTEE AND THE NORMAN PLANNING COMMISSION A REQUEST FOR CONSIDERATION OF A CITY COUNCIL RECOMMENDATION THAT CULTURAL FACILITIES FUNDING AUTHORIZED UNDER THE PROJECT PLAN FOR THE NORMAN UNIVERSITY NORTH PARK TAX INCREMENT FINANCING DISTRICT BE USED FOR THE PURPOSE OF PLACING A SENIOR CITIZENS CENTER ON LAND OWNED BY THE UNIVERSITY OF OKLAHOMA LOCATED GENERALLY EAST OF THE YMCA.

- § 1. WHEREAS, the City Council of the City of Norman (“Council”) adopted Resolution R-0405-95, September 13, 2005, authorizing the Mayor to appoint a Norman University North Park Project Plan Statutory TIF Review Committee (“Statutory Review Committee”), as allowed under the Local Development Act, 62 Okla. Stat. §851, to consider, among other things, the impact on the taxing jurisdictions of possible creation of a tax increment financing district to facilitate economic development of property located north of Robinson Street, east of Interstate 35, and south of Tecumseh Road in the City of Norman; and
- § 2. WHEREAS, the taxing jurisdictions appointed their respective representatives and the Mayor, as Chair of the Statutory Review Committee submitted a list of seven persons from whom the Statutory Review Committee later elected three members at large on March 28, 2006, in accordance with the Local Development Act; and
- § 3. WHEREAS, the Statutory Review Committee unanimously approved the Project Plan on April 27, 2006, which recommended financing authorization of up to \$54.725 million in Project Costs consisting of the following Estimated Project Costs: 1.a Traffic and Roadway Improvements, \$10.5 million; b. Legacy Park, \$7.5 million; c. Engineering, Legal and other Professional fees, \$1.75 million; d. Contingency, \$1.975 million; 2. a. Conference Center and Cultural Facilities Costs, \$15 million; b. Contingency, \$1.5 million; 3.a. Lifestyle Center Costs, \$7.5 million; b. Contingency, \$750,000; 4.a. Economic Development Costs, \$7.5 million; b. Contingency, \$750,000; and
- § 4. WHEREAS, the Planning Commission for the City of Norman on May 4, 2006, unanimously recommended and approved the Project Plan as presented by the Statutory Review Committee and determined the Project Plan was in conformance with the Comprehensive Plan of the City of Norman; and
- § 5. WHEREAS, the Council adopted the Project Plan as presented by the Statutory Review Committee on May 23, 2006; and



- § 6. WHEREAS, the City of Norman has approved:
- Purchase and Sale Agreement on June 26, 2006, between the OU Foundation and the City for 148.79 acres in northwest Norman to be used as the future site for Ruby Grant Park at below market value,
 - Master Operating Agreement on August 22, 2006 setting for the scope of the Project, establishment of an Oversight committee, setting forth the obligations of the parties, setting forth a preliminary budget and design for Legacy Park, and setting forth economic terms for transfer of sites for non-retail businesses,
 - Development Agreement No. 1 on August 22, 2006, relating to Traffic and Roadway Improvements and Initial Project Activity Costs,
 - Development Agreement No. 2 on February 13, 2007, relating to the Hotel/Conference Center construction and potential purchase of the Conference Center,
 - Master Financing Agreement on February 13, 2007, and
 - Development Agreement No. 3 on October 23, 2007, relating to the construction of Legacy Park, funding for Public Art, Enhanced Landscaping, and an Endowment for Legacy Park Maintenance; and
- § 7. WHEREAS, on April 23, 2007 the Oklahoma Department of Transportation (ODOT) offered the City of Norman up to \$4 million in matching funding for the construction of an overpass of Interstate 35 at Rock Creek Road provided the City secured funding sources for the remainder of the overpass construction costs; and
- § 8. WHEREAS, on February 25, 2008, the Hotelier who was constructing the Hotel/Conference Center under Development Agreement No. 2 offered to the City of Norman to complete said construction and to waive the requirement that the City consider purchasing the Conference Center for \$15 million in consideration of a portion of the authorized Project Costs under the Project Plan originally designated for the Conference Center purchase being reallocated to partially fund an overpass of Interstate 35 at Rock Creek Road in order to provide another roadway connection across I-35 into the UNP TIF Project enhancing traffic flows at almost all the intersections associated with the UNP TIF Project; and
- § 9. WHEREAS, with the Hotelier's commitment to finish construction of the Hotel/Conference Center without the use of TIF funding, an Objective of the Project Plan was satisfied; and

- § 10. WHEREAS, Section IX (A)(2) of the Project Plan relating to Conference Center and Cultural Facilities Costs provides “To the extent such fund has not been so utilized by January 1, 2021, or to the extent such a Conference Center, museums or other similar cultural projects are funded through other sources, the funding authorization may be reallocated to other Project Costs”, allowing such fund authorization not used for the Conference Center to be reallocated to Cultural Facilities or other Project Costs; and
- § 11. WHEREAS, the Council believed such a reallocation of the \$7.75 million authorization of Project Costs from the Conference Center and Cultural Facilities component of the Project Plan to the Traffic and Roadway Improvement component of the Project Plan for the partial funding of the overpass of I-35 at Rock Creek Road to be consistent with the original Project Plan, and in furtherance of the Objectives of the Project Plan, and forwarded the recommendation to the Statutory Review Committee and Planning Commission for consideration; and
- § 12. WHEREAS, in addition to reallocation of the \$7.75 million authorization of Project Costs from the Conference Center and Cultural Facilities component of the Project Plan to the Traffic and Roadway Improvement component of the Project Plan for the partial funding of the overpass of I-35 at Rock Creek Road, the Council also asked the Statutory Review Committee to consider that the remaining \$8.75 million of funding authorization in the Conference Center and Cultural Facility component of the UNP TIF be reduced by 50% (\$4.375 million), effectuating an overall reduction of the total UNP TIF funding authorization of almost 8%, and that \$4.375 million of funding authorization originally allocated to the Conference Center and Cultural Facilities component of the UNP TIF be allowed to remain in the Project Plan for allocation to Cultural Facilities or other Project Costs; and
- § 13. WHEREAS, the Statutory Review Committee and the Planning Commission reviewed the requested amendment to the Project Plan and recommended that the a \$7.75 million portion of the authorization of Project Costs from the Conference Center and Cultural Facilities component of the Project Plan be reallocated to the Traffic & Roadway Improvement component of the Project Plan for partial funding of the overpass at I-35 and Rock Creek Road, and that \$8.75 million remain in the Cultural Facilities component of the Project Plan; and
- § 14. WHEREAS, the Statutory Review Committee also recommended that a proposed use of the \$8.75 million authorization for Cultural Facilities be brought back to the Statutory Review Committee for review and recommendation as indicated by the following language:

“In addition, the remaining original allocation for Conference Center and Cultural Facilities Costs of \$8,750,000 may be used to fund cultural facilities or other Project Costs in furtherance of the objectives of the Project Plan as set out in Section IV but only upon review and approval by the Statutory TIF Review Committee”

With the principal objectives in Section IV of the Project Plan and Increment District No. 2 being:

- A. To create the Lifestyle Center, designed to foster the quality of development at University North Park and to facilitate the creation of a retail environment that will be a regional draw of retail customers to Norman.
- B. To create Legacy Park, with appropriate memorials, a substantial lake/water feature, and destination restaurants and boutique shops, together with the extension of the Legacy Trail system, quality public art, trees, and extensive landscaping throughout University North Park.
- C. To construct a conference center, and accompanying museums and other cultural facilities, in order to secure a first-class hotel.
- D. To attract quality jobs through economic development activities in order to recruit businesses not currently located in Norman and to provide quality employment opportunities in Norman.
- E. To stimulate private commitments to invest in the Project Area.
- F. To reverse a long-standing condition of arrested economic development, to serve as a catalyst for expanding employment, and to attract major investment in the area.
- G. To preserve and enhance the tax base and make possible investment, development, and economic growth that would otherwise be difficult without the Project and the apportionment of incremental tax revenues.

§ 15. WHEREAS, City Council accepted the recommendation of the Statutory Review Committee and the Planning Commission when it adopted Ordinance O-0809-8 on August 26, 2008, amending the Project Plan, thereby providing for the following financing authorization of up to \$54.725 million in Project Costs consisting of the following Estimated Project Costs: 1.a(1) Traffic and Roadway Improvements (Development Agreement No. 1) \$11.55 million, (2) Rock Creek Overpass \$7.75 million; b. Legacy Park, \$8.25 million; c. Engineering, Legal and other Professional fees, \$1.75 million; d. Unallocated Contingency, \$175,000; 2. Conference Center and Cultural Facilities Costs, \$8.75 million; 3. Lifestyle Center Costs, \$8.25 million; 4. Economic Development Costs, \$8.25 million; and

§ 16. WHEREAS, Development Agreements approved by City Council in furtherance of the goals and objectives of the Project Plan include:

- Development Agreement No. 4 on September 9, 2008, providing for the release of the obligation of the Norman Tax Increment Finance Authority (NTIFA) to provide up to \$16.5 million toward the construction of the Conference Center adjoining the Embassy Suites Hotel, providing for up to \$29,120,000 in TIF Note authorization for which the OU Foundation pledged to be the purchaser of the TIF Notes to fund Initial Project Activity Costs (Traffic & Roadway Improvements), a portion of Rock Creek Overpass construction costs, a portion of Legacy Park Project costs at a 3.75% interest rate;
- Development Agreement No. 5 on May 8, 2012, relating to reallocation of excess Rock Creek overpass funding to the construction of Legacy Park, establishing a Business Improvement District for Legacy Park Maintenance, designating an amount not to exceed \$175,000 for additional parking for Legacy Park patrons, donating up to two acres of land for a Cultural Facility, establishing Phase I and Phase II improvements for future traffic and roadway improvements, and committing to up to \$8.25 million in TIF funds toward the establishment of a regional draw retail district;
- Amendment to Development Agreement No. 5 on April 28, 2016, increasing performance criteria for retail stores to be located in the Town Center to be considered for TIF retail incentives, setting deadlines for achievement, extending deadlines for penalty provisions, making commitments for the construction of entrances into the district, providing for joint study of a Master Plan for the land area north of Rock Creek Road; and

§ 17. WHEREAS, additional Development Agreements approved by City Council to further the Project Plan goal and objective of creation of quality jobs includes:

- Master Economic Development Agreement Development Agreement providing for the purchase of up to sixty acres of land by the Norman Economic Development Coalition (NEDC) for development into commercial and industrial parcels for the attraction of quality job employers to the City of Norman, and providing up to \$16.5 million in TIF Notes for the creation of quality jobs; and
- Development Agreement No. 6 providing for a quality jobs creation agreement between the NMA, NEDC, and IMMY for the creation of quality jobs over ten year period; and

§ 18. WHEREAS, Calliston/RTKL provided to the City a presentation of its Master Planning work to the City Council on September 19, 2017 which included recommendations of an Entertainment District anchored by an Arena venue, continuing reservation of land for quality job creation for office, technology based jobs, and light manufacturing, mixed use areas which include restaurants, office, housing, and entertainment venues, continuing with increased housing densities such as multi-family residential, town houses, or single family housing on reduced lot sizes for increased density; and

- § 19. WHEREAS, Council received information from the Center for Economic Development Law on October 10, 2017 regarding how UNP TIF #2 could be amended along with the creation of other UNP TIF districts in the area primarily on the north of Rock Creek Road that would enable continued planning for and exploration of implementation of the recommendations of RTKL to provide for a regional draw component of the Project, to continue to provide for land and funding for the attraction of quality jobs to the community, and to provide for a mix of housing units to the area to create a district where citizens of all ages, including the retention of millennials, could live, work and play; and
- § 20. WHEREAS, since its approval in 2006 through the end of calendar year 2017 the UNP TIF District has generated over \$200 million in private investment into the district which has resulted in the generation of over \$72.66 million in collected sales taxes providing \$9.32 million in dedicated Public Safety Sales Taxes, \$2.34 million in dedicated Norman Forward Sales Taxes, \$31.12 million in sales taxes to the General Fund and Capital Fund, \$24.91 million in sales taxes to UNP TIF Project Costs, \$4.98 million in sales taxes to UNP TIF Economic Development projects, and \$16.94 million in ad valorem taxes of which 50%, or \$8.47 million was disbursed to the taxing jurisdictions and an equal amount was available for Project Costs for total incremental revenue for Project Costs being \$38.36 million in the first ten years of the life of the UNP TIF District; and
- § 21. WHEREAS, Project Plan components achieved to date include completion or scheduling of over \$24 million of traffic, roadway, lighting, and Legacy Trail projects by leveraging approximately \$10.7 million of UNP TIF incremental revenues for planned traffic and roadway improvements including five intersections, improvements at 24th Avenue and Robinson, interchange on the northeast corner of Robinson and I-35, I-35 frontage road improvements, intersection improvements on Robinson Street west of I-35 planned for 2019, Legacy Park Construction, assisting NEDC in acquiring up to 60 acres of land to develop the six lot Office Park and the six lot light Industrial park, Hotel and Conference Center, Rock Creek Overpass, retention of and quality job expansion for IMMY in the light industrial park, south entrance construction, and installation of water and sewer infrastructure in much of the land areas north of Rock Creek Road; and
- § 22. WHEREAS, remaining NTIFA obligations created under financings or development agreements include: 2013 TIF note balance of \$10.815 million; Traffic & Roadway Improvement estimated at \$2.45 million (Robinson west of I-35, Tecumseh & 24th NW, Tecumseh & Flood, Tecumseh & I-35), Public Art \$1.5 million, Enhanced Landscaping \$750,000, Legacy Trail enhancements \$288,000, remaining Business Improvement District commitments of \$375,000, Economic Development quality job incentives minimum \$155,000 to maximum of \$733,200 over the next 7 years, making available to NEDC an additional \$4.3 million in UNP TIF revenues for economic development plus up to an additional \$8.25 million in financing authority under the Oklahoma Leverage Act by pledging matching State Sales Tax revenues and economic development sales tax incremental revenues in certain circumstances as authorized by Economic Development UNP TIF Notes issues by the NMA on September 10, 2010, and making available up to \$8.25 million for retail incentives for regional draw retailers through June 30, 2023, or to

June 30, 2026 if the Lifestyle Center used a design that achieves urban design, walkability, and/or mixed used development concepts; and

- § 23. WHEREAS, authorized, but not committed components of the Project Plan include the construction of Cultural Facilities using \$8.75 million in financing authorization; and
- § 24. WHEREAS, on December 19, 2017, the City Council approved an Exchange Agreement with the University of Oklahoma that provides, among other things, a long term lease of land owned by the University of Oklahoma which is located generally east of the YMCA on which the City intends to utilize to construct some or all of Norman Forward projects designated as the Multi-sport facility, the Aquatics facility, and the Senior Citizens Center; and
- § 25. WHEREAS, the Board of Regents of the University of Oklahoma are scheduled to consider the Exchange Agreement at its regular meeting in March of 2018, which if approved, provided for a closing of the contemplate exchange of property and execution of the long term lease no later than sixty (60) days following approval of the Exchange Agreement; and
- § 26. WHEREAS, on April 17, 2012, the Norman City Council held a Public Forum to discuss and receive public input regarding a Cultural Facility to be located in the University North Park Tax Increment Finance District with suggestions made at that time to include: International Gymnastics Hall of Fame; The National Weather Museum; the Pisces Project; a Cheerleading Venue; an Aquarium; and an Exhibit Hall; and
- § 27. WHEREAS, the Council proposes, and would like to forward to the Statutory Review Committee and the Planning Commission for consideration, that the \$8.75 million of funding authorization for Project Costs allocated to the Cultural Facilities be utilized to fund a Senior Citizens Center to be located on land generally east of the YMCA currently proposed to be leased on a long term basis to the Norman Municipal Authority by the University of Oklahoma, said UNP TIF funding authorization to be in place of 2008 GO Bond funding authorization for a Senior Center through renovation of the current Central Library located on Webster Ave and in place of Senior Center funding authorization from the 2015 Norman Forward Temporary Sales Tax as set out in Ordinance O-1516-5; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA;

- § 28. That the City Manager and the staff are hereby directed to forward to the Norman University North Park Project Plan Statutory TIF Review Committee and the Planning Commission for consideration this Resolution containing the Council's proposal that the \$8.75 million of funding authorization for Project Costs allocated to the Cultural Facilities be utilized to fund a Senior Citizens Center to be located on land generally east of the YMCA currently proposed to be leased on a long term basis to the Norman Municipal Authority by the University of Oklahoma, said funding to be in place of 2008 GO Bond

funding authorization for a Senior Center through renovation of the current Central Library located on Webster Ave and in place of funding authorization for a Senior Center from the 2015 Norman Forward Temporary Sales Tax; and

- § 29. That the Norman University North Park Project Plan Statutory TIF Review Committee is hereby requested to convene for the purpose of considering the Council's proposal in relation to the goals and objectives of the Norman University North Park Project Plan; and
- § 30. That the Mayor, as chair of the Norman University North Park Project Plan Statutory TIF Review Committee, is hereby authorized to contact the ad valorem taxing jurisdictions to confirm or designate their authorized representation on the Committee, and to take appropriate steps to select representatives to represent the public at large as required by the Local Development Act.
- § 31. That the Norman University North Park Project Plan Statutory TIF Review Committee shall make a recommendation to the City Council of the City of Norman as to the appropriateness of the proposal in relation to the goals and objectives of the Norman University North Park Project Plan; and
- § 32. That the Norman Planning Commission is hereby requested to considering the Council's proposal in relation to the goals and objectives to the Norman University North Park Project Plan; and
- § 33. That the Norman Planning Commission shall make a recommendation to the City Council of the City of Norman as to the proposal and whether such is in conformance with the Comprehensive Plan of the City of Norman, and whether it is recommended that the proposed use of incremental revenues from the Norman University North Park Project Plan be approved and adopted.

PASSED and ADOPTED this _____ day of _____, 2018.

Mayor

ATTEST:

City Clerk