

**THE CITY OF NORMAN
TIF #2 OVERSIGHT COMMITTEE
(UNIVERSITY NORTH PARK TIF)
ANNUAL REPORT
FOR THE PERIOD OCTOBER 1, 2019-JUNE 30, 2020**

The City of Norman Tax Increment Finance District (TIF) Number Two Oversight Committee (University North Park TIF) (“Oversight Committee”) was established by the City Council on April 10, 2007 to “oversee the implementation of the Project Plan on behalf of the City Council...shall make recommendations on (1) the use of revenues and expenditures other than traffic, roadway, and utility improvements; (2) material modifications of the master plan; and (3) material changes in the design guidelines.” There are nine committee members, with terms expiring as follows:

- Chris Dragg, April 10, 2021
- Dr. Nick Migliorino, April 10, 2021
- Vacant, April 10, 2021
- Paula Price, April 10, 2022
- Ted Smith, April 10, 2022
- William Wilson, April 10, 2022
- Robert Castleberry, April 10, 2020
- Fred Walden, April 10, 2020
- Greg Burge, April 10, 2023

The Oversight Committee will continue in existence until the Project Plan has been determined to be completed.

The Project Plan (adopted May 23, 2006; Ordinance O-0506-66), as amended (August 26, 2008; Ordinance O-0809-8 and November 26, 2019; Ordinance O-1920-24), establishes these project categories and estimated costs:

1. Traffic and Roadway Improvement Costs	5,024,394
2. Legacy Park Costs	250,000
3. Recreation Facilities Costs	5,154,762
4. Town Center Costs	5,000,000
5. Economic Development Costs	1,425,000
6. Miscellaneous Costs	125,000
Total Project Costs	16,979,156

The Oversight Committee has been reviewing documents and meeting since May 2007. The Oversight Committee met on December 10, 2019, January 21, May 19 and June 16, 2020. Significant items discussed and reviewed over the reporting period include the following:

Modifying the TIF

By Council Resolution (Resolution R-1819-83, adopted February 12, 2019) the City Council/Norman Tax Increment Finance Authority (NTIFA) voted to direct the negotiation of amendments to the UNP TIF Project Plan to reduce the amount of authorized Project Costs to the amount of funds on deposit in the UNP TIF Fund, as of June 30, 2019, and therefore end the apportionment of taxes to the UNP TIF Fund as of that date. City Council/NTIFA voted on November 26, 2019 to amend the Project Plan via Ordinance O-1920-24. The Authorized Project Costs in the amended Project Plan are is denoted above. Prior to the 2019 amendments, the authorized projects totaled \$54,725,000 while \$29,868,059 was spent in project costs. See attached schedules.

Referendum Petition

The Oversight Committee received updates regarding a referendum petition which challenged the Project Plan Amendment Ordinance from November 26, 2019. The petition received the required number of signatures, but the validity of the language of the petition was challenged in District Court by four former Mayors of Norman. The Cleveland County District Court ruled that the “gist” of the petition language was invalid. The Oklahoma Supreme Court ruled in favor of the former Mayors (the plaintiffs) and upheld that the gist of the petition was not sufficient. The November 26, 2019 Amended Project Plan will now be what the Committee uses going forward in its oversight duties.

Sooner Station

The Oversight Committee received updates on a new assisted living and skilled nursing center at 24th Avenue NW and Radius to be named Sooner Station.

Legacy Park Parking Lot

The Oversight Committee received construction updates throughout the period. The parking lot was completed in January, 2020.

General Obligation Bond Vote

The Oversight Committee received updates on the August 25, 2020 general obligation bond vote. The proposition would provide additional funds for the Indoor Aquatic and Sport Facility, which will be located in University North Park, north of the Embassy Suites Conference Center, south of Rock Creek Road and east of 24th Avenue NW. Trae Young,

NBA All-star, has pledged \$4 million in donations towards the project if the respective bonds are approved by voters.

Financial Updates

During each meeting, the Oversight Committee received updates on TIF District activities as they developed during the past reporting period. Attached to this report is financial information comparing the original projections of the Developer to the actual revenues.

Summary

Summarized information on collections and expenditures from the UNP TIF are attached.

**Norman TIF District No. 2
(University North Park Project)
Comparison of Projected with Actual Ad Valorem Tax Receipts**

*Year construction was completed	Calendar Year payments received	Ad valorem generated in the TIF		
		Projected in 2006	Actual	Variance
2006	2008	\$288,842	\$174,584	(\$114,258)
2007	2009	\$818,899	\$590,230	(\$228,669)
2008	2010	\$843,466	\$1,356,392	\$512,926
2009	2011	\$868,770	\$1,567,358	\$698,588
2010	2012	\$1,621,408	\$1,540,824	(\$80,584)
2011	2013	\$1,670,050	\$1,910,428	\$240,378
2012	2014	\$2,094,419	\$2,063,744	(\$30,675)
2013	2015	\$2,951,200	\$2,372,138	(\$579,062)
2014	2016	\$3,509,324	\$2,281,824	(\$1,227,500)
2015	2017	\$3,614,604	\$2,869,382	(\$745,222)
2016	2018	\$5,077,370	\$3,199,689	(\$1,877,681)
2017	2019	\$5,308,944	\$3,368,579	(\$1,940,365)
2018	2020**	<u>\$5,468,212</u>	<u>\$4,223,516</u>	<u>(\$1,244,696)</u>
Total thru 2018		\$34,135,508	\$27,518,688	(\$6,616,820)
2019		\$5,632,259		
2020		\$5,952,613		
2021		\$6,131,191		
2022		\$6,315,127		
2023		\$6,670,005		
2024		\$6,870,105		
2025		\$7,176,603		
2026		\$7,740,323		
2027		\$7,972,532		
2028		\$8,211,708		
2029		\$8,458,059		
2030		<u>\$8,711,801</u>		
Total of all years projected		\$130,754,990		

*Taxes assessed the following year after completion (2006 in 2007) and received by City in subsequent subsequent year after assessment (2006 in 2008)

** As of June 30, 2020

**Norman TIF District No. 2
(University North Park Project)
Comparison of Projected with Actual Sales Tax Receipts**

	Sales tax generated in the TIF	Gross Sales Tax from TIF	Variance of 2006 projections to Gross Actual	Transfer Adjustment	Total Incremental Sales Tax
	Projected in 2006	Actual		Actual	Actual
2006	\$830,207	\$635,198	(\$195,009)	\$347,035	\$288,163
2007	\$3,135,252	\$2,163,673	(\$971,579)	\$859,054	\$1,304,619
2008	\$3,229,310	\$3,496,022	\$266,712	\$921,480	\$2,574,542
2009	\$3,326,189	\$4,509,771	\$1,183,582	\$1,041,248	\$3,468,523
2010	\$5,917,544	\$5,571,570	(\$345,974)	\$1,264,471	\$4,307,099
2011	\$6,095,070	\$5,829,468	(\$265,602)	\$1,222,260	\$4,607,208
2012	\$6,277,923	\$6,311,986	\$34,063	\$1,104,767	\$5,207,219
2013	\$9,188,865	\$7,114,148	(\$2,074,717)	\$1,136,943	\$5,977,205
2014	\$9,464,531	\$8,973,191	(\$491,340)	\$946,703	\$8,026,488
2015	\$9,748,467	\$9,329,808	(\$418,659)	\$909,297	\$8,420,511
2016	\$13,015,985	\$10,279,622	(\$2,736,363)	\$1,085,206	\$9,194,416
2017	\$13,406,465	\$10,673,201	(\$2,733,264)	\$990,870	\$9,682,331
2018	\$13,808,658	\$11,003,941	(\$2,804,717)	\$1,054,555	\$9,949,386
2019	<u>\$14,222,918</u>	<u>\$11,209,716</u>	<u>(\$3,013,202)</u>	<u>\$1,236,712</u>	<u>\$9,973,004</u>
Total thru 2019	\$111,667,384	\$97,101,315	(\$14,566,069)	\$14,120,601	\$82,980,714
2020	\$14,649,606				
2021	\$15,089,094				
2022	\$15,541,767				
2023	\$16,008,020				
2024	\$16,488,260				
2025	\$16,982,908				
2026	\$17,492,395				
2027	\$18,017,167				
2028	\$18,557,682				
2029	\$19,114,413				
2030	<u>\$19,687,845</u>				
Total of all years projected	\$327,328,117				

UNIVERSITY NORTH PARK
 TAX INCREMENT FINANCE DISTRICT
 EXPENDITURE SUMMARY VS. PROJECT PLAN BUDGET
 As Of June 30, 2020

Expenditure Category	BUDGET	FYE 2007	FYE 2008	FYE 2009	FYE 2010	FYE 2011	FYE 2012	FYE 2013	FYE 2014	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020	TOTAL	BALANCE
Traffic/Road Improvements	\$ 11,550,000	343,807	816,159	780,485	77,108	1,118,991	2,165,823	801,031	654,552	2,724,507	130,213	901,783	334,517	137,119	76,582	11,052,685	\$ 487,315
Legacy Park	\$ 10,768,000	-	24,250	185,117	50,771	-	-	918,045	3,024,398	2,933,508	406,621	125,000	101,511	78,858	9,367	7,851,546	2,926,454
Egtr/Legal/Prof	\$ 1,750,000	144,266	-	154,833	-	9,970	8,903	10,516	160,635	312,511	298,768	379,758	322,984	261,357	10,830	2,076,331	(826,391)
Contingency	\$ 175,000	-	-	-	-	-	-	20,872	17,128	-	-	5,054	5,000	-	-	48,054	129,946
Conference/Cultural Facilities	\$ 7,250,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,250,000
Contingency	\$ 1,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,500,000
Rock Creek Overpass	\$ 5,212,000	-	-	3,640,677	1,361,241	12,417	4,800	-	-	-	-	-	(518,512)	-	-	4,500,623	711,377
Contingency	\$ -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lilestyle Center Incentive	\$ 7,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,500,000
Contingency	\$ 750,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	750,000
Economic Development	\$ 7,500,000	-	-	-	-	102,266	116,016	118,563	140,956	237,116	283,606	2,884,843	324,514	111,119	-	4,318,819	3,181,181
Contingency	\$ 750,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	750,000
TOTAL	\$ 54,725,000	\$ 468,073	\$ 840,409	\$ 4,765,112	\$ 1,489,118	\$ 1,243,844	\$ 2,295,542	\$ 1,869,047	\$ 3,987,879	\$ 6,207,642	\$ 1,120,208	\$ 4,295,238	\$ 570,014	\$ 568,553	\$ 95,779	\$ 23,869,059	\$ 24,655,941
Loan Principal Repayments	\$ -	\$ -	\$ 1,117,428	\$ 114,188	\$ -	\$ -	\$ 400,000	\$ 425,000	\$ 13,735,000	\$ 750,000	\$ 800,000	\$ 850,000	\$ 1,000,000	\$ 10,815,000	\$ -	\$ 19,191,616	\$ -
Loan Interest Repayments	\$ -	\$ -	\$ -	\$ -	\$ 112,487	\$ 194,056	\$ 208,591	\$ 227,364	\$ 494,021	\$ 528,808	\$ 499,277	\$ 467,944	\$ 431,102	\$ 207,526	\$ -	\$ 3,103,552	\$ -
Loan Issue Costs	\$ -	\$ -	\$ -	\$ 411,850	\$ -	\$ 34,538	\$ -	\$ 250,000	\$ 280,725	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 857,113	\$ -

UNIVERSITY NORTH PARK
 TAX INCREMENT FINANCE DISTRICT
 EXPENDITURE SUMMARY VS. REVISED PROJECT PLAN BUDGET
 As Of June 30, 2020

Expenditure Category	BUDGET	FYE 2020	TOTAL	BALANCE
Traffic/Road Improvement Costs	\$ 5,024,394			\$ 5,024,394
Legacy Park Costs	\$ 250,000	225,000	225,000	25,000
Recreation Facilities Costs	\$ 5,154,762			5,154,762
Town Center Costs	\$ 5,000,000			5,000,000
Economic Development Costs	\$ 1,425,000	49,021	49,021	1,375,979
Miscellaneous Costs	\$ 125,000	62,840	62,840	62,160
TOTAL	\$ 16,979,156	\$ 336,861	\$ 336,861	\$ 16,642,295