

## Term Sheet

- 1. Traffic and Roadway Improvements:** Funds up to \$5,024,394 shall be made available for the design and construction of the traffic and roadway improvements listed below. The City shall make every effort to secure federal or state funding for these projects. Any additional funds needed to complete these projects shall be provided by the City, or state or federal funding sources. The Developer (UTC LLC) and UNP LLC are released from any obligation to fund any portion of these traffic and roadway improvements. The projects will be sequenced as follows:

a. Robinson at West I-35 Drive/Crossroads Blvd.	\$1,678,671
b. Tecumseh Road and Flood & 24 <sup>th</sup> Ave NW	\$1,152,237
c. Tecumseh Road and Interstate Drive East	\$1,086,723
d. Tecumseh Road and Interstate Drive West	\$ 650,000
e. Contingency	<u>\$ 465,736 (10%)</u>
	\$5,024,394

The City will make every effort to complete all of these projects by June 30, 2024; however, the Parties recognize that the complete funding for these projects may require significant federal funding, and that projects (c) and (d) in particular are contingent on the I-35 Corridor Study that has been undertaken in partnership with the Oklahoma Department of Transportation and the City of Moore.

Section 6.07 of the Supplemental Indenture and Section 3.2 of Development Agreement No. 5 will survive any amendments to the development agreements and will be incorporated into any master settlement agreement. If the existing PUD is amended to permit development north of Rock Creek Road that would result in higher traffic counts than projected in the 2009 TIA and, as a result, such development would result in a failure to maintain Service Level D at University North Park, any necessary traffic improvements, to the extent necessary to achieve the same Service Level D as set forth in the 2009 TIA, will be determined in accordance with Section 4006.1 of the City's Engineering Design Criteria.

The Parties recognize that under the normal City development process, the developer of any lot is required to construct any required infrastructure improvements, such as easements, rights of way, traffic, streets, roadway, stormwater, sanitary sewers, water mains, sidewalks, and fire protection, prior to each lot or section being final platted, unless concurrent construction is granted. As such, on lots or sections already final platted, additional infrastructure improvements will not be required.

- 2. Legacy Park:** Funds up to \$75,000 shall be made available to fulfill the remaining unfunded balance of NTIFA's matching contribution of \$900,000 as provided by R-1415-11 creating the University North Park Business Improvement District. Funds up to \$175,000 shall be made available to fulfill the City's obligation under

Section 2.2 of Development Agreement No. 5 to construct a surface parking lot providing at least 20 additional parking spaces for those attending events at Legacy Park. The City shall make every effort to construct and open the surface parking lot by no later than June 30, 2020.

3. **Economic Development:** Funds up to \$1,425,000 may be made available for Economic Development Costs, including a maximum of \$699,565 that may be earned under Development Agreement No. 6 (\$70,434 of which already has been earned and distributed). UNP LLC will enter into a separate agreement with NEDC to accelerate its option to purchase University North Park Corporate Center 1, subject to IMMY's right of first refusal with respect to Lot 2 and Lot 7 in Block 1, at a mutually agreed price (i) not less than the remaining unpaid balance of NEDC's loan from Republic Bank and Trust ("RBT") and (ii) not to exceed NEDC's verified cost as provided in the existing agreements between UNP LLC and NEDC, with closing to occur by a mutually acceptable date. If such closing does not occur prior to October 1, 2019, a portion of the funds available for Economic Development Costs may be used to pay the interest payment(s) due on NEDC's loan from RBT on the date(s) such payments are due. If IMMY exercises its right of first refusal under Section III(c) of Development Agreement No. 6 to purchase Lot 2 and/or Lot 7 in Block 1, the purchase price paid by UNP LLC for the remaining lots in Corporate Center 1 will be reduced by an amount equal to the price IMMY pays NEDC for Lot 2 and/or Lot 7. If IMMY exercises its right of first refusal under Section III(c) of Development Agreement No. 6 to purchase Lot 2, Block 1 in University North Park Corporate Addition Section 2, or if any other lot of the University North Park Corporate Center 2 tracts are sold by June 30, 2026, then NEDC's repayment obligation in Section 3(f)(3) of Development Agreement No. 6 shall be enforced and Economic Development funds may be made available for other project costs contemplated by the 2006 Project Plan at the sole discretion of NTIFA.
4. **Recreation Facility (formerly Cultural Facility):** Funds up to \$5,154,762 may be made available for the construction of a recreation facility or facilities in University North Park, including an indoor competitive pool and multi-sport courts (the "Recreation Facility projects"), which will be available for use by local residents and sports organizations, but also marketed for larger tournaments, swim meets and other events to encourage a regional draw of retail customers, and hotel patrons from outside of Norman. These funds shall be utilized as follows:
  - a. **Property Acquisition.** The Recreation Facility projects will be located in the UNP TIF Increment District on the property owned by Developer identified in Exhibit A, which is a 12-acre site north of Embassy Suites and bordering the Max Westheimer airport. Recreation Facility funds may be used to acquire this site for the Recreation Facility projects. Developer will donate 2 acres for said facility and sell an additional 10 acres to the City/NTIFA for a net price of \$2,069,971 (for a blended rate of \$3.96 per

square foot) and other terms that are mutually acceptable to Developer and the City/NTIFA, with closing to occur no later than June 30, 2020.

- b. NPS Aquatic Contribution: Recreation facility funds in the amount of \$350,000 will be used to offset the anticipated annual contributions by NPS to the operation of the indoor aquatic facility.
- c. Construction Supplement: Any remaining Recreation facility funds may be made available for the construction and equipping of the Recreation Facility projects to ensure they will serve as a regional draw for larger tournaments, swim meets and other events.

City commits to obtain sufficient funding to construct the Recreation Facility projects, which are estimated to cost at least \$22,500,000, and open the Recreation Facility projects by no later than October 1, 2022.

**5. Town Center with Retail and Entertainment Uses:** Funds up to \$5,000,000 shall be made available to support development of a Town Center with Retail and Entertainment Uses. The Developer shall have access to these funds, upon verification by the General Manager of the NTIFA, of the following criteria being met:

- a. Costs are needed to support retail or entertainment development in Area 5, as identified on Exhibit E to Amendment 1 of Development Agreement No. 5; and
- b. Costs are needed to support a retail or entertainment user that is not already located in Norman; and
- c. If the costs are associated with a proposed retail user, then anticipated retail sales of at least \$300 per square foot for a store larger than 10,000 square feet and \$400 per square foot for a store smaller than 10,000 square feet must be demonstrated based on past performance in communities with similar demographics to Norman; and
- d. If the costs are associated with an entertainment user, then no minimum sales per square foot standard applies; however, the proposed user must present an entertainment option that is not already located in Norman, such as but not limited to a boutique first run theater, luxury first run theater, etc.; and
- e. Parcel development plan must incorporate urban design elements of walkability and connectivity, as determined by the Architectural Review Board for University North Park; and
- f. Retail or entertainment user must either purchase land or sign a lease of at least 3 years.

If the proposed retail or entertainment user does not meet all of these criteria but incentives are still requested, then such request will be approved only upon execution of a satisfactory development agreement by the NTIFA.

City commits to consider other incentives not utilizing TIF funds for qualifying retail projects, such as but not limited to sales tax rebates, permit and fee waivers, and expedited processing of City approvals, to supplement Town Center incentives.

The deadline to request Town Center incentive funds is June 30, 2026. Town Center incentive funds must be escrowed or secured in a manner acceptable to the parties through the incentive deadline. Any remaining funds after June 30, 2026 may be transferred to other project costs at the NTIFA's discretion or to the City's general fund if all other projects contemplated by the 2006 Project Plan have been completed. Any penalties for failure to construct a Town Center or Lifestyle Center by a specific deadline will be waived.

6. **Miscellaneous Costs.** The parties acknowledge that there are and will be certain costs associated with this Project Plan amendment and the related MOU that are not captured in another project category. Funds in an amount up to \$125,000 shall be made available for such miscellaneous costs, including but not limited to, costs of the special audit provided for in the MOU, cost allocations, etc.
7. **Approvals.** The proposed terms set forth in this Term Sheet are subject to (a) approval by the City Council, the trustees of the NTIFA, the board of directors of NEDC, the trustees of The University of Oklahoma Foundation, Inc. (as the member of University North Park, LLC), and the members of University Town Center, LLC, and (b) the parties' agreement on mutually acceptable terms in a definitive agreement.