

**THE CITY OF NORMAN  
TIF #2 OVERSIGHT COMMITTEE  
(UNIVERSITY NORTH PARK TIF)  
ANNUAL REPORT**

**FOR THE PERIOD JULY 1, 2018-SEPTEMBER 30, 2019**

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
- Janese Shepard, April 10, 2021
- Dr. Nick Migliorino, April 10, 2021
- Paula Price, April 10, 2022
- Ted Smith, April 10, 2022
- William Wilson, April 10, 2022
- Anthony McBride, April 10, 2020
- Fred Walden, April 10, 2020
- Greg Burge, April 10, 2020

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), establishes these project categories and estimated costs:

1. a. Traffic and Roadway Improvements	11,550,000
b. Legacy Park	8,250,000
c. Engineering, Legal & Other Professional Fees	1,750,000
d. Contingency	175,000
2. a. Conference Center & Cultural Facilities	7,250,000
b. Contingency	1,500,000
3. a. Rock Creek Overpass of I-35	6,390,000
b. Contingency	1,360,000
4. a. Lifestyle Center	7,500,000
b. Contingency	750,000
5. a. Economic Development	7,500,000
b. Contingency	750,000
<b>Total Project Costs</b>	<b>54,725,000</b>

As illustrated on the attached “UNP TIF Authorizations versus Expenditures” table, approximately \$24,887,000 of the original \$54,725,000 in authorized project costs remains to be spent. Based on current sales tax and property tax apportionment rates and with available cash on hand, it is estimated that the full \$54.7 million will be generated by the end of calendar year 2020.

The Oversight Committee has been reviewing documents and meeting since May 2007. Significant items discussed and reviewed over the reporting period include the following:

### **Early Payoff of the Norman TIF Authority Note Series 2013**

The Committee unanimously agreed to recommend to the City Council to pay off the principal of the Norman TIF Authority Note Series 2013 early, at the July 17, 2018 meeting. The note was paid off in October 2018.

### **Modifying the TIF**

Lengthy discussions occurred at several meetings during this last year regarding ending apportionment of TIF funds to help relieve pressure on the General Fund. Discussions acknowledged the need of Norman Public Schools to be made whole with future funding while giving them ample time to adjust to future changes. Anthony Francisco presented a memo with multiple options at the September 18, 2018 meeting.

The Committee recommended to Council at its September 18, 2018 meeting that the apportionment rate be cut to 20% and replace the cultural center allocation of \$8.25 million to build a new senior center.

The Committee recommended to Council at its November 20, 2018 meeting that Council have a contingency plan on how to handle contractual obligations and ramifications of ending the TIF.

Council approved a memorandum of Understanding (MOU) in May 2019.

At its June 18, 2019 meeting, the Oversight Committee received a presentation from Kathryn Walker regarding proposed to Council as Resolution R-1819-124. The Oversight Committee voted to recommend approval to Council of this proposal.

### **Senior Citizens Center**

As noted above, the Oversight Committee recommended to Council at its September 18, 2018 meeting to add a project for a senior center and keep the Cultural Center authorization. Discussion at its February 19, 2019 meeting centered on if a senior center would be a regional draw.

The Oversight Committee also discussed at its December 18, 2018 meeting using monies freed up by leasing Griffin Park land rather than buying it as originally budgeted for help with senior center funding.

### **Legacy Park Parking Lot**

The Oversight Committee discussed the status of the proposed parking lot during its December 18, 2018 meeting.

### **Permeable Sidewalks**

At its February 19, 2019, the Oversight Committee recommended to Council that Legacy Trail and all other new sidewalks with the TIF be permeable and built according to City engineering standards (instead of private developer standards).

### **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 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	<u>\$13,808,658</u>	<u>\$11,003,941</u>	<u>(\$2,804,717)</u>	<u>\$1,054,555</u>	<u>\$9,949,386</u>
<b>Total thru 2018</b>	<b>\$97,444,466</b>	<b>\$85,891,599</b>	<b>(\$11,552,867)</b>	<b>\$12,883,889</b>	<b>\$73,007,710</b>
2019	\$14,222,918				
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>				
<b>Total of all years projected</b>	<b>\$313,105,199</b>				

**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**	<u>\$5,308,944</u>	<u>\$3,302,662</u>	<u>(\$2,006,282)</u>
<b>Total thru 2017</b>		<b>\$28,667,296</b>	<b>\$23,229,255</b>	<b>(\$5,438,041)</b>
2018		\$5,468,212		
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>		
<b>Total of all years projected</b>		<b>\$125,286,778</b>		

\*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, 2019

UNIVERSITY NORTH PARK  
 TAX INCREMENT FINANCE DISTRICT  
 EXPENDITURE SUMMARY VS. PROJECT PLAN BUDGET  
 As of September 30, 2015

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 2020	TOTAL	BALANCE
Traffic/Road Improvements	\$ 11,550,000	\$ 118,159	\$ 816,159	\$ 780,485	\$ 77,100	\$ 1,118,991	\$ 2,165,623	\$ 801,021	\$ 654,562	\$ 2,724,507	\$ 130,213	\$ 801,783	\$ 137,119	\$ 3,942	\$ 10,990,045	\$ 559,955
Legacy Park	\$ 10,788,000	-	24,250	189,117	50,771	-	-	918,045	3,024,398	2,933,508	408,621	125,000	78,958	8,583	7,860,782	2,927,238
Engineering/Prof	\$ 1,750,000	144,266	-	154,833	-	9,970	8,803	10,516	160,635	312,511	299,768	379,758	281,357	54,075	2,119,576	(265,576)
Contingency	\$ 175,000	-	-	-	-	-	-	20,872	11,128	-	-	5,084	-	-	48,054	128,948
Conference/Cultural Facilities	\$ 7,250,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,250,000
Contingency	\$ 1,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,500,000
Rock Creek Overpass	\$ 5,212,000	-	-	3,640,877	1,361,241	12,417	4,800	-	-	-	-	-	-	-	4,500,823	711,377
Contingency	\$ -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lifestyle Center Incentive	\$ 7,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,500,000
Contingency	\$ 750,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	750,000
Economic Development	\$ 7,500,000	-	-	-	-	102,288	118,016	118,583	140,956	237,116	283,606	2,884,843	111,119	-	4,318,819	3,181,181
Contingency	\$ 750,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	750,000
<b>TOTAL</b>	\$ 54,725,000	\$ 488,073	\$ 840,409	\$ 4,765,112	\$ 1,480,118	\$ 1,243,844	\$ 2,295,542	\$ 1,869,047	\$ 3,997,879	\$ 6,207,842	\$ 1,120,208	\$ 4,266,238	\$ 570,014	\$ 66,800	\$ 29,837,880	\$ 24,887,120
Loan Principal Repayments	\$ -	\$ -	\$ 114,168	\$ -	\$ -	\$ 400,000	\$ 425,000	\$ 425,000	\$ 13,735,000	\$ 750,000	\$ 800,000	\$ 850,000	\$ 10,815,000	\$ -	\$ 19,191,816	\$ -
Loan Interest Repayments	\$ -	\$ -	\$ -	\$ -	\$ 112,497	\$ 184,058	\$ 206,591	\$ 227,384	\$ 434,021	\$ 528,608	\$ 499,277	\$ 467,844	\$ 431,102	\$ 207,526	\$ 3,103,552	\$ -
Loan Issue Costs	\$ -	\$ -	\$ -	\$ 411,850	\$ -	\$ 34,538	\$ -	\$ 250,000	\$ 260,725	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 957,113	\$ -