

NORMAN UNIVERSITY NORTH PARK AMENDED AND RESTATED PROJECT PLAN

I. HISTORY OF PROJECT

The 2006 Norman University North Park Project Plan (“Original Project Plan”), which was adopted by the City Council of the City of Norman (the “City”) on May 23, 2006 with the passage of Ordinance O-0506-66, set forth an economic development project that contemplated the development of approximately 585 gross acres of undeveloped property in the City of Norman known as University North Park (“Project”). The development of University North Park under an economic development plan was envisioned to support (1) a cohesive and spectacular development that would attract visitors from across the state and the region to a unique retail, restaurant, and lifestyle center (“Lifestyle Center”) destination spot located in the southern portion of the Project Area, and (2) a significant economic development component in the northern portion of the Project Area.

The City and a broad based citizen’s committee dedicated their expertise, time, and energy into creating the vision for the Project. The Original Project Plan contemplated that the Project would be financed from a combination of public and private sources, including apportionment of ad valorem and sales tax increments from Increment District No. 2, City of Norman (the “Increment District”), established in connection with the Project. In addition to approving the creation of the Increment District, the City Council also approved the creation of the Norman Tax Increment Finance Authority (the “Authority”) to administer the funds generated by the Increment District and other tax increment financing districts within the City.

At the time of the adoption of the Original Project Plan, the land in University North Park was owned by (1) University Town Center, LLC, an Oklahoma limited liability company (“Developer”), (2) Target Corporation, a Minnesota corporation, and (3) University North Park, LLC, an Oklahoma limited liability company (“UNP LLC”), which is a wholly owned subsidiary of the University of Oklahoma Foundation, Inc. (“OU Foundation”). UNP LLC and the Developer have been engaged in the development of the design and strategy for the Project, as well as the implementation of the various components of the Original Project Plan. In addition to the requirements in the Amended and Restated University North Park Planned Unit Development (PUD) Development Plan, approved by the City on December 12, 2006 by Ordinance O-0607-13 (amended and restated in 2015 by Ordinance O-1516-24, and by other subsequent amendments), the City, UNP LLC, and the Developer entered into a Master Operating and Development Agreement dated August 22, 2006 (the “Master Agreement”) to provide a framework for development of University North Park in accordance with the objectives of the Original Project Plan. The City, the Authority, the Developer, UNP LLC, and other parties also entered into a number of other development agreements to implement the Original Project Plan. In addition, the City, the Authority, the Developer, UNP LLC, the OU Foundation, and JQH-Norman Development, LLC (“JQH”) entered into a Master Financing Agreement, which outlined the structure for the issuance of bonds and the use of tax

increment debt financing to achieve some of the infrastructure goals set forth in the Original Project Plan.

The Original Project Plan included three main components:

- (1) “Major retail development within the southern portion of the Project Area;
- (2) A Lifestyle Center, which includes a large portion of the southern half of the Project Area. The vision for the Lifestyle Center includes the high-end retail development and key entertainment components, including a theater, anchored by Legacy Park and a hotel-conference center complex. Legacy Park is envisioned as an active park with a lake, public art, and open spaces surrounded by destination restaurants and boutique shops; and
- (3) Major economic development, office, and mixed-use development in the northern portion of the Project Area. The economic development activities will focus on attracting new enterprises creating quality employment opportunities, emphasizing high-tech, financial, intellectual property, and administrative businesses.”

The Original Project Plan included a financial strategy for implementing the components of the Project and carrying out the vision of the Project through the Master Agreement. The Original Project Plan authorized up to \$54.725 million of sales taxes and ad valorem taxes generated by businesses within University North Park to be used for specific public investments, assistance in development financing, and for economic development costs to attract new businesses not currently located in Norman to University North Park (collectively, “Project Costs”). There were four general categories of authorized Project Costs:

- (1) \$21.725 million for Phase I Infrastructure and Public Improvements Costs (including traffic and roadway improvements and Legacy Park),
- (2) \$16.5 million for Conference Center and Cultural Facilities Costs (including a conference center and “museums and/or similar cultural facilities”),
- (3) \$8.25 million for Lifestyle Center Costs (infrastructure and other improvements as well as tenant incentives to facilitate new retail development satisfying certain specified criteria), and
- (4) \$8.25 million for Economic Development Costs (costs incurred to attract new businesses providing quality employment opportunities).

After JQH completed construction of a conference center on land that the Developer donated to the City, JQH released the City from its commitment to purchase the conference center (and the City transferred the conference center land to JQH), so that part of the funds allocated for Conference Center and Cultural Facilities Costs in the Project Plan could instead be used to pay part of the costs of constructing an overpass over I-35 at

Rock Creek Road. In 2008, the Original Project Plan was amended to reallocate \$7.75 million for this purpose. The remaining \$8.75 million continued to be allocated for Cultural Facilities Costs.

The Original Project Plan (as amended in 2008) contained specific public improvement objectives and established an increment district to assist in funding those objectives to ensure the creation of a cohesive development and to induce continuing private investment in an area. The Original Project Plan provided the public financing authorizations needed to create a continuing economic stimulus for new private development in the Project Area, and stated that “without the assistance of tax increment financing and the strategic provisions of this Project Plan, these objectives will not be achieved.”

The Original Project Plan included the creation of the Lifestyle Center, including infrastructure and other improvements designed to foster the quality of development at University North Park and facilitate the creation of a retail environment that would be a regional draw of customers to Norman and would complement retail stores existing outside the Project Area. The Original Project Plan also contemplated the construction of traffic and roadway improvements, including but not limited to I-35 ingress/egress and off-site improvements at Robinson Street and Tecumseh Road, and stated that “without the proposed infrastructure and traffic improvements, the development of University North Park as envisioned will not occur.”

Since 2006, a number of objectives outlined in the Original Project Plan have been achieved, including major retail development within the southern portion of the Project Area, supported by significant public infrastructure investments in traffic and roadway projects. A hotel-conference center complex has been built, along with Legacy Park, to anchor the future development of a Lifestyle Center or similar development that incorporates both retail and entertainment components along with significant walkability and connectivity opportunities to the remainder of the development. Sixty acres of land in the northern portion of the Project Area has been purchased by the Norman Economic Development Coalition (“NEDC”), and supportive public infrastructure installed, to attract new quality employment opportunities in both the office and advanced manufacturing sectors, and a high-tech manufacturing facility has been constructed on part of that property. Additional office development, primarily medical offices, has also located in the northern portion of the Project Area.

Over \$29 million in tax increment funds have been spent thus far on traffic and roadway projects, construction of Legacy Park, and economic development in conjunction with NEDC; however, over \$25 million in authorized Project Costs remain outstanding. The Lifestyle Center component and the Cultural Facility component of the Original Project Plan have not yet been achieved, and the City has not yet completed all of the public improvements (including traffic and roadway improvements and additional parking for Legacy Park) required by the Original Project Plan and existing development agreements.

The ordinance approving the Original Project Plan provided that the increment of ad valorem taxes and sales taxes from the Increment District (as calculated by the formula in the Original Project Plan) would be apportioned and used to pay or finance eligible Project Costs for a period not to exceed 25 years, or the period required for the payment of authorized Project Costs of \$54.725 million, whichever time period was less. Consequently, based on the Original Project Plan, the tax increment apportionment from the Increment District is currently authorized to continue for up to 12 more years.

The City Council has expressed its intention to cease the allocation of sales tax and ad valorem tax increment generated within the Increment District to authorized Project Costs, enabling 100% of the City sales tax received from sales within the Increment District after June 30, 2019 to be deposited into the City's general fund and capital fund. Insufficient funds will be available to fund the remaining authorized Project Costs if the tax increment allocation is ended earlier than contemplated by the Original Project Plan. Therefore, it is necessary to amend the Original Project Plan to (a) modify the time period during which ad valorem and sales tax increment will be allocated to pay authorized Project Costs, (b) reduce or eliminate certain authorized Project Costs, (c) reallocate the remaining tax increment revenues, and (d) modify the purposes for which such funds may be used. Corresponding changes also will need to be made to other ancillary documents and agreements, including the Master Agreement and other development agreements.

For the time period from and after its Effective Date (as defined in Article XIII below), this Amended and Restated Project Plan (the "2019 Project Plan") is intended to replace the Original Project Plan in its entirety to shorten the remaining ad valorem and sales tax apportionment periods, to reduce and reallocate the remaining authorized Project Costs, and to reflect the current mutual development goals of the City, the Authority, UNP LLC, and the Developer.

For the remaining duration of the Increment District, the Project will continue to be financed from a combination of public and private sources, including cash accumulated by the Authority from apportionment of ad valorem and sales tax increments from the Increment District established in connection with the Project and assessed through the time periods specified in Section VI of this 2019 Project Plan.

II. BOUNDARIES OF PROJECT AREA AND INCREMENT DISTRICT

A. Project Area Boundaries.

The Project Area is the area in which Project activities will continue to take place. The Project Area lies generally between U.S. Highway 77 to west of I-35, and from just south of Robinson Street to north of Tecumseh Road. The Project Area is shown on the Project Area Boundary Map, attached as Exhibit A. The legal description of the Project Area is contained in Exhibit B. This 2019 Project Plan does not change the original boundaries of the Project Area.

B. Increment District Boundaries.

The Increment District lies generally between I-35 and just west of Max Westheimer Airport, and from Robinson Street to Tecumseh Road. The boundaries of the Increment District are shown on Exhibit C. The legal description of the Increment District is contained in Exhibit D. This 2019 Project Plan does not change the original boundaries of the Increment District.

III. ELIGIBILITY OF PROJECT AREA AND INCREMENT DISTRICT

By reason of a determination made upon adoption of the Original Project Plan, the Project Area and Increment District qualify as a reinvestment area, as defined in the Oklahoma Local Development Act, 62 O.S. § 850, *et seq.*, because they lie in an area that required public improvements to reverse economic stagnation, to serve as a catalyst for expanding employment, to attract major investment in the area, and to enhance the tax base.

Each of the Project Area and Increment District qualified as an enterprise area, as defined in the Oklahoma Local Development Act, 62 O.S. § 850, *et seq.* at the time of adoption of the Original Project Plan and continue to qualify as an enterprise area. The Project Area and Increment District are located within a state-designated Enterprise Zone, which was approved and made effective by the Oklahoma Department of Commerce on August 19, 1999.

IV. OBJECTIVES

Under this 2019 Project Plan, the principal objectives of the Project for the remaining duration of the Increment District will to be:

- A. To create a “Town Center,” designed to foster the quality of development at University North Park and to continue to facilitate the creation of a retail and entertainment environment that will be a regional draw of customers to Norman.
- B. To construct recreation facilities including an indoor competitive pool and multi-sport courts (“Recreation Facilities”) that will be available for use by local residents and sports organizations and also serve as a regional attraction for tournaments, competitions, and other events.
- C. To continue to create land opportunities for businesses not currently located in Norman, or unable to grow in Norman, and to provide quality employment opportunities in Norman.
- D. To continue to stimulate private commitments to invest in the Project Area.
- E. To continue to reverse a long-standing condition of arrested economic development, to continue to serve as a catalyst for expanding employment, and to continue to attract major investment in the area.

- F. To continue 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.

V. STATEMENT OF PRINCIPAL ACTIONS

Implementation actions for the remaining authorized Project Costs (as reduced and reallocated under this 2019 Project Plan), including all necessary, appropriate and supportive steps, will consist of the following:

- A. Construction of the remaining traffic and roadway improvements contemplated by the Original Project Plan and development agreements, including off-site improvements at Robinson Street and Tecumseh Road.
- B. Construction of Recreation Facilities that will serve as a regional draw for sport related activities.
- C. Creation of the Town Center, including infrastructure and other improvements designed to foster a high quality of development at University North Park. Such improvements are necessary to facilitate the creation of a retail and entertainment environment that will be a regional draw of customers to Norman. The retail and entertainment environment envisioned is one that will draw shoppers not currently shopping in the City and will complement retail stores existing outside the Project Area.
- D. Attraction of quality jobs through economic development activities to recruit businesses not currently located in Norman and to provide quality employment opportunities in Norman.

VI. ESTABLISHMENT OF, AND APPORTIONMENT OF TAX INCREMENT FROM, INCREMENT DISTRICT NO. 2, CITY OF NORMAN

The Original Project Plan created Increment District No. 2, City of Norman, an ad valorem and a sales tax increment district, and this 2019 Project Plan continues such Increment District with the modifications set forth herein.

The base assessed value of the Increment District was established in 2006 in connection with the creation of the Increment District and will not change with the adoption of this 2019 Project Plan. Payment of the remaining authorized Project Costs, as reduced and reallocated pursuant to this 2019 Project Plan, will continue to be supported by apportionment of ad valorem and sales tax increments from the Increment District.

- A. Ad Valorem Increment. The ad valorem increment is the ad valorem revenue in excess of the revenue generated by the base assessed value of the increment district (*i.e.*, the new revenue attributable to increases in the value of the increment district).

The increment of ad valorem taxes from Increment District No. 2, City of Norman, in excess of the base assessed value of the Increment District shall be used to pay Project Costs authorized by Section IX.A and B of this 2019 Project Plan. The period of ad valorem apportionment began, and the ad valorem increment began, as of the effective date of the Original Project Plan. The period of ad valorem apportionment shall end, and the ad valorem increment shall cease, effective as of the earlier of (x) the date on which all ad valorem taxes payable with respect to calendar year 2019 (calculated with respect to the assessed value of all property located within the Increment District) have been received or (y) April 30, 2020.

Notwithstanding the termination of the ad valorem apportionment period and the ad valorem increment, the Increment District shall continue in existence for the period required for the payment of the Project Costs authorized by Section IX.A and B, which in no event shall exceed twenty-five (25) years from the effective date of the Increment District as provided by law. During the existence of the Increment District, the ad valorem apportionment fund (1) shall be available to pay Project Costs under Section IX.A and B, (2) shall constitute special funds of the Authority, and (3) shall not be subject to annual appropriation as a part of the General Fund of the City. Fifty percent (50%) of the generated increment shall be allocated to pay the Project Costs detailed in Section IX. The other fifty percent (50%) of the increment generated shall be allocated to the affected taxing entities in proportion to the allocation that the taxing entities would ordinarily receive from the increased assessed values, in the absence of an increment district, excluding sinking fund levies. 62 O.S. §§ 853(9), (14)(i), and 854(4).

- B. Sales Tax Increment. The sales tax increment is a portion of the City's non-dedicated sales tax, attributable to investment and development within the Increment District. The period of sales tax apportionment began, and the sales tax increment began, as of the effective date of the Original Project Plan. The increment of the sales taxes received from sales in the Increment District through June 30, 2019, as determined in accordance with the provisions of Section VI.C, supplemented as necessary by a formula and accounting procedures approved by resolution of the City Council in accordance with the Local Development Act, shall be used to pay Project Costs authorized by Section IX.A and B of this 2019 Project Plan. Notwithstanding the termination of the sales tax apportionment period and the sales tax increment, the Increment District shall continue in existence for the period required for the payment of the Project Costs authorized by Section IX.A and B, which in no event shall exceed twenty-five (25) years from the effective date of the Increment District as provided by law. During the existence of the Increment District, the sales tax apportionment fund 1) shall be available to pay Project Costs under Section IX.A and B, (2) shall constitute special funds of the Authority, and (3) shall not be subject to annual appropriation as a part of the General Fund of the City.

C. Determination and Apportionment of Sales Tax Increment

1. *Definitions*

a. Sales Tax Increment. The non-dedicated sales taxes to the City generated during the fiscal year from investment and development within the Increment District. The non-dedicated sales taxes include levies which provide for a general allocation between capital improvements and other government purposes without a more specific designation of use.

b. Retail Sales Tax Increment. The product of (i) transactions within the Increment District during the fiscal year subject to City sales tax multiplied by (ii) the non-dedicated sales tax rate minus (iii) the Total Transfer Adjustments as defined below.

c. Transfer Adjustment. For each retail business which relocates from a location within the City of Norman to a location within the Increment District, an amount equal to: (i) (a) the transactions subject to City sales taxes during the last twelve (12) full calendar months at the former location multiplied by (b) the non-dedicated sales tax rate; reduced by the product of (ii) (a) the transactions subject to sales tax at the former location during the current fiscal year multiplied by (b) non-dedicated sales tax rate. Total Transfer Adjustments is the sum of all Transfer Adjustments.

2. *Calculation and Direction of Apportionment for Sales Tax Increment*

a. The Retail Sales Tax Increment shall be apportioned as follows:

(i) To Project Costs: An amount which is the lesser of (a) sixty percent (60%) of the Retail Sales Tax Increment, or (b) sixty percent (60%) of the Retail Sales Tax Increment multiplied by (1) the average annualized non-dedicated City sales tax revenue growth rate over Fiscal Year 2005 non-dedicated sales tax revenue divided by (2) four and one-half percent (4.5%).

(ii) The balance of the Retail Sales Tax Increment shall be allocated to the General Fund of the City, a portion of which shall be allocated to the capital improvements fund in the proportion that seven-tenths of one percent (0.7%) bears to the non-dedicated sales tax rate.

VII. PROJECT AND INCREMENT DISTRICT AUTHORIZATIONS

A. The City is designated and authorized as the public entity to carry out and administer the provisions of this 2019 Project Plan and to exercise all powers necessary or appropriate thereto as provided in the Local Development Act, 62 O.S. § 854. Within the budgetary authorizations of this 2019 Project Plan, any

determinations regarding the eligibility of certain Project Costs shall be provided by the City, subject to the limitations of 62 O.S. § 853.

- B. The Authority is the public entity of the City authorized to assist in carrying out this 2019 Project Plan and to exercise all powers necessary or appropriate thereto pursuant to 62 O.S. § 854, except for approval of this 2019 Project Plan and those powers enumerated in paragraphs 1, 3, 4, 7, 13 and 16 of 62 O.S. § 854. The Authority, as the public entity designated by the City, is legally authorized to: (1) issue tax apportionment bonds or notes, or both; (2) incur Project Costs, pursuant to Section IX of this 2019 Project Plan; (3) provide funds to or reimburse the City of Norman for the payment of Project Costs and other costs incurred in support of the implementation of the Project; and (4) incur the cost of issuance of bonds for payment of such costs and to accumulate appropriate reserves, if any, in connection with them; however, it is intended that the entirety of the Project Costs in this 2019 Project Plan will be paid with cash accumulated by the Authority from the sales tax increment and ad valorem tax increment assessed and apportioned as provided in Section IX in addition to the interest earnings thereon. Based on the amount of cash on hand in the City UNP TIF Account (as defined in Section X.B) and projected incremental sales and ad valorem tax revenues through the dates set forth in Article VI, it is anticipated that available revenues for Project Costs as set forth herein will be sufficient to pay all authorized Project Costs upon the final collection of the ad valorem increment. Should the sales tax increment and ad valorem tax increment accumulated by the Authority exceed the Project Cost authorizations outlined herein, any excess revenues will be refunded to the taxing jurisdictions upon the completion of all authorized projects as provided in the Local Development Act. It is not intended that the Project Costs set forth in this 2019 Project Plan will be funded through tax apportionment bonds, notes, or any other financing. As used in this 2019 Project Plan, "Project Costs" shall mean the costs authorized to be paid by apportioned tax increments pursuant to Section IX.A and B of this 2019 Project Plan. From and after the Effective Date, no administrative fees shall be deducted or paid to the City or the Authority from such apportioned tax increments.
- C. The City Manager (acting in his or her capacity as the General Manager of the Authority) or the City Manager's designee shall be the person in charge of implementation of this 2019 Project Plan in accordance with the provisions, authorizations, and respective delegations of responsibilities contained in this 2019 Project Plan. The City Manager, his or her successor in office, or the City Manager's designee is authorized to empower one or more designees to exercise responsibilities in connection with Project implementation.

VIII. SPECIAL REVIEW AND APPROVAL REQUIREMENTS

- A. The Developer shall have access to funds for Town Center Costs (as defined in Section IX.A.4 of this 2019 Project Plan) upon verification by the General Manager of the Authority that the criteria set forth in Section IX.A.4 have been met.

- B. All expenditures for Economic Development Costs (as defined in Section IX.A.5 of this 2019 Project Plan), shall be approved by the City Council. Economic Development Costs are intended to be only those costs necessary and appropriate to provide and foster new quality employment opportunities by attracting and retaining enterprises deemed desirable to the future of Norman. The City Council should be guided by these principles, and the City Council shall have broad discretion to review proposed developments to assure they are used only to satisfy the development goals articulated above. Appropriation and expenditure of Economic Development Costs must be approved by the City Council.
- C. A Development Oversight Committee was appointed by the Mayor and confirmed by the Norman City Council upon adoption of the Original Project Plan. The Development Oversight Committee shall oversee the implementation of this 2019 Project Plan on behalf of the City Council as set forth specifically herein. The Development Oversight Committee shall make recommendations on the use of revenues and expenditures for Economic Development Costs. Upon request by the City Council, prior to any authorization for expenditures by the City Council for Economic Development Costs, the Development Oversight Committee shall report to the City Council whether applicable objectives of the Project Plan will be met by the proposed action. The Development Oversight Committee shall at all times be guided by the goals of this 2019 Project Plan.
- D. All property in University North Park shall be developed in accordance with the PUD (including any amendments thereto), City of Norman regulations, and all requisite approvals by the architectural review board established pursuant to the restrictive covenants required by the PUD (including design guidelines promulgated by the architectural review board).
- E. The street and traffic improvements included in this 2019 Project Plan shall provide a minimum of Service Level D as defined under the Norman City Code. If the existing PUD is amended to permit future development north of Rock Creek Road that would result in higher traffic counts than projected in the Traffic Impact Analysis dated November 10, 2009 prepared by Traffic Engineering Consultants, Inc. (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. Under the City development process, the developer of any lot is required to construct any required infrastructure improvements prior to each lot or section being final platted, unless concurrent construction is allowed. As such, on lots or sections within the PUD that already have been final platted, additional infrastructure improvements will not be required.

**IX. BUDGET OF REMAINING AUTHORIZED PROJECT COSTS
TO BE FINANCED BY TAXES APPORTIONED FROM
INCREMENT DISTRICT NO. 2, CITY OF NORMAN**

- A. Categories of Remaining Authorized Project Costs. The remaining authorized Project Costs (as reduced and reallocated in this 2019 Project Plan) will be financed by the cash accumulated by the Authority from apportionment of ad valorem and sales tax increments from Increment District No. 2, City of Norman. The categories are:

1. *Traffic and Roadway Improvements Costs.*

Traffic and Roadway Improvements Costs included in this 2019 Project Plan are for design and construction of traffic and roadway improvements to the following intersections (which are estimated to be sequenced as follows):

- Robinson Avenue at West I-35/Crossroads Blvd.
- Tecumseh Road and Flood & 24th Ave NW
- Tecumseh Road and Interstate Drive East
- Tecumseh Road and Interstate Drive West

2. *Legacy Park Costs.*

The Developer donated the land for Legacy Park to the City, and Legacy Park was constructed with funding generated by the sales and ad valorem tax increments pursuant to the Original Project Plan. Remaining Legacy Park costs included in this 2019 Project Plan are (a) costs to construct a surface parking lot primarily providing additional parking spaces for those attending events at Legacy Park, and (b) funds to fulfill the remaining balance of the Authority's matching contributions to the University North Park Business Improvement District as provided by City Council Resolution R-1415-11.

3. *Recreation Facilities Costs.*

Recreation Facilities Costs include funds for Recreation Facilities designed to accommodate regional sporting events. The Original Project Plan envisioned that funds for Cultural Facility Costs would be used for "museums and/or similar cultural facilities." The Recreation Facilities are intended to accomplish a similar purpose by creating a regional attraction to encourage a regional draw of customers and hotel patrons from outside of Norman. The Recreation Facilities will be located on a +/- 12 acre site south of Rock Creek Road and bordering the Max Westheimer airport. Funds for Recreation Facilities Costs may be used to acquire the site, to supplement the anticipated annual contributions by Norman Public Schools to the operation of the indoor aquatic facility, and for construction and equipping of the Recreation Facilities.

4. *Town Center Costs.*

Town Center Costs (described as "Lifestyle Center Costs" in the Original Project Plan) are costs of infrastructure and other improvements designed to foster

the quality of development at University North Park. Such improvements are necessary to facilitate the creation of a retail and entertainment environment that will be a regional draw of customers to Norman. The retail and entertainment environment envisioned is one that will draw shoppers not currently shopping in the City and will complement retail stores and entertainment opportunities existing outside the Project Area. Accordingly, to qualify for Town Center Costs to facilitate retail and entertainment development, the costs must be related to retail stores or entertainment venues that purchase property in the Increment District or sign leases for space in the Increment District for a term of not less than three years and that meet all of the following criteria:

- a. Costs are needed to support retail or entertainment development in the portion of University North Park identified as “Town Center” on attached Exhibit G; 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 retail user, then anticipated retail sales of not less than \$300 per square foot for a store larger than 10,000 square feet or not less than \$400 per square foot for stores of 10,000 square feet or smaller must be demonstrated based on past performance in communities with demographics similar to Norman; and
- d. If the costs are associated with an entertainment user, then no minimum sales per square foot 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 or luxury first run theater); 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.

If the proposed retail or entertainment development 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 Authority. The deadline to request Town Center incentive funds is June 30, 2026. To the extent such funds have not been requested by June 30, 2026, any remaining funds shall be transferred to other Project Costs outlined herein, or, if all such Project Costs have been paid in full, distributed to the taxing jurisdictions as set forth in the Local Development Act. On the Effective Date, any penalties for failure to construct a Town Center or Lifestyle Center by a specific deadline will be waived, including any penalties set forth in the Master Agreement or other development agreements.

5. *Economic Development Costs.*

Economic Development Costs are costs related to the location of businesses in the Project Area not currently located in Norman or seeking to expand in

Norman, and providing quality employment opportunities in Norman. For this purpose, quality employment opportunities shall mean jobs providing such salaries and benefits as are required for an employer to qualify for benefits under the Oklahoma Quality Jobs Act and such additional employment as determined by the City to qualify for purposes of this 2019 Project Plan. Economic Development Costs are intended to foster special employment opportunities in Norman. This includes the cost of planning, financing, assistance in development financing, acquiring, constructing, and developing facilities to foster such opportunities.

6. *Miscellaneous Costs.*

To verify the amount of funds available for authorized Project Costs and in furtherance of the goals of transparency and accountability expressed in the Original Project Plan and related agreements, the City and the Authority engaged independent certified public accountants to perform a special audit of the Authority and the City UNP TIF Account (as defined in Section X.B) including collection of incremental sales and ad valorem tax revenues, deposits and transfer of funds in various accounts maintained by the Authority at commercial banks, and verification of all relevant calculations, including transfer and annual growth rate adjustments, payment of administrative fees, and expenditure of funds for payment of authorized Project Costs.

In recognition that there will be certain costs associated with this 2019 Project Plan that are not captured in another project category, this 2019 Project Plan includes authorization for payment of certain miscellaneous costs, including the costs of the special audit.

B. Allocation of Remaining Authorized Project Costs. The remaining authorized Project Costs are to be allocated in amounts not to exceed those set forth below.

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| 1. Traffic and Roadway Improvements 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 | <u>\$ 125,000</u> |
| TOTAL REMAINING AUTHORIZED PROJECT COSTS: | \$ 16,979,156 |

X. PROJECT PLAN FINANCING

A. Financing Authorizations.

The remaining authorized Project Costs (as reduced and reallocated in this 2019 Project Plan) will be funded with sales tax and ad valorem tax increments as set forth herein. No separate financing is intended.

B. Financing Revenue Sources.

The revenue sources that will finance Project Costs authorized by Section IX are the portion of the increments generated by values in excess of the base assessed value within the Increment District. All revenues that the City or the Authority receives from the Oklahoma Tax Commission representing the sales tax increment collected through June 30, 2019 and generated by activities within the Increment District, as determined in accordance with the provisions of Section VI.C, and all revenues that the City or the Authority receives from the Cleveland County Treasurer representing the ad valorem increment generated by the Increment District for ad valorem taxes payable with respect to calendar year 2019 shall continue to be deposited in a special TIF Trust account maintained by the Authority (the “UNP TIF Account”) established separate and apart from the General Fund of the City and administered by BOK Financial. Project Costs will be paid by the Authority from the UNP TIF Account in accordance with this 2019 Project Plan.

C. Financial Reports and Audits.

The redevelopment activities undertaken by the City and the Authority pursuant to this 2019 Project Plan shall be accounted for and reported by the appropriate and necessary annual fiscal year audits and reports, including but not limited to the following: (a) independent audits of the Authority to the extent required by applicable law and the Authority’s Trust Indenture, (b) monthly reports from Bank of Oklahoma, as trustee of the Authority’s accounts that hold funds allocated for Project Costs and (c) such other reports or audits as the Authority or the City may deem necessary or advisable.

D. Other Necessary and Supporting Costs.

The Authority is authorized to apply for and obtain grants from other sources for costs incurred or to be incurred in connection with the Project and the construction of facilities therein in addition to the authorized Project Costs to be funded by sales and ad valorem tax increments as provided in this 2019 Project Plan.

XI. PRIVATE AND PUBLIC INVESTMENTS STIMULATED BY THE PROJECT

A. Private and Public Investments from the Project and Increment District.

Private investments in the Increment District to date exceed \$245 million and are expected to exceed \$500 million at full buildout. To date, over \$29 million in tax increment funds have been spent on traffic and roadway projects, construction of Legacy Park, and economic development in conjunction with NEDC within University North Park, and an additional \$17 million will be expended on public investments in accordance with this 2019 Project Plan. Public investments in the Project Area are expected to exceed \$64 million and will be funded from a variety of sources. The City has committed to obtain sufficient funding to construct the Recreation Facilities, which are estimated to cost at least \$22,500,000.

B. Public Revenue Accruing from the Project and Increment District

Since the effective date of the Original Project Plan, the development of University North Park has generated more than \$82 million in sales tax revenues that have been allocated between the City and authorized Project Costs and over \$20 million in new ad valorem tax revenues that have been allocated between the ad valorem taxing jurisdictions and authorized Project Costs. In addition, more than \$1.1 million in hotel/motel tax revenue has been generated within University North Park, which specifically benefits City arts, public parks, and tourism. Public revenue is expected to continue to increase as a result of the expenditure of the remaining tax increment revenues for authorized Project Costs.

XII. MISCELLANEOUS PROVISIONS

No specific current changes in the zoning of the City of Norman are necessary to accommodate this 2019 Project Plan. The PUD has been approved for the Increment District. In the balance of the Project Area, the City of Norman may approve appropriate zoning modifications and additional specific planned unit developments to support the economic development objectives. This Project Plan complies with the objectives and priorities of the Comprehensive Plan of the City of Norman, as amended.

Existing zoning and uses of real property in the Project Area are shown on the map attached as Exhibit E. The proposed improvements to and proposed uses of the remaining undeveloped real property in the Project Area as set forth in the Norman 2025 Land Use Plan are shown on Exhibit F.

XIII. EFFECTIVE DATE OF 2019 PROJECT PLAN

The effective date of this 2019 Project Plan (the “Effective Date”) shall be the date upon which all of the following shall have occurred:

- (1) Adoption of an ordinance by the City Council approving this 2019 Project Plan in accordance with the applicable provisions of the Local Development Act;
- (2) Adoption of resolutions by the City Council and the Authority approving an Amended and Restated Master Operating and Development Agreement between the City, the Authority, the Developer, NEDC, UNP LLC that

supersedes and replaces the Master Agreement and other prior development agreements in their entirety (except for Development Agreement No. 6 among NEDC, the Authority, and Immuno Mycologics, Inc.) and sets forth the rights and obligations of the parties pursuant to this 2019 Project Plan (the “2019 Master Development Agreement”); and

- (3) Execution and delivery of the 2019 Master Development Agreement by the City, the Authority, the Developer, NEDC, and UNP LLC.

EXHIBITS TO AMENDED AND RESTATED PROJECT PLAN

| | |
|-----------|---|
| EXHIBIT A | University North Park Project Area Boundary Map |
| EXHIBIT B | University North Park Project Area Legal Description |
| EXHIBIT C | University North Park Tax Increment Financing District Boundary Map |
| EXHIBIT D | University North Park Increment District Legal Description |
| EXHIBIT E | Zoning of University North Park Project Area |
| EXHIBIT F | Norman 2025 Land Use Plan University North Park Project Area |
| EXHIBIT G | University North Park “Town Center” Area |



University North Park Project Area

Aerial Photography Taken March 2005



Map Produced by the City of Norman
Geographic Information System
(405) 306-6430
The City of Norman assumes no
responsibility for errors or omissions
in the information presented.

TIF Boundary ———

Area Boundary - - - - -



EXHIBIT A

Scale: 1" = 1800'

EXHIBIT B

University North Park Project Area Legal Description

A tract of land lying in the Sections Eleven (11), Twelve (12), Thirteen (13), Fourteen (14), Twenty-three (23), Twenty-four (24), Twenty-five (25), and Twenty-six (26) of Township Nine (9) North, Range Three (3) West and Sections Nineteen (19) and Thirty (30) of Township Nine (9) North, Range Two (2) West of the Indian Meridian, City of Norman, Cleveland County, Oklahoma and being more particularly described as follows:

COMMENCING at the Southwest Corner of said Section Eleven (11) of Township Nine (9) North, Range Three (3) West;

THENCE Easterly with the south line of said Section Eleven (11) a distance of 1440 feet;

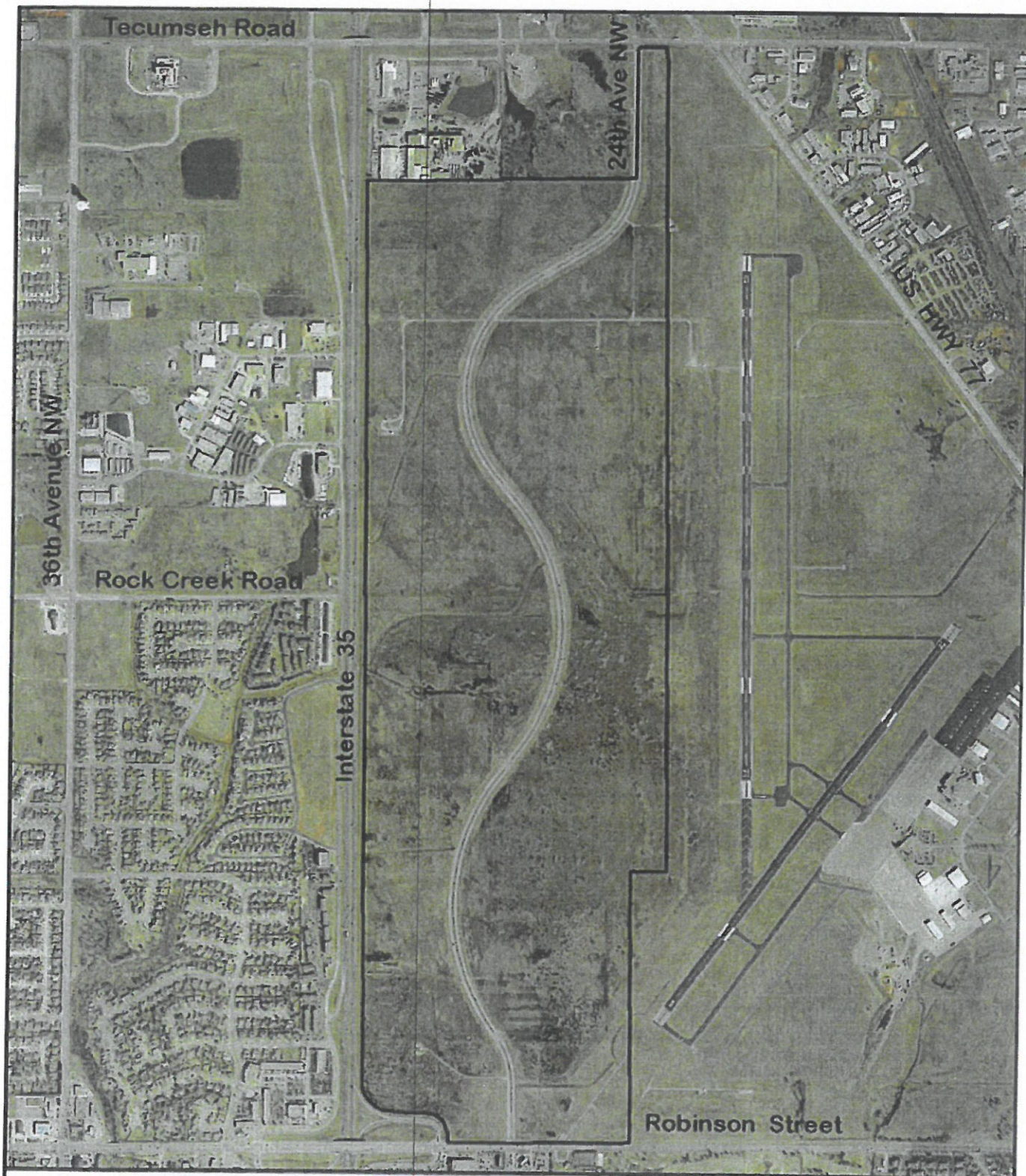
THENCE Northerly parallel to the west line of said section Eleven (11) a distance of 1980 feet to the POINT OF BEGINNING;

THENCE Easterly parallel to the south line of said section Eleven (11) to a point 360 feet east of US Highway 77;

THENCE Southeasterly parallel to the centerline of US Highway 77 and 360 feet east to a point 800 feet south of Robinson Street;

THENCE Westerly parallel to the centerline of Robinson Street and 800 feet south to a point 1440 feet east of 36th Avenue Northwest;

THENCE Northerly parallel to the centerline 36th Avenue Northwest and 1440 feet east to the POINT OF BEGINNING.



University North Park Tax Increment Financing District

Aerial Photography Taken March 2005

EXHIBIT C



Map Produced by the City of Norman
Geographic Information System
(405) 305-5430
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Scale: 1" = 1200'

EXHIBIT D

University North Park Increment District Legal Description

A tract of land lying in the West Half of Section 13, the East Half of Section 14, the East Half of Section 23, and the West Half of Section 24, all in Township 9 North, Range 3 West of the Indian Meridian, Norman, Cleveland County, Oklahoma, and being more particularly described as follows:

Commencing at the Northwest corner of said Section 13, said point also being the Northeast corner of said Section 14;

Thence S00°16'07"E, along the common line between said Sections 13 and 14, a distance of 85.00 feet to a point on the southerly right-of-way line of Tecumseh Road as established by that certain Highway Easement recorded in Book 2475, Page 439, said point also being the Point of Beginning of the herein described parcel;

Thence easterly along said right-of-way S89°49'14"E a distance of 33.00 feet;

Thence N44°57'58"E a distance of 35.22 feet;

Thence S89°49'14"E a distance of 189.54 feet;

Thence S83°18'03"E a distance of 58.87 feet;

Thence S09°09'51"E a distance of 99.71 feet;

Thence S00°38'00"E a distance of 7,763.68 feet to a point on the north line of the Southwest Quarter of Section 24, Township 9 North, Range 3 West of the Indian Meridian;

Thence S89°53'39"W a distance of 355.53 feet to the northeast corner of the Southeast Quarter of Section 23, Township 9 North, Range 3 West of the Indian Meridian, Norman, Cleveland County, Oklahoma;

Thence S00°35'48"E, along the East line of said Southeast Quarter, a distance of 555.00 feet;

Thence S35°55'40"W a distance of 2,440.50 feet;

Thence S44°27'30"W a distance of 100.65 feet to a point on the northerly right-of-way line of Robinson Street as established by that certain Grant of Easement recorded in Book 2756, Page 244;

Thence westerly and northwesterly with the northerly right-of-way line for Robinson Street and the entrance/exit ramp for Interstate 35 (I-35) as established by those certain documents entitled Grant of Easement recorded in Book 2756, Page 244, Highway

Easement recorded in Book 1899, Page 141, and Public Highway
 Dedication Deed recorded in Book 243, Page 110,
 Thence N85°39'45"W a distance of 25.84 feet;
 Thence S89°24'39"W a distance of 159.87 feet;
 Thence N04°17'48"W a distance of 62.23 feet to a point on a non-
 tangent curve;
 Thence Northwesterly on a curve to the left having a radius of
 205.00 feet (said curve subtended by a chord which bears
 N43°31'58"W a chord distance of 280.53 feet) an arc distance of
 308.95 feet;
 Thence N86°42'26"W a distance of 296.38 feet;
 Thence N88°25'36"W a distance of 111.36 feet to a point on a
 non-tangent curve;
 Thence Northerly on a curve to the right having a radius of 335.00
 feet (said curve subtended by a chord which bears N46°08'59"W
 a chord distance of 287.36 feet) an arc distance of 296.99 feet to a
 point on the easterly right-of-way line for Interstate Highway 35
 (I-35) as established by that certain Public Highway Dedication
 Deed recorded in Book 243, Page 110;
 Thence N00°21'28"W, along said easterly right-of-way line as
 established by said Public Highway Dedication Deed and the
 Dedication Deed Public Highway recorded in Book 242, Page
 188, a distance of 8,696.40 feet;
 Thence N89°16'02"E, along the southerly line of the premises
 described in that certain Cleveland County District Court Case,
 Case No. CJ-99-1510BH, recorded in Book RB 3111, Page 680,
 and said line extended a distance
 of 1,262.33 feet to the southeast corner of said premises, said point
 being 1,319.56 feet south of the north line of said Northeast
 Quarter;
 Thence N00°06'18"W, along the easterly line of said premises, a
 distance of 8.20 feet to a point, said point being 1,311.36 feet
 south of the north line of said Northeast Quarter;
 Thence N89°15'36"E a distance of 1,240.60 feet to a point on the
 common section line to said Sections 13 and 14;
 Thence N00°16'07"W, along said common section line, a distance
 of 1,226.50 feet to the Point of Beginning;

AND

A tract of land lying in the Southeast Quarter of Section 23,
 Township 9 North, Range 3 West of the Indian Meridian,
 Norman, Cleveland County, Oklahoma, and being more
 particularly described as follows:

Commencing at the Northeast corner of Section 14, Township 9 North, Range 3 West of the Indian Meridian, Norman, Cleveland County, Oklahoma;

Thence S00°16'07"E, along the East line of said Section 14, a distance of 85.00 feet to a point on the southerly right-of-way line of Tecumseh Road as established by that certain Highway Easement recorded in Book 2475, Page 439;

Thence easterly along said right-of-way S89°49'14"E a distance of 33.00 feet;

Thence N44°57'58"E a distance of 35.22 feet;

Thence S89°49'14"E a distance of 189.54 feet;

Thence S83°18'03"E a distance of 58.87 feet;

Thence S09°09'51"E a distance of 99.71 feet;

Thence S00°38'00"E a distance of 7,763.68 feet to a point on the north line of the Southwest Quarter of Section 24, Township 9 North, Range 3 West of the Indian Meridian;

Thence S89°53'39"W a distance of 355.53 feet to the northeast corner of the Southeast Quarter of Section 23, Township 9 North, Range 3 West of the Indian Meridian, Norman, Cleveland County, Oklahoma;

Thence S00°35'48"E, along the East line of said Southeast Quarter, a distance of 555.00 feet to the Point of Beginning of the herein described parcel;

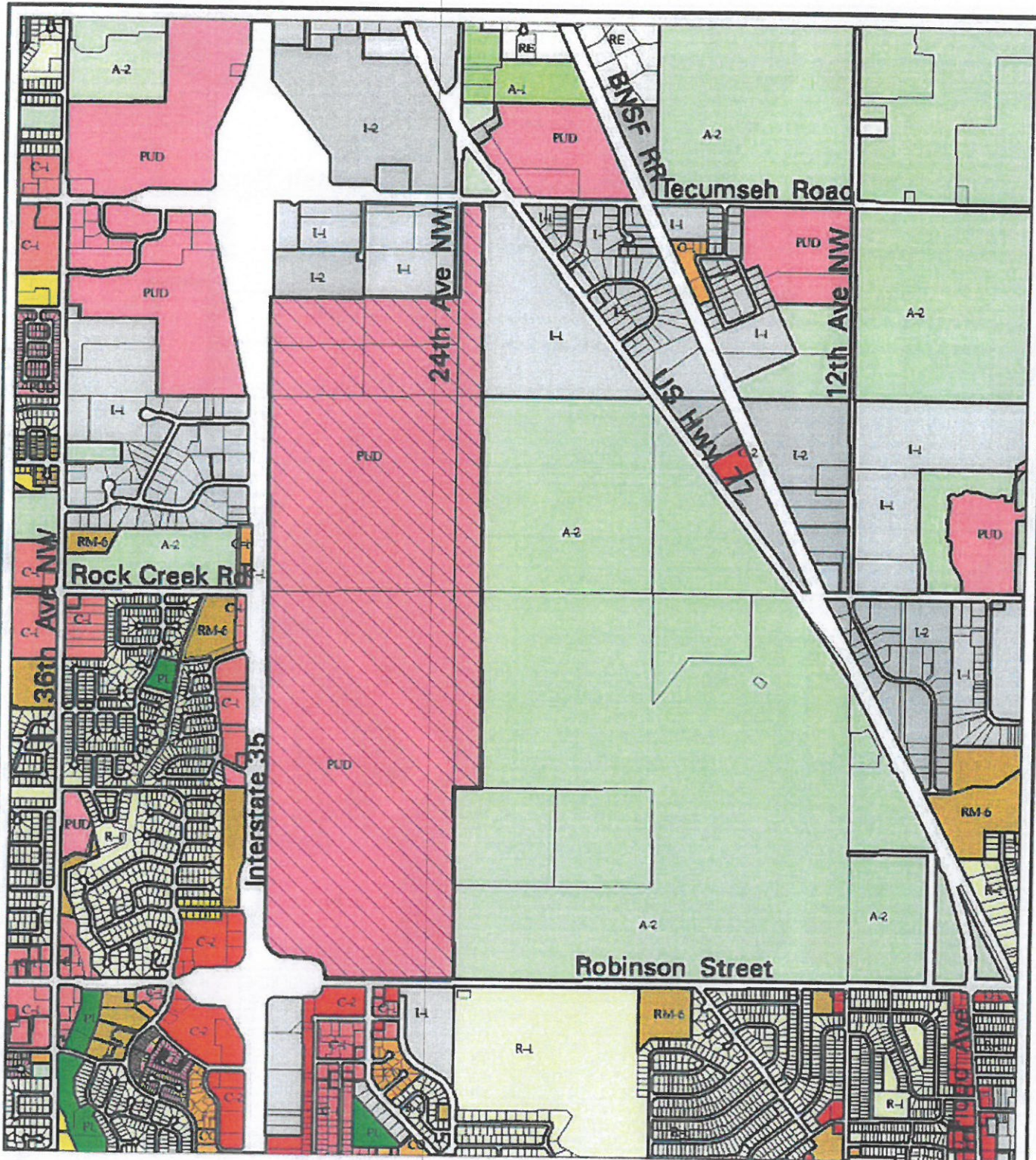
Thence S00°35'48"E, along said East line, a distance of 2,039.33 feet to a point on the northerly right-of-way line for Robinson Street as established by that certain Highway Easement recorded in Book 1901, Page 324, said point being 50.00 feet N00°35'48"W of the Southeast corner of said Southeast Quarter of Section 23;

Thence S89°24'39"W, along said right-of-way line, said line being 50 feet north of and parallel with the south line of said Section 23, a distance of 1,444.47 feet to a point, said point being on the northerly right-of-way line of Robinson Street as established by that certain Grant of Easement recorded in Book 2756, Page 244;

Thence N85°39'45"W, along said right-of-way line, a distance of 79.56 feet;

Thence N44°27'30"E a distance of 100.65 feet;

Thence N35°55'40"E a distance of 2,440.50 feet to the Point of Beginning, said tract containing 585.6681 acres, more or less.



Map produced by the City of Norman
Geographic Information System
(405) 966-6818

The City of Norman assumes no
liability for errors or omissions
in the information presented.

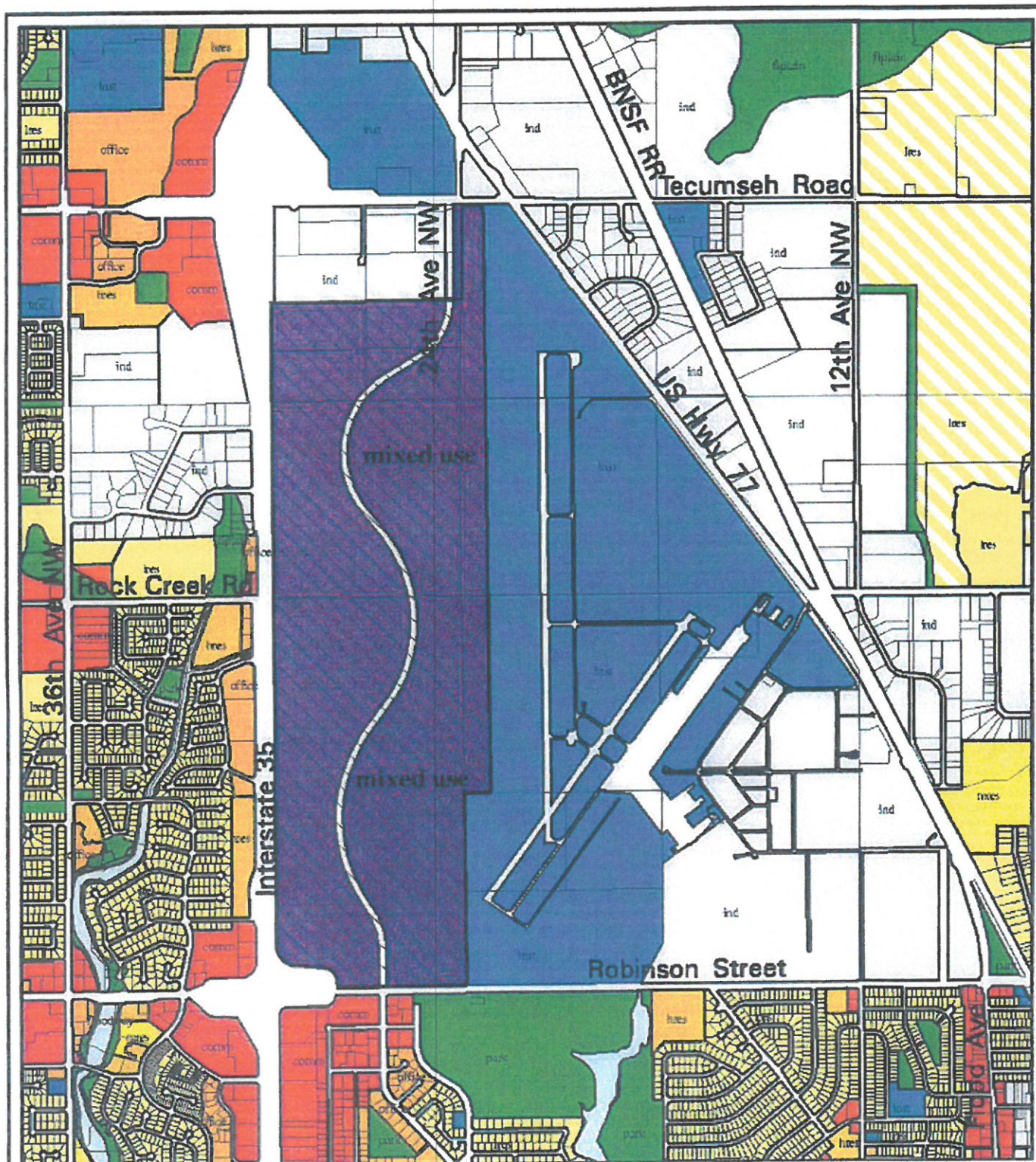
Zoning of University North Park Project Area

January 27, 2006

EXHIBIT E



Scale: 1" = 1800'



Norman 2025 Land Use Plan University North Park Project Area



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Geographic Information System
(406) 966-6818.

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liability for errors or omissions
in the information presented.

January 27, 2006

EXHIBIT F



Scale: 1" = 1800'

