

**THE CITY OF NORMAN
TIF #2 OVERSIGHT COMMITTEE
(UNIVERSITY NORTH PARK TIF)
ANNUAL REPORT
FOR THE PERIOD JULY 1, 2015-JUNE 30, 2016**

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:

Fred Walden, April 10, 2017
Greg Burge, April 10, 2017
Michael Murphy, April 10, 2017
Chris Dragg, April 10, 2018
Janese Shepard, April 10, 2018
Dr. Joe Siano, April 10, 2018
Ted Smith, April 10, 2019
William Wilson, April 10, 2019
Krystyn Richardson, April 10, 2019

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	10,500,000
	b. Legacy Park	7,500,000
	c. Engineering, Legal & Other Professional Fees	1,750,000
	d. Contingency	1,975,000
2.	a. Conference Center & Cultural Facilities	7,500,000
	b. Contingency	750,000
3.	a. Rock Creek Overpass of I-35	7,500,000
	b. Contingency	750,000
4.	a. Lifestyle Center	7,500,000
	b. Contingency	750,000
5.	a. Economic Development	7,500,000
	b. Contingency	750,000
	Total Project Costs	54,725,000

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

Amendment of Development Agreement #5

At the January 19th meeting, the Committee voiced concern with the amendments as proposed and voted in opposition to the extension of the deadline for shell completion of retail facilities in the University North Park Lifestyle Center. At the March 22nd meeting, the Committee voted to send Trustees of the Norman Tax Increment Financing Authority (City Council) a recommendation that the Committee supported the proposed amendments.

New Members

The Oversight Committee added one new member on June 14, 2016. City staff provided an overview/history of the TIF to bring the new member up-to-speed.

Intersection at 24th and Radius Way

The Committee reviewed information regarding the approval of the design consultant. This intersection will serve as the entryway into a new high density apartment complex. The intersection is estimated to cost \$750,000 in total.

Legacy Park

The scheduled completion date was mid-July 2015. At the July 21, 2015 meeting, significant discussion ensued regarding the quality of the work on the Park and unfinished items. Jud Foster, the City's consultant (Scott Howard), Rick McKinney and the general contractor (CGC) did a walk through on July 6, 2015 and a listing of items to be completed (i.e., a punch list) was development and agreed upon by all parties. The park was opened on September 17, 2015 prior to all punch list items being completed by CGC. City Council approved the final park on June 14, 2016.

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.

Legacy Park was completed during this reporting period. The community seems pleased with the park in general and on-going development around the park will only add more attention and traffic to the park in the future. The Oversight Committee is excited to see these projects come to fruition and looks forward to working the City Council – TIF Authority Trustees and City staff in the up-coming fiscal year.

UNIVERSITY NORTH PARK
TAX INCREMENT FINANCE DISTRICT
EXPENDITURE SUMMARY VS. PROJECT PLAN BUDGET
As Of June 30, 2016

Expenditure Category	BUDGET	FYE 2007	FYE 2008	FYE 2009	FYE 2010	FYE 2011	FYE 2012	FYE 2013	FYE 2014	FYE 2015	FYE 2016	TOTAL	BALANCE
Traffic/Road Improvements	\$ 11,550,000	343,807	816,159	792,735	77,106	1,118,991	2,165,823	801,031	654,562	3,084,507	130,213	9,984,935	\$ 1,565,065
Legacy Park	\$ 10,230,000	-	24,250	189,117	50,771	-	-	918,045	3,024,398	2,558,508	249,894	7,014,983	\$ 3,215,017
Engr/Legal/Prof	\$ 1,750,000	144,266	-	554,433	-	44,508	8,903	260,516	421,360	312,511	343,530	2,090,027	\$ (340,027)
Contingency	\$ 175,000	-	-	-	-	-	-	20,872	17,128	-	-	38,000	\$ 137,000
Conference/Cultural Facilities	\$ 7,500,000	-	-	-	-	-	-	-	-	-	-	-	\$ 7,500,000
Contingency	\$ 750,000	-	-	-	-	-	-	-	-	-	-	-	\$ 750,000
Rock Creek Overpass	\$ 5,660,835	-	-	4,282,377	1,361,241	12,417	4,800	-	-	-	-	5,660,835	\$ (0)
Contingency	\$ 609,165	-	-	-	-	-	-	-	-	-	-	-	\$ 609,165
Lifestyle Center Incentive	\$ 7,500,000	-	-	-	-	-	-	-	-	-	-	-	\$ 7,500,000
Contingency	\$ 750,000	-	-	-	-	-	-	-	-	-	-	-	\$ 750,000
Economic Development	\$ 7,500,000	-	-	-	-	102,266	116,016	118,583	140,956	237,116	283,606	998,543	\$ 6,501,457
Contingency	\$ 750,000	-	-	-	-	-	-	-	-	-	-	-	\$ 750,000
TOTAL	\$ 54,725,000	\$ 488,073	\$ 840,409	\$ 5,818,662	\$ 1,489,118	\$ 1,278,182	\$ 2,295,542	\$ 2,119,047	\$ 4,258,404	\$ 6,192,642	\$ 1,007,243	\$ 25,787,323	\$ 28,937,677
Loan Principal Repayments	\$ -	\$ -	\$ 1,070,914	\$ 114,188	\$ -	\$ -	\$ 400,000	\$ 425,000	\$13,735,000	\$ 750,000	\$ 800,000	\$ 17,295,102	
Loan Interest Repayments	\$ -	\$ -	\$ -	\$ -	\$ 112,487	\$ 194,058	\$ 208,591	\$ 227,364	\$ 434,021	\$ 528,808	\$ 499,277	\$ 2,204,606	

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	<u>\$9,748,467</u>	<u>\$9,329,808</u>	<u>(\$418,659)</u>	<u>909,297</u>	<u>8,420,511</u>
Total thru 2015	\$57,213,358	\$53,934,835	(\$3,278,523)	\$9,753,258	\$44,181,577
2016	\$13,015,985				
2017	\$13,406,465				
2018	\$13,808,658				
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>				
Total of all years projected	\$299,296,541				

**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	\$590,233	(\$228,666)
2008	2010	\$843,466	\$1,356,391	\$512,925
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	\$2,063,743	(\$30,676)
2013	2015	\$2,951,200	\$2,372,137	(\$579,063)
2014	2016	<u>\$3,509,324</u>	<u>**\$1,367,639</u>	<u>(\$2,141,685)</u>
Total thru 2014		\$14,666,378	\$12,943,337	(\$1,723,041)
2015		\$3,614,604		
2016		\$5,077,370		
2017		\$5,308,944		
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>		
Total of all years projected		\$126,438,358		

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

**2016 collections are not complete