



Legislation Text

File #: R-1718-18, **Version:** 2

RESOLUTION R-1718-18: A RESOLUTION OF THE TRUSTEES OF THE NORMAN TAX INCREMENT FINANCE AUTHORITY (NTIFA), APPROPRIATING \$40,000 FROM THE BUSINESS IMPROVEMENT DISTRICT FUNDS COLLECTED FROM DISTRICT PROPERTY OWNERS TO PURCHASE HOLIDAY DECORATIONS FOR LEGACY PARK AND FOR ONGOING MAINTENANCE OF LEGACY PARK FOR FYE 2018 AS RECOMMENDED BY THE UNIVERSITY NORTH PARK BUSINESS IMPROVEMENT DISTRICT ADVISORY BOARD.

BACKGROUND: City Council adopted the UNP BID District in 2014 after receipt of the Petition from property owners within the proposed district. BID's are allowed under Oklahoma law for a variety of purposes, including funding the acquisition, construction, installation or maintenance of capital improvements including parks, fountains and planting areas and associated improvements. Oklahoma law states that improvement districts may be created after a petition for such improvements containing signatures from a majority of the owners of record of more than one-half of the area liable to be assessed under the proposal is filed with the City Clerk. In the case of the UNP BID, the City received a petition with signatures from 81.93% of the property owners of record liable to be assessed under the proposal on June 19, 2014.

As provided in Development Agreement No. 5, the BID provides \$200,000 annually for maintenance of Legacy Park and Legacy Trail throughout the TIF district for a period of ten (10) years. To assist the BID in its development, \$900,000 of TIF funds were to be used to offset a portion of the BID Assessments against individual property owners over the first 8 years of the BID while allowing further development to occur in University North Park. With additional development comes a broader base of developed property across which the assessment can be applied, thus creating a more equitable and level assessment against developed property over the term of the BID.

In the first year of the BID, only Accumulated TIF Revenues of \$200,000 were available for maintenance costs. In the second year of the BID, \$175,000 of Accumulated TIF Revenues plus a \$25,000 assessment spread among all owners of developed property within the BID were available for maintenance. In the third year, \$150,000 of Accumulated TIF Revenues plus a \$50,000 assessment spread among all owners of developed property within the BID was available for maintenance. In the fourth year, \$125,000 of Accumulated TIF Revenues plus a \$75,000 assessment spread among all owners of developed property within the BID will be available for maintenance. This pattern will continue until the full \$200,000 assessment is spread among all property owners of developed property within the BID. This approach leverages the \$900,000 of TIF Development Assistance funds provided for in Development Agreement No. 5 with matching assessment to owners of developed property for a total of \$2,000,000 for maintenance and BID development.

A Citizen Oversight Board meets on a regular basis, usually 6 times per year, to discuss, monitor and recommend to the City Council how the UNP BID A funds are to be utilized. The primary use of the UNP BID funds has been for Legacy Park Maintenance, restroom maintenance at Legacy Park, Holiday decorations, and partnering with the developers to design and construct decorative entrances into the development that carry the design themes of Legacy Park. The contract for the construction of the entrance into the development from Robinson Street should be coming forward to City Council in the fall. When Council adopted the FYE18 Budget, UNP TIF funds were appropriated in the amount of \$116,485 as BID Expenses to cover anticipated costs for Park Maintenance, mowing, and restroom cleaning and maintenance.

Last year, in an effort to create a festive holiday atmosphere, lighted holiday decorations were installed along Legacy Trail from late November through December, in a similar fashion to those installed historically along Main Street. There are currently 40 "snowflake" lamppost decorations, as well as an adequate quantity of lights to wrap around 60 trees at Legacy Park. This supplemental appropriation would allow for additional LED holiday decorations and lights to be placed at Legacy Park on a yearly basis.

In addition, the maintenance bond on the construction of Legacy Park expired on June 14, 2017. Ongoing yearly maintenance of the park, fountains and lights is still required beyond the expiration of the maintenance bond. This supplemental appropriation would allow funding to be available for ongoing maintenance throughout the FYE 18 budget.

DISCUSSION: On May 20, 2016, the University North Park Business Improvement District (B.I.D.) Advisory Board recommended that \$20,000 in funds in the UNP BID Advisory account (a subsidiary account of the City's UNP TIF Fund) be used for the purchase of 40 "snowflake" lamppost decorations, an adequate quantity of lights to wrap 60 trees, as well as payment for installation and removal fees each year over a two to three year period.

In addition, on January 6, 2017, the University North Park B.I.D. Advisory Board recommended that \$20,000 in funds in the UNP BID Advisory account be made available for the ongoing maintenance of Legacy Park throughout FYE 18. BID funds are maintained within the Norman Tax Increment Finance Fund and are made up of contributions from property owners within University North Park and University North Park Tax Increment Finance District funds dedicated for that purpose.

RECOMMENDATION: It is recommended that the City Council, acting as Trustees of the Norman Tax Increment Finance Authority, approve Resolution R-1718-18 appropriating \$20,000 from the UNP TIF Fund Balance - BID Funds (057-0000-253.20-00) to Legacy Park Decorations/Miscellaneous Capital Items (057-7010-452.57-99) to purchase holiday decorations for Legacy Park and portions of Legacy Trail within the University North Park development and appropriate \$20,000 from the UNP TIF Fund Balance - BID Funds (057-0000-253.20-00) to Legacy Park Maintenance Supplies/Other Repairs (057-7010-452.32-99) to purchase items that may be needed for ongoing maintenance of the park, both as recommended by the UNP BID Advisory Board.