



Legislation Text

File #: R-1819-72, **Version:** 1

RESOLUTION R 1819-72: A RESOLUTION OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA REQUESTING THAT THE NORMAN UNIVERSITY NORTH PARK PROJECT PLAN STATUTORY TAX INCREMENT FINANCE DISTRICT REVIEW COMMITTEE CONSIDER A PROPOSAL TO DECLARE A MULTI-GENERATION RECREATIONAL COMPLEX LOCATED IN THE PROJECT AREA ELIGIBLE AS A CULTURAL FACILITY COST.

BACKGROUND: The University North Park Tax Increment Finance (UNP TIF) District was approved by City Council after a citizen committee process where sixteen (16) Norman Citizens were appointed on June 28, 2005, to review the proposal made by representatives of the University of Oklahoma Foundation (OU) and developers of the Project. The Citizen Committee met intensively for two months and submitted its 10 page report to City Council in September of 2005. A major focus on the Citizen Committee report was to create a regional draw destination component.

Following citizen review and vetting of the proposal, the proposed Project Plan was submitted to a Statutory Review Committee as required by Oklahoma Statutes to allow the potentially affected ad valorem taxing jurisdictions to make recommendations regarding the proposal. The ad valorem taxing jurisdictions include the Norman Public Schools, Cleveland County, County Health Department, Moore-Norman Technology Center, and the Pioneer Library System. Representatives from each of the affected ad valorem taxing jurisdictions, along with the Mayor, and three at large citizen members were appointed to the Statutory Review Committee. The Statutory Review Committee recommended creation of an up to twenty-five (25) year development plan that allowed investment of up to \$54.75 million in incremental sales tax and property tax revenues that was projected to entice \$500 million of private investment which was projected to generate additional tax revenues for the City and other taxing jurisdictions of \$1 million annually over the near term and up to \$20 million annually over the life of the project.

The components of the UNP Project Plan that were anticipated to generate this level of economic development in Norman included: Traffic and Roadway improvements to serve the Project with incremental revenue of up to \$11.55 million assisting in those costs; Conference Center and Cultural Facilities with up to \$16.5 million of incremental revenue assisting with those costs; a public park with public art (Legacy Park), enhanced landscaping, with up to \$8.25 million of incremental revenue assisting with those costs; a regional draw retail component referred to as a Lifestyle Center was allotted up to \$8.25 million of incremental revenue for retail incentives; and an Economic Development effort to assist the Norman Economic Development Coalition (NEDC) in its efforts to bring quality jobs to Norman was allotted up to \$8.25 million of incremental revenue assisting with those costs (see Original Project Plan, O-0506-66).

The goals and objectives of the Project Plan have been implemented over the last twelve years by a series of Development Agreements, financings, and actions by the City Council and the Norman Tax Increment Finance Authority. In 2008, the Project Plan was amended upon recommendation from the Statutory Review Committee to include, among other things, additional language in Section IX.A.2. that conditioned the use of the remaining funds of \$8,750,000 in the Conference Center and Cultural Facilities Project Costs category on review and approval by the Statutory TIF Committee.

On February 27, 2018, Council unanimously adopted Resolution R-1718-98 asking that the Statutory Review Committee review Council's proposal that \$8.75 million of funding authorization for Project Costs allocated to the Cultural Facilities be utilized to fund a Senior Citizen's Center to be located on land within the UNP TIF Project Area, but not in the Increment District. The Statutory Review Committee expressed concerns that the Senior Citizen's Center did not meet the objectives of the Project Plan in that the Cultural Facility funding allocation was to be used as an investment opportunity in order to generate additional tax investment in the area and ultimately recommended that Cultural Facility funds not be used for the Senior Center.

On November 13, 2018, Council adopted Resolution R-1819-45 asking that the Statutory Review Committee be convened to make a recommendation regarding how the UNP Project Plan can be restructured, ended, or otherwise modified, to accomplish ending the UNP TIF Project Cost funding mechanism (both the sales tax increment and the ad valorem increment) immediately without unduly harming the Norman Public Schools. Individual members of the Statutory Review Committee have expressed a preference for specific proposals for the Committee to consider and the Statutory Review Committee has not yet met. Staff continues to work on satisfactory proposals to submit for the Committee's review.

DISCUSSION: In addition to a Senior Citizen's Center, the City, as a part of the Norman Forward Initiative, has been planning a large indoor aquatic center and a multi-sport facility ("Multi-Generation Recreational Complex") in the Project Area. Also on Council's agenda is a Memorandum of Understanding with the University of Oklahoma for the purchase of 14.13 acres in the UNP Project Area for a purchase price of \$2.435 million.

The indoor aquatic center was envisioned during the Norman Forward vetting process as a facility to provide practice space for local high school swim teams, and the Sooner Swim Club, as well as a space to host both regional and statewide swim meets. Teams swim year round and meets occur throughout the fall and spring during long course and short course seasons. In 2018-2019, there are over 30 swim meets planned at four existing competitive facilities in Oklahoma, not including high school meets. Meets are typically held over a period of 2-3 days.

In addition to the indoor aquatic center, an indoor multi-sport facility is planned for the Project Area. This facility is envisioned to be designed such that it will enable Norman to host large youth basketball tournaments and basketball leagues, volleyball tournaments and volleyball leagues, indoor sport camps, and practices.

In short, these facilities are designed to serve as a regional draw for recreational events, resulting in more shoppers, more hotel night stays, and more restaurant customers in the near vicinity. Council has given direction that a resolution be prepared asking the Statutory Review Committee to review and approve the designation of the Multi-Generation Recreational Complex and the expenditure of some or all of the authorized Cultural Facilities Project Costs for such purpose. Resolution R-1819-72 accomplishes this directive.

RECOMMENDATION: Staff recommends approval of Resolution R-1819-72.