

CITY COUNCIL CONFERENCE MINUTES

August 10, 2010

The City Council of the City of Norman, Cleveland County, State of Oklahoma, met in Conference in the Municipal Building Conference Room at 5:35 p.m. on the 10th day of August, 2010, and notice and agenda of the meeting were posted in the Municipal Building at 201 West Gray and the Norman Public Library at 225 North Webster 48 hours prior to the beginning of the meeting.

PRESENT: Councilmembers Atkins, Butler, Cubberley, Dillingham, Ezzell, Griffith, Kovach, Quinn, Mayor Rosenthal

ABSENT: None

UPDATE ON UNIVERSITY NORTH PARK TAX INCREMENT FINANCE (TIF) DISTRICT.

Mr. Jeff Bryant, City Attorney, highlighted the funding received in the University North Park Tax Increment District (UNP TIF), which is a combination of ad valorem taxes and sales taxes. He said ad valorem taxes received for years 2007-2009 total \$1,059,496. Sales tax received from November 2009 through May 2010 totals \$1,525,756 and the total amount of sales tax received for the TIF since its inception is \$5,557,094.

Mr. Bryant highlighted the components of the TIF Project Plan which includes the Conference Center, Lifestyle Center, Legacy Park, economic development, and traffic and roadway improvements. He said \$8.25 million was contemplated in the Project Plan for economic development. He said 50% of ad valorem taxes for economic development tract, which is also known as the Norman Economic Development Coalition (NEDC) land. Ten percent of the sales tax apportioned for economic development totals \$926,182. The economic development portion of the Project Plan is intended to foster special employment opportunities in Norman and includes planning, financing, assistance in development financing, acquiring, construction and developing facilities to foster such opportunities. The original final plat for the NEDC tract was approved by Council in April 2008 and included 28 acres. A revised final plat totaling 30 acres was approved by Council in June 2010. He said the University Foundation and NEDC have been working to modify the purchase and sale agreement to facilitate bank financing and have extending the closing to October 31, 2010.

Mr. Bryant provided an overview of Economic Development public trust options. He said it could be accomplished by using the current Norman Tax Increment Finance Authority (NTIFA) or by forming a Norman Economic Development Trust Authority (NEDTA). The NTIFA was formed in May 2006 and authorized the first financing of \$14.56 million in June 2009 for the UNP TIF. The NTIFA could pledge or issue debt for the UNP TIF Economic Development. Another option would be to form the NEDTA to be used on city-wide Economic Development projects including the UNP TIF. He said the Board composition for the NEDTA would be two appointed by NEDC, two appointed by the City, and one jointly appointed by the NEDC Executive Director and the City Manager.

Mr. Bryant updated Council on the Traffic and Roadway Improvements included in the UNP TIF. He said the Rock Creek Bridge is scheduled for completion in June 2011 and it is currently estimated to be under budget by approximately \$2.2 million. He said the original financing did not include funding for the remaining roadway improvements included in Phase One; however, staff has recently learned of an opportunity to access funding through the Association of Central Oklahoma Governments (ACOG). He said ACOG has identified an additional \$16-\$18 million which is available for "shovel ready" projects and the Robinson and I-35 Interchange Project would qualify. The preliminary plans are completed for the project and environmental clearance has been granted by

the Oklahoma Department of Transportation and the Federal Highway Administration. He said there are minimal utility relocations required and the right-of-way required for the projected was deeded with the UNP plat.

Mr. Shawn O'Leary, Director of Public Works, provided schematics of the proposed interchange improvements and said the original project budget was \$1,700,000 and the updated estimate for the project is \$2,763,875. Mr. Bryant said staff has been looking at ways to find enough money to do the northeast quadrant and the City may be able to fund 40% of the total project with ACOG funds, which would require a local match of \$1.75 million. He said the funding source for the local match would be the UNP TIF. This could be accomplished by modifying the project authorization within the existing debt issuance or increasing the debt issuance to include additional projects.

Mr. Bryant said with Council's concurrence the next steps would include a resolution requesting the federal funds and an engineering contract for the remaining design work to be considered for Council's consideration on their August 24th agenda. Additionally, the City would need to secure funding for the \$1.75 million in local matching funds.

Councilmember Cubberley said he would prefer utilizing the existing debt financing because it would take less time.

The next steps for the Economic Development piece would include closing on the NEDC land on or before October 31, 2010, and looking at the Economic Development Credit Enhancement Options, i.e., NTIFA or NEDA.

Mayor Rosenthal said there would be additional discussion on economic development at Council's Conference on August 24, 2010, when Don Wood, Executive Director of NEDC, would be making his follow-up presentation to Council on the Industrial Land/Economic Development research. She encouraged Councilmembers to contact the City Manager for specific questions or areas they wish additional information on prior to the conference.

Items submitted for the record

1. PowerPoint presentation entitled, "University North Park TIF Update" dated August 10, 2010

The meeting adjourned at 6:20 p.m.

ATTEST:

City Clerk

Mayor