CITY COUNCIL STUDY SESSION MINUTES

July 7, 2015

The City Council of the City of Norman, Cleveland County, State of Oklahoma, met in a Study Session at 6:30 p.m. in the Municipal Building Conference Room on the 7th day of July, 2015, and notice and agenda of the meeting were posted at 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 Allison, Castleberry, Heiple, Holman, Jungman, Miller, Williams, Mayor Rosenthal
ABSENT:	Councilmember Lang

Item 1, being:

PRESENTATION BY COLE, HARGRAVE, SNODGRASS, AND ASSOCIATES, INC., REGARDING THE RESULTS OF THE CITIZEN SURVEY FOR THE NORMAN FORWARD QUALITY OF LIFE INITIATIVE.

Mr. Steve Lewis, City Manager, introduced Mr. Pat McFerron, President of Cole, Hargrave, Snodgrass and Associates, Inc. (CHD) and said Mr. McFerron would walk Council through the results.

Mr. McFerron said CHD attempted to reach people in a variety of ways with 37% of the survey being done via cell phones. Most of the residents were called seven to nine times in order to catch them at home. One of the things CHD wanted to gauge was the importance of the Norman Forward election compared to other types of elections and 54% felt the Norman Forward (NF) election has the same importance as any other election, 33% felt it was more important, and 11% felt it was less important.

Mr. McFerron said a baseline question to garner the general mood of the electorate was whether Norman was headed in the right direction or wrong direction and 64% felt Norman is on the right direction, 21% felt Norman is on the wrong track, and 11% were undecided. He said in a 2013 survey numbers were very similar to the current study numbers, which are very positive. He said the City should be proud of these numbers because they do not happen by accident. He said more affluent households tend to be more positive about the direction the City is going, but even in households making less than $50,000 annually the survey results were 63% for the right track.

Mr. McFerron said a baseline question asked in 2013, was whether or not citizens favored or opposed Norman investing in itself (similar to the Oklahoma City MAPS Program). He said 52% favored that in 2013, and 64% are favoring it today. This tells him ongoing communication regarding Norman Forward has garnered more community buy-in. He said citizens under 45 years of age are very supportive with senior citizens being supportive by an almost two to one margin.

Another positive sign for moving forward is citizens' answers to property taxes being too high, too low, or just about right. He said 39% said they were too high, which is a historic low for central Oklahoma. When asked the same question about sales tax only 22% felt sales tax was too high, which is the lowest number he has ever seen. He said although there is no clamoring to raise sales tax rates, the opposition is the lowest he has ever recorded. While the "too high" number is at a historic low for both revenue streams there is significantly less concern about sales tax being too high than property tax.

Citizens were asked if an election were held today would they vote yes or no on a proposal to levy one-half of one percent sales tax for 15 years to fund $143 million of quality of life projects such as a new central and east side libraries; indoor and outdoor youth sports facilities; a new outdoor family aquatic center to replace Westwood pool; an indoor aquatic center; renovations to neighborhood parks; a new Expo Center; trails; and street improvements. He said 48% said they would definitely vote yes, 19% said they would probably vote yes, 8% would probably vote no, 18% would vote definitely no, and 8% were undecided. He said, clearly, the support from those with no municipal vote history creates an opportunity for increased support, but there is solid support among even the most prolific voters.

Mr. McFerron said while the NF package is supported by 57% without explanations, informing voters the indoor aquatics center would partner with local entities and potentially be operated by the YMCA made it much more popular (75%). Similarly, support for the indoor recreation center went from 66% to 72% when voters were made aware it would replace the World War II (WWII) hangar currently being used.

There was a majority of support for projects across all age lines although it does get closer among senior citizens. All income groups are supportive and the support really escalates among voters in households with incomes exceeding $100,000.

Mr. McFerron said 26% said they would vote no, which is only 6% of the total population. He said the no votes are more about money and taxes, not a particular project.

Voters are more supportive of improvements to the library system when packaged together than when the central library and east branch were tested separately. When questioned about converting a portion of the existing downtown library into a senior center or building a new facility, only 12% of voters wanted an entirely new facility.

After hearing arguments for a comprehensive package versus voting on projects individually, voters were pretty evenly divided. Those who support the projects favor a comprehensive package while those opposed want to vote on projects individually. He said three times as many voters see this election as being more important than other municipal elections with the importance being greater in households in excess of $75,000.

Norman Forward projects have positive overall support and every project has a strong majority support, even the Expo Center is favored by 54% of the voters while only 37% are opposed. Younger voters are clearly the most supportive of all the projects aside from the Expo Center and a plurality of those over 65 support all the projects. The library system is more popular than the individual aspects of the package; however, the library proposals really divide the casual municipal voter from the ardent municipal voter when separated and could be at risk if not part of a larger turnout effort. He felt it was vital for the library projects to stay together for a vote.

When citizens were asked if they preferred a new stand-alone Senior Citizen Center or converting part of the current library, there was stronger support on converting the existing library when they were told it would cost no additional money because a bond issue for that conversion passed in 2008. Most voters had no preference on the manner used for a new Senior Citizen Center, but there was a slight preference for renovating the existing library even among senior citizens.

Voters support a 15 year sales tax and, across the board, voters support lengthening the time of the tax to make certain maintenance of the projects will be covered. Even among those over 64 years of age there is very strong support. Extending the sales tax for operating expenses and maintenance did help some people become more comfortable with the package.

Mayor Rosenthal said having sufficient funding for maintenance and operation going forward is very prudent and the survey shows that voters are supportive of that. Mr. McFerron said Oklahoma City put use tax from projects built into a reserve fund for maintenance and operation expenses. Councilmember Castleberry asked if creating a reserve fund for use tax would need to be placed in the ballot language or is this something Council could put into a policy. Mr. Anthony Francisco, Director of Finance, said, by statute, cities can impose a use tax at the same rate as the sales tax without a separate vote of the people.

Mr. McFerron said when voters were asked what other projects they would like to be included in the NF package, 64% said they did not know and aside from infrastructure (primarily roads) and storm drainage, no other projects were mentioned. Support was lower when voters were asked about their willingness to pay for "other priorities" through sales tax, but there was still majority support.

There is a strong movement in Oklahoma toward embracing healthier lifestyles and while health beneficial projects were supported more by ages 45 years or younger, those projects are also gaining support from older voters. More than half of those initially undecided say they would vote yes for health beneficial projects as would more than a quarter of those who initially said they would vote no.

Mr. McFerron said a majority of voters believe the NF projects are needed, especially projects replacing or renovating existing aging facilities such as the Westwood Pool and the WWII hangar (Optimist Gym).

Mayor Rosenthal thanked Mr. McFerron and Council for their work on Norman Forward. She said Staff needs direction on drafting a preliminary ordinance for discussion on July 14, 2015. She said some things are very clear, such as citizens' support of a 15 year one-half percent sales tax proposal versus property tax, support for a quality of life package, and support for a comprehensive package. She said there is some vulnerability regarding citizens who do not like comprehensive packages. She said NF is a $143 million package, but there are other costs the City needs to be upfront with voters about such as maintenance

and operating costs, maintenance reserves and capital reserves for future replacement, the need for more than $5 million to purchase Griffin property, etc. She asked if Staff would be comfortable discussing those costs tonight or if they needed more time and Mr. Lewis said Staff has calculated, but not finalized, costs for park maintenance staff, senior center staff, equipment reserves, capital replacement reserves, and public art, which can be added to the total package costs and would be ready for Council's discussion at the July 14th Council Conference. Councilmember Castleberry said he is keeping his own personal spreadsheet on project costs and would like to know those additional costs as soon as possible.

Councilmember Miller was concerned that citizens were surveyed about a $143 million package without including additional costs for maintenance/operations and the property the City will need to purchase. Mayor Rosenthal said Griffin Park, Sutton Wilderness Park, and Cate Park will cost approximately $10 million although the City has set aside $5 million as a good faith down payment.

Mayor Rosenthal said Council discussed various options for possible funding of public art and asked if Council wanted that in the NF proposal and if so, would it be required for every NF project and how much should be dedicated to public art? Councilmember Allison said Mr. Terry Floyd, Development Coordinator, made reference in a memo about the types of projects that would be valid for a 1% public art fee, such as major facilities and community parks, and felt that information would be a good, basic guideline. Mayor Rosenthal said adding a 1% fee for public art to the entire package would not be necessary as it may or may not be appropriate to place public art in some of the 51 neighborhood parks mentioned in the NF proposal. Councilmembers agreed 1% was a good figure, but only for major projects and community park projects. Mayor Rosenthal felt there should be an amount not-to-exceed cap that focuses on major facilities and community parks. Mr. Lewis said public art would be done hand-in-hand with the projects.

Mayor Rosenthal said there are questions remaining regarding management of the projects such as adding more City Staff or contracting with project managers and these have a cost. In many instances, the advantage of a project manager would be moving projects forward more quickly. She said City Staff have other jobs that could make management of these projects difficult; however, adding Staff may be necessary. Councilmember Holman said he would prefer in-house project management over hiring a contractor although he is not opposed to that. Councilmember Williams felt hiring a contractor whose main motivation is to get that particular project done would be a more efficient way to operate even if it is a little more expensive. He said if there were multiple contracts with multiple project managers then multiple projects could be moved forward at the same time. Councilmember Castleberry said that would be fine for the construction portion of the projects, but thought it would be better to have one project manager to oversee all projects along with project managers with expertise on individual projects. Councilmember Allison agreed and said he did not know of any way the City could achieve multiple project management without adding Staff in some way.

Mr. Lewis said Staff has spoken to people that contract as project managers and will have a range of options available for Council next week, but it is clear the City will have to have additional assistance. Mayor Rosenthal said she is more interested in that cost rather than who will do the work. She wants to make sure Council has a good number to present to voters. Councilmember Castleberry asked if a dollar amount will be on the ballot or a timeframe and Mr. Bryant, City Attorney, said it will be a timeframe. Mayor Rosenthal said that timeframe is basically saying, "Yes, the City can do all these projects because we have factored in all costs and projects can be completed within 15 years."

Councilmember Heiple asked what would happen if there is an overage of sales tax and Mayor Rosenthal said ordinance language could include criteria for overages to be reviewed by the Norman Forward Oversight Committee for use in other quality of life projects such as parks, recreation, cultural facilities, etc. Councilmember Castleberry said the NF park projects do not include everything in the Parks Master Plan (PMP) or Greenbelt Master Plan (GMP), but as long as the City is doing projects in connection with the PMP or GMP there could be flexibility to do those projects *or* pay down the debt.

Mayor Rosenthal said Council has not discussed an oversight process. She said in other instances, such as public safety sales tax (PSST) and wastewater, the City created a separate committee and felt that would be the appropriate step to take for NF as it gives the public some comfort in knowing there is an oversight body. By the same token, the City has a Library Board that is very capable of overseeing the library projects as well as a Parks Board and a Public Art Board. Should there be a separate board or perhaps a hybrid board that includes Council? Councilmember Allison said he has reservations about this because he doesn't want more meetings, but is hesitant to break up the projects for oversight by different existing boards/commissions. He said if projects are broken up would there be a common vision because multiple committees making multiple decisions about

projects that technically have to have multiple pieces fall into place and impacting other projects would not be conducive to a common vision. In the end, he would choose one main oversight committee to allow a common vision.

Councilmember Holman suggested a member from each existing board/commission might agree to serve on the oversight committee along with at-large appointees and Councilmember Miller agreed. Mayor Rosenthal felt that would be a good idea so that a new oversight committee would not be undermining an existing board or commission that has rules and responsibility in their areas. Councilmember Williams said instead of appointing a representative from each of the various boards/committees, representatives could be broken down into sections such as sports, library, etc., so the oversight committee is not a 17 member committee. He felt a five member committee would be adequate and made more sense.

Mayor Rosenthal said there is consensus for an oversight committee with members drawn from representatives of existing boards and commissions, and stakeholders. Mr. Bryant said language in the Oklahoma City MAPS ordinances required Council, by resolution, to constitute that oversight committee before any of the tax collected was spent. He said Council might want to take that into consideration as it would allow Council more time to work through the details.

Mayor Rosenthal said there has been some concern and criticism among the community regarding public access to some of the proposed facilities, especially sports facilities proposed to be operated by sport associations or organizations. She said the NF package needs to maximize general public access to all facilities. She felt placing language in the ordinance regarding public access would help reassure the public that when the City partners with associations or organizations the general public will have access. Mr. Bryant said Staff has included language in the draft ordinance regarding public access.

Mayor Rosenthal said the most negative criticism she has heard from the public is about the Expo Center. She said it is important for voters to embrace and endorse the entire NF package. She would like some discussion on whether to include the Expo Center in the NF package since it is not like the other projects. She felt there were other ways to fund the Expo Center such as private sector buy-in. She said there have been serious reservations on the part of Council to place the Expo Center in the NF package.

Councilmember Jungman said the Expo Center was described as a $7 million project in the survey, but the consultant for the Expo Center said it would cost closer to $20 million and that is a concern. He said reliable voters seem to be upside down on the Expo Center, which aligns with the thought that the Expo Center is different than the other NF projects.

Councilmember Holman said he is struggling with the Senior Citizen Center. He likes the idea of a stand-alone Senior Citizen Center, but at the same time he is passionate about Municipal Court moving out of the police station. He said disregarding the 2008 vote that would allow that to happen is difficult, but that has been suggested. Mayor Rosenthal said survey data is pretty clear that citizens want a modern, first-class Senior Citizen Center, but there is no preference between a new facility versus the renovation of the existing library, citizens just want the Senior Citizen Center done right. Councilmember Miller said cost is a factor as it would cost so much more to build a stand-alone Senior Citizen Center and there are too many negatives for a stand-alone facility such as land acquisition, space issues, parking, transportation, etc. She said there is already support and funding for renovation of the current library and seniors could occupy it more quickly.

Councilmember Castleberry said during public meetings, citizens requested Council allow them to vote on the entire NF package. He said the Expo Center is the one project that does not match the other projects, but it could help pay for the other projects. He said if citizens are against the Expo Center they will be against the package so if you take the Expo Center out and they are still against the package would the City be gaining any votes? Mr. McFerron said that is not clear in the survey, but of those who would vote yes on the whole package, 69% support the Expo Center, but among those that would vote no on the whole package 23% support the Expo Center. There are some people that would vote for the Expo Center precisely because it is different and is an economic investment. Councilmember Castleberry said the Expo Center is an outlying project that is not a quality of life project. He said it is a $20 million project instead of a $7 million project as originally presented plus there has been no discussion to date regarding a partnership for the Expo Center.

Councilmember Allison asked the range of the 15 year tax and Mr. Francisco said based on $143 million, the debt would be paid out in approximately 13 1/2 years.

Councilmember Williams thinks the Expo Center is a good idea and would be useful for the economic community if done properly so he would like to see it happen; however, the NF package is not the place for it. He wants to make it happen and

feels a public/private partnership is the only way it will work, but until the City has a partner that will sign on the dotted line, the Expo Center is the most logical project to remove from the NF proposals.

Mayor Rosenthal said there appears to be a general consensus among Council to remove the Expo Center from the NF package.

Councilmember Miller said she is very grateful to the group of citizens who worked on putting the projects together and had the prescience to bring their vision forward to Council and the survey affirms what citizens think Norman needs. She said this could be a historic change for the community and bring in a lot of new voters. Councilmember Castleberry said the fact that Norman has 1,100 new voters register since April 1st with no election says something.

Mayor Rosenthal said Council will review a draft ordinance on July 14th Conference with First Reading of the ordinance on the July 28th Council agenda and Second Reading on August 11th.

Items submitted for the record

1. Memorandum dated July 2, 2015, from Pat McFerron, President, Cole Hargrave Snodgrass & Associates, Inc., to Terry Floyd, City of Norman
2. Norman Forward Survey Tabulated Questionnaire
3. PowerPoint presentation of findings

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The meeting adjourned at 8:00 p.m.

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ATTEST:

Brenda Hall

City Clerk

Mayor PRO TEM

CITY OF NORMAN CORPORATE SEAL OKLAHOMA