

City of Norman

PROPOSED ROCK CREEK ENTERTAINMENT DISTRICT PROJECT PLAN

**Public Hearing
September 17, 2024**

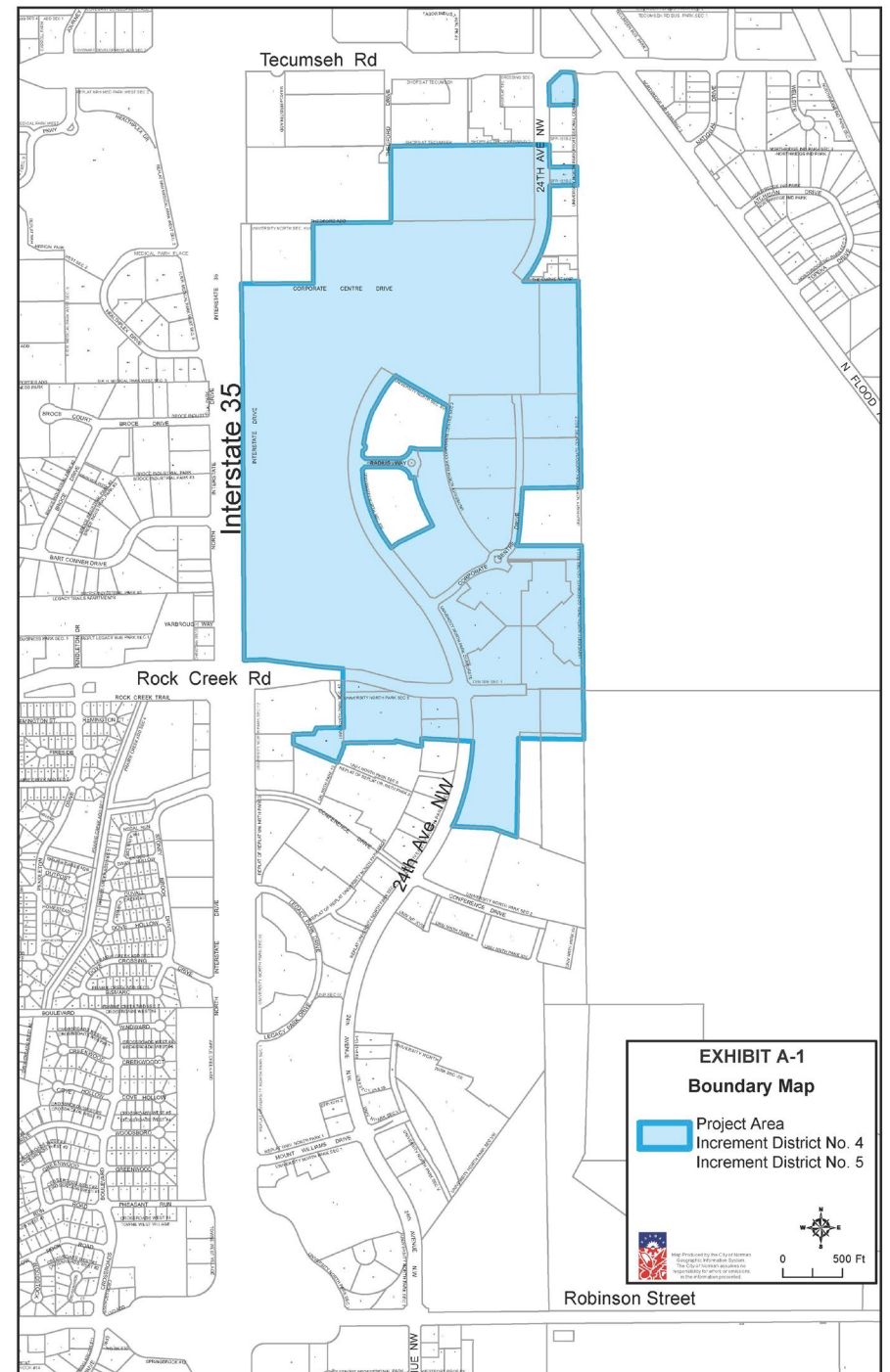


TAX INCREMENT FINANCE

Process to Create a TIF District

- Project Plan
- Review Committee
- Planning Commission
- First Public Hearing
- Second Public Hearing - The purpose of tonight's hearing is to give any interested persons the opportunity to express their views on the proposed plan.
- Council Vote

PROPOSED ROCK CREEK ENTERTAINMENT DISTRICT PROJECT PLAN



PROPOSED ROCK CREEK ENTERTAINMENT DISTRICT PROJECT PLAN

- Anticipated Development
 - \$1+ billion total investment in Project Area including residential, retail, office, commercial, arena, parking garage, and hotel, along with festival plaza and related public improvements; Arena is the anchor.
- Proposed 2 TIF Districts for up to 25 fiscal years:
 - Increment District 4—sales tax TIF district, collecting non-dedicated and capital improvements sales taxes (3%) generated by the Project starting 5/1/25
 - Increment District 5—ad valorem TIF district collecting 100% of ad valorem taxes generated by the Project starting 12/31/26
- Authorized Project Costs up to \$600 million, primarily assistance in development financing
- Estimated total increment revenues of \$540 million, not including potential Leverage Act matching payments

City of Norman

Economic Development Agreement



ECONOMIC DEVELOPMENT AGREEMENT (UPDATED)

- Agreement Structure:
 - Parties: UNP North, LLC, Cleveland County Recreational and Entertainment Facilities Authority (“CC Trust”), the City of Norman, and the Norman Tax Increment Finance Authority
 - Commitment to construct a \$650 million multi-phase, mixed use entertainment center and neighborhood consisting of 2 codependent parts:
 - Anchor Project:
 - 8,000 seat multipurpose performance venue/sports arena and a 1,200 space parking garage
 - Mixed Use Project
 - A plaza
 - 140,000 square feet of retail and restaurant space
 - Up to 180,000 square feet of Class A office space
 - A 150-room select service hotel
 - Approximately 500 multifamily housing units
 - Additional multifamily housing and/or up to 177 medium density housing units
 - All necessary public and private utility and stormwater infrastructure

ECONOMIC DEVELOPMENT AGREEMENT (UPDATED)

- City/NTIFA Obligations
 - Provide *the lesser of* (i) an amount necessary to secure \$230 million in principal to be used towards the construction of the arena, 1,200 space parking garage and necessary infrastructure, or (ii) up to \$600 million in Incremental Sales Tax and Incremental Ad Valorem Revenues, plus 100% of any Leverage Act (State matching funds) funds for the payment of project costs to the CC Trust as assistance in development financing.
 - The amount of incremental tax revenue NTIFA can contribute is limited by the amount of increment generated.
 - Review phasing plan and development plans and any material changes
 - Development Plans include financing terms and requirements—NTIFA must ensure sufficient assurances that Project will be built at this review phase
 - Collect and account for Incremental Sales Tax collections

ECONOMIC DEVELOPMENT AGREEMENT (UPDATED)

- UNP North (Landowner) Obligations - Mixed Use Project
 - Submit a Phasing Plan for review and approval
 - Submit Development Plans for each phase of the Mixed Use Project
 - Also provide any assurances or commitments necessary for CC Trust to secure Anchor Project financing
 - Construct the Mixed Use Project (office, multi-family housing, etc.) in accordance with phasing plan and development plan but no later than December 31, 2032
 - Dedicate up to 1,200 square feet for public art.
 - Ensure property taxes are assessed and paid timely; PILOT payment for property that would otherwise be tax exempt
 - Sales and Use Tax reporting (including construction and sales tax reporting)

ECONOMIC DEVELOPMENT AGREEMENT (UPDATED)

- CC Trust Obligations – Arena Project
 - Acquire property for arena and parking garage from Landowner
 - Finance, construct, operate and maintain the Arena and parking garage
 - Provide phasing and development plans to NTIFA
 - Development Plan approval contingent on financing including adequate assurances that entire Project will be built
 - Construction to begin no later than January 1, 2026 and be complete by December 31, 2029.
 - Progress Reports to NTIFA
 - Ensure property taxes are assessed and paid timely; PILOT payment for property that would otherwise be tax exempt
 - Sales and Use Tax reporting (including construction sales and use tax)

QUESTIONS?

