



Date: September 23, 2024
To: Brenda Hall, City Clerk *BH*
From: Rickey J. Knighton II, Interim City Attorney *RJK*
Subject: Rock Creek Entertainment District Referendum Ballot Title

Background:

On September 20, 2024, Proponents of a referendum regarding Ordinance O-2425-2 filed a Referendum Petition with your office. The Proponents also filed a ballot title. The Proponents ballot title states as follows:

Ordinance o-2425-2 of the City of Norman would adopt the "Rock Creek Entertainment District Project Plan." The Project Plan would create two Increment Districts. Increment District 4 would allocate 100% of the City's general fund and capital improvement sales and use taxes generated in District 4, beginning May 1, 2025. Increment District 5 would allocate 100% of certain ad valorem taxes generated in District 5, beginning December 31, 2026. Both Districts would last up to 25 years.

The Project Plan authorizes project costs up to \$600,000,000 for administration, implementation, and assistance to the Project Developer in financing \$230,000,000 relating to the construction of an arena, parking garage, and infrastructure. Increment tax revenues generated in the Districts, along with potential state matching funds, would be used to pay for authorized project costs.

A yes vote would approve the Ordinance. A no vote would reject the Ordinance.

Shall the Ordinance be approved?

Subsection D(2) of 62 O.S. § 868 requires that the municipal attorney notify you whether the ballot title is in legal form and in harmony with the law within three (3) days after the filing of the ballot title. If the ballot title is not in proper form, in the opinion of the attorney, the municipal attorney shall prepare and file a ballot title which does conform to the law within the three-day period.

Discussion:

The form of the ballot title submitted by the Proponents on September 20, 2024, complies with 62 O.S. § 868(D)(1)(a) through (c). Said ballot title does not exceed one hundred fifty (150) words, reflect partiality in its composition or contain any argument for or against the measure, or contain language whereby a "yes" vote is, in fact, a vote against the proposition and a "no" vote is, in fact, a vote in favor of the proposition. However, said ballot title does not appear to be in harmony with the law. Assuming without conceding that 62 O.S. § 868 requires a municipal attorney to prepare a ballot title after determining that the ballot title submitted by the proponent is legal form but not in harmony with the law, a ballot title that is legal as to form and in harmony with the law is attached.

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Any qualified elector who is dissatisfied with the wording of the ballot title may appeal to Cleveland County District Court within the (10) days after the ballot title is filed with the City Clerk. 68 O.S. § 868(E). The petition for appeal is required to include a substitute ballot title for the one from which the appeal is taken. *Id.* Written notice of the appeal must be served on the City Clerk and upon the parties who filed the ballot title at least five days before the appeal is heard by the Court. *Id.*

Ballot Title

Ordinance O-2425-2 adopts the “Rock Creek Entertainment District Project Plan,” which includes assistance in development financing for construction of a multipurpose arena, parking garage, and related infrastructure. The Plan anticipates that \$230 million will be borrowed for these projects. The Plan establishes two increment districts to support development of these projects.

Increment District 4 will start on May 1, 2025, allocating all non-dedicated sales tax revenue, 3% of taxable sales, within the District, to project costs. Increment District 5 will begin on December 31, 2026, allocating increased ad valorem tax revenue within the District to project costs.

Both districts will remain active until either \$230 million in principal plus interest is repaid to the lender, \$600 million in public assistance is provided, or 25 years pass, whichever occurs first.

A yes vote approves the Ordinance, while a no vote rejects it.

Shall the Ordinance be approved?