

## **MEETING AGENDA**

### **DEVELOPMENT OVERSIGHT COMMITTEE FOR TAX INCREMENT FINANCE DISTRICT NO. 2**

**Executive Conference Room  
201 West Gray**

**July 17, 2018  
1:30 P.M.**

1. Approve Minutes from the June 19, 2018 Meeting
2. Update and Possible Action on New Businesses and Ongoing Projects
3. Financial Reports
4. Miscellaneous Comments
5. Adjourn



**TIF #2 OVERSIGHT COMMITTEE MINUTES (UNIVERSITY NORTH PARK TIF)**

**Executive Conference Room**

**201 WEST GRAY**

**1:30 P.M.**

**June 19, 2018**

The Tax Increment Financing District #2 – University North Park (“UNP TIF”) Oversight Committee met at 1:30 p.m. in the Municipal Building Study Session Room on the 19th day of June, 2018.

**PRESENT:** Paula Price, William Wilson, Janese Shepard, Greg Burge, Dr. Nick Migliorino, and Chris Dragg

**ABSENT:** Chair Fred Walden, Ted Smith, and Anthony McBride

**OTHERS PRESENT:** Anthony Francisco, Finance Director  
Clint Mercer, Chief Accountant  
Robert Castleberry, City Council Member  
Kathryn Walker, Assistant City Attorney  
Jud Foster, Director of Parks and Recreation  
Shawn O’Leary, Director of Public Works  
Jeff Bryant, City Attorney  
Todd McLellan, Development Engineer  
Chuck Thompson, President of Republic Bank  
Sean Rieger, Attorney for the OU Foundation  
Emily Pomeroy, Center for Economic Development Law  
Lynne Miller, Mayor  
Dr. Cynthia Rogers, Citizen  
3 unidentified Citizens

Item 1, being

**APPROVAL OF MINUTES FROM MAY 15, 2018**

The meeting was called to order by Member Dragg. Dragg declared a quorum and a motion was made by Member Shepard to approve the minutes, which was seconded by Member Wilson. The motion was unanimously approved.

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Item 2, being:

**UPDATE ON UNP STORMWATER ISSUES**

Shawn O'Leary stated that he was unsure what issues were not resolved at the last meeting. Member Wilson stated that the City was supposed to work with the State to find out what was the real cause of the water backing up into the UNP area. O'Leary stated that this is an Oklahoma Department of Transportation (ODOT) issue with all of the areas along the interstates. We are still working with the partners at ODOT on the issue and we might have an update at the next meeting.

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Item 3, being:

#### UPDATE ON LEGACY PARK MAINTENANCE ISSUES

Jud Foster stated that the paint chipping and the rust on the railings will be touched up where possible. We are also working with another local contractor to get a price to remove the rails, strip them, and powder coat them. The issue with the quality of the water in the pond was addressed by the company recommended by Chair Walden. They came and looked at the pond and stated that there is nothing to do because the quality of the water is fine.

Member Dragg asked about watering the trees that are turning brown. Foster stated that we are going to replace the trees that are brown with trees that are heartier for this area. This will be at cost to the City because we are out of our warranty.

Foster also stated that there is a Committee that is working on a summer series of entertainment to host free programs at Legacy Park. This will hopefully increase the usage of the park.

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Item 4, being:

#### UPDATE AND POSSIBLE ACTION REGARDING THE UPDATED CALLISON/RTKL MASTER PLAN FOR THE UNP DISTRICT

Sean Rieger stated that this discussion is about the Planned Unit Development (PUD) land use issue only and not the financing for the TIF. He then showed a power point presentation. This was in the packet. The Master Plan has been updated and changed since last seen by this Committee. The changes include moving of the Expo Center, a different arrangement of the high-tech industrial portion, and the addition of an urban residential environment. We are also discussing the addition for a Norman Public Schools elementary site. It is still very much in keeping with the original PUD.

Dr. Migliorino stated that if this area made the population grow, there could be the need for a new elementary. The discussion of the site in the University North Park area for the school could possibly be the right area for a school, or it could possibly not be.

Member Wilson asked about the State approving an off ramp in the Rock Creek area for this district. O'Leary stated that the City has advocated for this type of off ramp but has been denied by the State. They prefer not to have off ramps within two miles of each other. ODOT has agreed to look at the stretch of interstate between Norman and Moore to evaluate what we will need in the future. The City of Norman and the City of Moore have differing ideas of what this might look like. If we ever get the approval for an interchange at Rock Creek, this will be a \$10-20 million project and would require Federal and State matching funds.

Member Wilson asked what we would be able to do about the traffic that would be routed through residential areas. Rieger stated that the PUD was written to state that a requirement would be an updated traffic analysis. We met with a company called EST, the Secretary of ODOT, and the Secretary of Transportation of Oklahoma to have them look over the plan. These agencies stated that they are comfortable with us moving forward with the Master Plan.

Member Dragg asked about putting in another detention pond. O'Leary stated that every project is required to have a detention system.

Jeff Bryant stated that there will be no money spent until all of the steps have been completed. Council is currently looking at a structure for the financing and authorizing the financing mechanism.

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Item 5, being:

**UPDATE REGARDING THE UNP PUD AMENDMENT APPROVED BY THE PLANNING COMMISSION ON JUNE 6, 2018**

Sean Rieger stated that the existing PUD states no more than 50% of UNP could be industrial, no more than 50% could be office, no more than 50% could be commercial, and no more than 30% could be residential. It was also a requirement that there would be no commercial north of Rock Creek Road. The OU Foundation needs to get a PUD amendment that allows commercial north of Rock Creek Road and we also need to get an amendment allowing more than 50% to be commercial. We really need an additional 7% for the Entertainment District. We also wrote into the PUD that ample bicycle parking had to be added in as well. The OU Foundation would supply public wifi in the Entertainment District, public transportation would extend to this area, and shared parking would also be available.

A motion was made by Member Wilson to move item #6 below item #8, which was seconded by Member Shepard. The motion passed unanimously.

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Item 6, being:

#### REQUEST TO PRESENT ECONOMIC REPORT FROM CYNTHIA ROGERS

Dr. Rogers gave a power point presentation. She stated that she took Dr. Dauffenbach's presentation that was given to the Committee and made some different assumptions. Those included using 3.2% sales tax rate instead of the 4.5% used in Dr. Dauffenbach's presentation. Her presentation is included in the packet. She stated that her presentation is just meant to generate more discussion about all of the areas that could change and are just estimations. These areas could seriously affect our General Fund negatively if things don't work out the way Dr. Dauffenbach's presentation states they will.

Emily Pomeroy stated that they are taking the well-being of the City's General Fund very seriously and would not bring a project plan to Council that would negatively impact the City.

Mayor Miller stated that she believes that Dr. Dauffenbach's presentation does overstate some things, but the City Council is taking it all very seriously and are not rushing into this plan.

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Item 7, being:

#### UPDATE AND POSSIBLE ACTION ON NEW BUSINESSES AND ONGOING PROJECTS

Anthony Francisco stated that he has not heard of any additional businesses or projects at this time.

Member Dragg asked if we found out any additional information about the sidewalks. Francisco stated that it was discussed with the Public Works Department and they told him that it was not preferable to encourage pedestrian walking along an interstate frontage road; pedestrian traffic is directed to Legacy Trail, on the east side of 24<sup>th</sup> Avenue NW.

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Item 8, being:

#### FINANCIAL REPORTS

Francisco stated that there were no major updates. The Average Annualized Growth Rate factor for fiscal year 2018-2019 will be sent to the Committee later this month. He also stated that the September call date to pay off the debt on the current TIF Note is coming up and we need to give notice by August. Member Dragg stated that he wanted to wait until the July meeting to vote on this payoff. Francisco stated that the TIF Statutory Committee voted in conjunction with the Oversight Committee against using the Cultural Facility as the Senior Center but voted to add an additional project for a separate Senior Center.

Member Wilson asked if the TIF could be expanded to Andrews Park, to locate a Senior Center there. Emily Pomeroy stated that the project area for the TIF can be amended by a City Council vote in order to build the Senior Center to be built in the area that the seniors prefer.

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Item 9, being:

#### MISCELLANEOUS COMMENTS

None.

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Item 10, being:

#### ADJOURN

The Committee adjourned at approximately 3:15 p.m.





Expenditures From Fund 87:

As of the End of Period 18 (June) - FY18

Project Costs:  
 Project UT0001 - 24th NW & Carl Dr Signal  
 Project UT0002 - 135 Frontage/24th NW Imp  
 Project UT0003 - Developer Reimbursement  
 Project UT0004 - 24th & Rock C&I Intersection  
 Project UT0005 - Legacy Pk Dr & 24th Intersection  
 Project UT0006 - Rock Creek Overpass  
 Project UT0007 - Reimbursement NE Ramp  
 Project UT0008 - Economic Development  
 Project UT0009 - Interchange Dr. East Entry  
 Project UT0010 - L&P Master Uplift Plan  
 Project UT0011 - Reimbursement West Intersection  
 Project UT0012 - 24th NW & Rock Intersection  
 Project UT0013 - L&P YP Entry Sign (R&D)  
 Project UT0014 - 24th & Phase B Intersection  
 Project UT0015 - L&P Master Land Use Plan  
 Project UT0016 - Legacy Park  
 Project UT0017 - Transportation Imp

Total Project Costs to Date

Interest Expense:

Loan Interest

Interest Transfers:

Interest Transfers

State Costs:

State Costs

Bonding & Maintenance:

Services & Maintenance

Total

Loan Principal Repayments:

Salaries @

6.00%

2013 Series Note Balance @ 6.00%, Due 9/1/2023

Excess Available for Loan Paym:

Excess Available for Loan Paym:

Principal Fund

Interest Fund

Revenue Fund

Reserve Fund

Economic Development

Economic Development - Republic Bank

Economic Development

Economic Development

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Project UT0004 - 24th & Rock C&I Intersection

Project UT0005 - Legacy Pk Dr & 24th Intersection

Project UT0006 - Rock Creek Overpass

Project UT0007 - Reimbursement NE Ramp

Project UT0008 - Economic Development

Project UT0009 - Interchange Dr. East Entry

Project UT0010 - L&P Master Uplift Plan

Project UT0011 - Reimbursement West Intersection

Project UT0012 - 24th NW & Rock Intersection

Project UT0013 - L&P YP Entry Sign (R&D)

Project UT0014 - 24th & Phase B Intersection

Project UT0015 - L&P Master Land Use Plan

Project UT0016 - Legacy Park

Project UT0017 - Transportation Imp

Total Project Costs to Date

Interest Expense:

Loan Interest

Interest Transfers:

Interest Transfers

State Costs:

State Costs

Bonding & Maintenance:

Services & Maintenance

Total

Loan Principal Repayments:

Salaries @

6.00%

2013 Series Note Balance @ 6.00%, Due 9/1/2023

Excess Available for Loan Paym:

Excess Available for Loan Paym:

Principal Fund

Interest Fund

Revenue Fund

Reserve Fund

Economic Development

Economic Development - Republic Bank

Economic Development

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Norman TIF District No. 2  
(University North Park Project)  
Actual Sales Tax Receipts - After Transfer Adjustments

Month Collected By Vendor	Month Received By City	Gross Sales Tax from TIF	Dedicated PSST	Dedicated NFST	Net Sales Tax	Transfer Adjustment (TA)	Dedicated TA	Net TA	Total Incremental Sales Tax	Apportionment to City (40%)	Apportionment to TIF (60%)*	50% Portion to TIF Projects	10% Portion to TIF Econ. Devel.
<b>Calendar Year 2006</b>													
Oct-06	Dec-06	177,245.00				(72,846.00)			104,399.00	41,759.60	62,639.40	32,199.50	10,439.80
		177,245.00				(72,846.00)			104,399.00	41,759.60	62,639.40	32,199.50	10,439.80
Nov-06	Jan-07	177,906.00				(63,979.00)			63,928.00	33,570.40	50,358.60	41,983.00	8,392.60
Dec-06	Feb-07	290,048.00				(180,210.00)			69,838.00	39,935.20	59,902.80	48,919.00	9,983.80
Jan-07	Mar-07	157,033.00				(70,975.00)			86,158.00	34,463.20	51,694.80	43,079.00	8,616.80
Feb-07	Apr-07	135,053.00				(72,124.00)			62,929.00	25,171.60	37,757.40	31,484.50	6,292.90
Mar-07	May-07	172,459.00				(82,102.00)			90,357.00	36,142.80	54,214.20	45,178.60	9,035.70
Apr-07	Jun-07	119,464.00				(60,502.00)			58,962.00	23,584.80	35,377.20	29,481.00	5,896.20
May-07	Jul-07	138,214.00				(61,380.00)			76,834.00	30,733.60	46,100.40	38,417.00	7,683.40
Jun-07	Aug-07	168,881.00				(81,201.00)			87,680.00	35,076.00	52,604.00	42,846.00	8,768.00
Jul-07	Sep-07	138,888.00				(55,899.00)			80,989.00	32,395.60	48,593.40	40,494.50	8,098.90
Aug-07	Oct-07	153,295.00				(71,429.00)			81,866.00	32,748.40	49,118.60	40,933.00	8,188.60
Sep-07	Nov-07	177,811.00				(42,700.00)			134,911.00	53,964.40	80,946.60	67,455.50	13,491.10
Oct-07	Dec-07	175,238.00				(50,823.00)			124,813.00	49,845.20	74,967.80	62,398.50	12,481.30
		1,992,087.00				(623,024.00)			1,069,073.00	427,629.20	641,443.80	534,538.50	106,907.20
<b>Calendar Year 2007</b>													
Nov-07	Jan-08	253,804.00				(64,145.00)			189,459.00	75,783.60	113,675.40	84,738.50	18,943.90
Dec-07	Feb-08	375,525.00				(146,074.00)			229,851.00	91,940.40	137,910.60	114,925.50	22,985.10
Jan-08	Mar-08	205,250.00				(51,285.00)			153,965.00	61,586.00	92,379.00	76,982.50	15,396.50
Feb-08	Apr-08	218,218.00				(53,459.00)			164,760.00	66,904.00	98,856.00	82,380.00	16,478.00
Mar-08	May-08	278,489.00				(84,101.00)			194,388.00	77,747.20	116,640.80	97,184.00	19,438.80
Apr-08	Jun-08	225,813.00				(89,538.00)			159,075.00	62,430.00	97,645.00	78,037.50	15,887.50
May-08	Jul-08	251,184.00				(63,504.00)			187,680.00	75,072.00	112,608.00	93,840.00	18,768.00
Jun-08	Aug-08	279,324.00				(83,575.00)			195,749.00	78,289.60	117,459.40	97,874.80	19,574.80
Jul-08	Sep-08	233,850.00				(58,428.00)			175,522.00	70,208.80	105,313.20	87,781.00	17,562.20
Aug-08	Oct-08	271,437.00				(70,014.00)			201,423.00	80,586.20	120,836.80	100,711.50	20,142.30
Sep-08	Nov-08	290,588.00				(97,748.00)			192,840.00	77,136.00	115,704.00	96,438.00	19,284.00
Oct-08	Dec-08	289,857.00				(74,418.00)			215,441.00	88,178.40	128,262.60	107,779.50	21,544.10
		3,173,420.00				(918,287.00)			2,257,133.00	892,853.20	1,364,279.80	1,128,586.80	225,713.20
<b>Calendar Year 2008</b>													
Nov-08	Jan-09	397,202.00				(99,155.00)			298,047.00	118,218.80	179,828.20	148,023.50	29,804.70
Dec-08	Feb-09	554,829.00				(118,257.00)			438,672.00	175,468.80	263,203.20	218,336.00	43,867.20
Jan-09	Mar-09	278,444.00				(67,320.00)			210,824.00	84,388.60	126,554.40	105,482.00	21,092.40
Feb-09	Apr-09	323,290.00				(83,651.00)			229,639.00	95,855.80	143,783.40	119,818.50	23,983.90
Mar-09	May-09	371,310.00				(93,368.00)			277,942.00	111,178.80	166,763.20	138,971.00	27,784.20

Month		Month	Gross Sales		Dedicated	Dedicated	Net Sales Tax	Transfer	Dedicated	Net TA	Total Incremental	Apportionment	Apportionment	50% Portion	10% Portion to
Collected By Vendor	Received By City	Tax from TIF	PSSST	NFST	Adjustment (TA)	TA		Sales Tax	to City (40%)		to TIF (60%)*	to TIF Projects	TIF Econ. Devel.		
Calendar Year 2009															
Apr-09	Jun-09	315,327.00	(66,186.00)				249,131.00	99,652.40	149,478.60	124,566.56	24,913.10				
May-09	Jul-09	333,803.00	(66,259.00)				267,544.00	107,017.60	160,526.40	132,772.00	26,754.40				
Jun-09	Aug-09	377,231.00	(94,089.00)				283,132.00	113,252.80	169,879.20	141,596.50	28,312.20				
Jul-09	Sep-09	301,666.00	(66,666.00)				234,770.00	93,908.00	140,862.00	117,335.90	23,477.00				
Aug-09	Oct-09	338,846.00	(74,004.00)				264,842.00	105,936.80	158,905.20	132,421.80	26,484.20				
Sep-09	Nov-09	364,736.00	(125,776.00)				239,960.00	102,584.00	137,376.00	129,490.60	29,885.00				
Oct-09	Dec-09	344,608.00	(79,819.00)				264,689.00	106,675.60	158,013.40	132,344.50	28,668.90				
		4,321,394.00	(1,003,102.00)				3,288,292.00	1,315,318.80	1,972,973.20	1,644,146.00	329,827.20				
Calendar Year 2010															
Nov-09	Jan-10	447,126.00	(94,991.00)				352,135.00	140,854.00	211,281.00	178,667.60	36,213.50				
Dec-09	Feb-10	660,382.00	(128,567.00)				531,815.00	225,928.00	305,887.00	282,407.56	56,481.50				
Jan-10	Mar-10	356,074.00	(77,928.00)				278,146.00	111,258.40	166,887.60	138,673.00	27,814.60				
Feb-10	Apr-10	412,787.00	(94,333.00)				318,454.00	127,385.60	191,078.40	159,232.60	31,846.40				
Mar-10	May-10	465,418.00	(118,433.00)				346,986.00	146,794.40	220,191.60	182,493.00	36,698.60				
Apr-10	Jun-10	396,915.00	(65,400.00)				331,515.00	132,608.00	198,907.00	166,767.60	32,151.50				
May-10	Jul-10	403,912.00	(73,047.00)				330,865.00	132,346.00	198,519.00	165,432.50	33,086.50				
Jun-10	Aug-10	476,149.00	(88,278.00)				377,871.00	174,057.46	203,813.54	169,844.62	33,968.92				
Jul-10	Sep-10	382,937.00	(78,802.00)				306,135.00	141,569.50	164,565.50	137,137.92	27,427.58				
Aug-10	Oct-10	432,914.00	(87,794.00)				345,020.00	159,925.42	185,094.58	156,678.82	31,016.76				
Sep-10	Nov-10	478,163.00	(128,789.00)				349,375.00	161,644.49	187,730.51	156,442.69	31,288.42				
Oct-10	Dec-10	453,892.00	(159,555.00)				275,167.00	126,748.26	148,417.74	122,681.45	26,736.29				
		5,397,490.00	(1,200,998.00)				4,196,494.00	1,790,116.53	2,416,377.47	2,013,647.90	402,729.58				
Calendar Year 2011															
Nov-10	Jan-11	528,038.00	(121,643.00)				406,395.00	167,286.18	218,908.82	182,422.36	36,484.47				
Dec-10	Feb-11	786,550.00	(165,190.00)				621,360.00	266,208.51	355,151.49	279,292.91	55,858.58				
Jan-11	Mar-11	398,118.00	(95,719.00)				302,399.00	130,293.04	163,105.96	136,931.63	27,164.33				
Feb-11	Apr-11	428,637.00	(107,655.00)				318,982.00	146,931.62	172,050.38	144,375.32	28,675.06				
Mar-11	May-11	516,683.00	(120,778.00)				395,905.00	162,384.40	213,540.60	177,860.50	36,680.10				
Apr-11	Jun-11	454,990.00	(91,981.00)				363,009.00	168,545.50	194,463.50	163,719.68	32,743.82				
May-11	Jul-11	470,547.00	(94,596.00)				385,952.00	165,124.67	220,827.33	184,022.77	36,804.56				
Jun-11	Aug-11	521,044.00	(121,906.00)				399,138.00	170,766.14	228,371.86	190,399.89	38,081.96				
Jul-11	Sep-11	427,519.00	(63,160.00)				344,359.00	147,329.64	197,029.36	164,181.14	32,838.23				
Aug-11	Oct-11	432,983.00	(63,783.00)				349,200.00	149,400.80	199,799.20	166,489.34	33,299.87				
Sep-11	Nov-11	470,173.00	(122,187.00)				347,976.00	146,677.12	199,098.88	166,915.73	32,183.15				
Oct-11	Dec-11	390,472.00	(79,064.00)				314,380.00	134,503.50	179,876.50	149,897.06	29,978.42				
		5,826,756.00	(1,277,801.00)				4,548,955.00	2,024,633.12	2,524,321.88	2,103,518.23	420,703.65				
Calendar Year 2011															
Nov-11	Jan-12	514,416.00	(100,862.00)				413,554.00	178,933.84	236,620.16	197,183.47	39,436.69				
Dec-11	Feb-12	802,864.00	(130,530.00)				672,334.00	287,658.14	384,685.86	320,579.88	64,115.98				
Jan-12	Mar-12	401,864.00	(78,347.00)				323,817.00	138,456.43	185,361.57	154,301.30	30,960.26				
Feb-12	Apr-12	452,886.00	(90,664.00)				362,421.00	155,057.23	207,363.77	172,803.14	34,560.63				

Month Collected By Vendor	Month Received By City	Gross Sales Tax from TIF	Dedicated PST	Dedicated NFT	Net Sales Tax	Transfer Adjustment (TA)	Dedicated TA	Net TA	Total Incremental Sales Tax	Apportionment to City (40%)	Apportionment to TIF (60%)*	50% Portion to TIF Projects	10% Portion to TIF Econ. Devel.
Mar-12	May-12	539,131.00				(100,567.00)			438,564.00	186,350.54	249,213.46	207,877.88	41,535.58
Apr-12	Jun-12	463,762.00				(71,346.00)			392,416.00	167,998.77	224,517.23	187,114.36	37,422.87
May-12	Jul-12	502,050.00				(67,240.00)			434,810.00	173,924.00	260,886.00	217,406.00	43,481.00
Jun-12	Aug-12	539,775.00				(90,361.00)			449,414.00	178,595.50	267,818.40	223,297.00	44,641.40
Jul-12	Sep-12	456,991.00				(80,171.00)			376,820.00	150,328.00	226,492.00	187,910.00	37,582.00
Aug-12	Oct-12	527,451.00				(90,453.00)			436,998.00	174,799.20	262,198.80	218,499.00	43,699.80
Sep-12	Nov-12	522,336.00				(125,525.00)			396,811.00	158,724.40	238,086.60	199,465.50	39,621.10
Oct-12	Dec-12	492,934.00				(86,728.00)			406,206.00	162,493.20	243,712.80	203,164.00	40,620.80
Calendar Year 2012		6,218,599.00				(1,121,592.00)			5,097,007.00	2,111,178.36	2,985,828.64	2,485,190.53	497,638.11

Nov-12	Jan-13	654,383.00				(86,005.00)			468,388.00	187,355.20	281,032.80	234,184.80	46,838.80
Dec-12	Feb-13	859,294.00				(128,562.00)			727,732.00	291,092.80	436,639.20	363,888.00	72,773.20
Jan-13	Mar-13	500,059.00				(133,789.00)			366,270.00	147,708.00	221,562.00	184,836.00	36,827.00
Feb-13	Apr-13	475,356.00				(91,432.00)			383,924.00	153,569.60	230,354.40	181,582.80	36,382.40
Mar-13	May-13	578,401.00				(103,749.00)			474,652.00	189,860.80	284,791.20	237,326.00	47,465.20
Apr-13	Jun-13	483,442.00				(87,980.00)			415,462.00	166,192.80	249,269.20	207,741.90	41,528.30
May-13	Jul-13	514,081.00				(74,597.00)			440,174.00	180,778.53	259,395.47	216,164.56	43,232.91
Jun-13	Aug-13	621,744.00				(104,182.00)			517,562.00	212,587.46	305,014.52	254,176.77	50,836.75
Jul-13	Sep-13	507,433.00				(81,789.00)			425,644.00	174,809.15	250,834.85	209,828.04	41,806.81
Aug-13	Oct-13	545,367.00				(87,350.00)			458,017.00	188,104.53	269,912.47	224,827.06	44,986.41
Sep-13	Nov-13	563,538.00				(122,971.00)			440,567.00	180,946.14	259,640.86	216,387.38	43,273.48
Oct-13	Dec-13	587,604.00				(87,173.00)			510,231.00	209,548.67	300,682.33	250,448.77	50,113.75
Calendar Year 2013		6,801,332.00				(1,166,448.00)			5,631,883.00	2,292,531.50	3,349,151.50	2,789,696.56	559,191.92

Nov-13	Jan-14	726,116.00				(97,443.00)			628,672.00	262,298.33	376,373.67	313,644.72	62,728.94
Dec-13	Feb-14	987,588.00				(84,818.00)			902,770.00	370,843.78	532,126.24	443,433.53	88,687.71
Jan-14	Mar-14	623,645.00				(84,028.00)			539,625.00	229,834.26	329,790.74	274,835.82	54,956.12
Feb-14	Apr-14	655,385.00				(70,729.00)			584,656.00	240,114.32	344,541.68	287,118.07	57,423.61
Mar-14	May-14	786,349.00				(83,371.00)			702,978.00	286,708.38	414,269.62	346,724.88	69,044.94
Apr-14	Jun-14	680,097.00				(56,363.00)			621,734.00	255,342.01	366,391.99	305,328.88	61,063.33
May-14	Jul-14	704,904.00				(60,076.00)			644,829.00	257,931.90	386,897.40	322,414.50	64,482.90
Jun-14	Aug-14	726,185.00				(79,378.00)			646,816.00	259,728.40	388,088.60	322,408.00	64,681.60
Jul-14	Sep-14	686,669.00				(69,061.00)			617,608.00	247,043.20	370,564.80	308,804.00	61,760.80
Aug-14	Oct-14	759,465.00				(83,866.00)			674,599.00	269,839.80	404,759.40	337,299.59	67,459.80
Sep-14	Nov-14	764,863.00				(118,722.00)			645,941.00	256,378.40	387,564.60	322,870.50	64,594.10
Oct-14	Dec-14	689,886.00				(75,046.00)			624,819.00	249,867.20	374,950.80	312,489.00	62,461.80
Calendar Year 2014		8,810,061.00				(944,706.00)			7,865,344.00	3,189,025.46	4,676,320.54	3,886,833.79	779,386.76

Nov-14	Jan-15	822,035.00				(87,242.00)			724,193.00	289,877.20	434,515.80	362,096.50	72,419.30
Dec-14	Feb-15	1,094,808.00				(86,217.00)			978,591.00	391,436.40	587,154.60	489,295.50	97,859.10
Jan-15	Mar-15	690,396.00				(73,389.00)			625,960.00	250,599.20	375,599.80	312,699.00	62,599.80

Month Collected By Vendor	Month Received By City	Gross Sales Tax from TIF	Dedicated PSST	Dedicated NFST	Net Sales Tax	Transfer Adjustment (TA)	Dedicated TA	Net TA	Total Incremental Sales Tax	Apportionment to City (40%)	Apportionment to TIF (60%)*	50% Portion to TIF Projects	10% Portion to TIF Econ. Dev't.
Feb-15	Apr-15	665,654.00				(59,087.00)			606,567.00	242,622.80	363,944.20	303,276.50	60,667.70
Mar-15	May-15	645,531.00				(66,079.00)			747,452.00	298,980.80	448,471.20	373,726.00	74,745.20
Apr-15	Jun-15	706,568.00				(52,594.00)			653,994.00	261,597.60	392,396.40	326,997.60	65,399.60
May-15	Jul-15	713,377.00				(50,617.00)			662,760.00	265,104.00	397,656.00	331,360.00	66,276.00
Jun-15	Aug-15	802,641.00				(79,947.00)			723,694.00	289,477.50	434,216.40	361,647.00	72,569.40
Jul-15	Sep-15	711,337.00				(67,101.00)			644,236.00	257,094.40	386,641.60	322,116.80	64,423.60
Aug-15	Oct-15	769,110.00				(75,670.00)			692,440.00	276,676.00	415,764.00	346,220.00	69,544.00
Sep-15	Nov-15	786,330.00				(102,454.00)			683,876.00	272,550.40	410,325.60	341,936.80	68,387.80
Oct-15	Dec-15	716,493.00				(69,919.00)			647,574.00	259,029.60	388,544.40	322,787.00	64,757.40
Calendar Year 2015		9,303,300.00				(911,825.00)			8,391,365.00	3,356,346.00	5,034,819.00	4,185,662.50	839,136.50

Nov-15	Jan-16	789,656.00				(66,622.00)			713,336.00	285,334.40	428,001.60	356,668.80	71,333.60
Dec-15	Feb-16	1,113,383.00				(94,789.00)			1,018,594.00	407,437.60	611,156.40	509,297.60	101,858.40
Jan-16	Mar-16	746,884.00				(69,758.00)			657,126.00	262,850.40	394,275.60	326,563.60	65,712.60
Feb-16	Apr-16	778,724.00				(62,306.00)			686,418.00	274,567.20	411,850.80	343,208.80	68,641.80
Mar-16	May-16	656,091.00				(104,852.00)			781,139.00	316,455.60	474,683.40	366,566.80	79,112.60
Apr-16	Jun-16	773,314.00				(66,189.00)			704,125.00	281,850.00	422,275.00	352,062.50	70,412.50
May-16	Jul-16	769,340.00				(64,633.00)			704,707.00	281,862.80	422,824.20	352,353.50	70,470.70
Jun-16	Aug-16	672,929.00				(69,353.00)			703,571.00	313,426.40	470,144.60	391,765.90	78,367.10
Jul-16	Sep-16	800,985.00				(78,776.00)			722,188.00	289,875.60	433,313.40	361,094.50	72,218.90
Aug-16	Oct-16	843,631.00				(69,961.00)			746,670.00	296,666.00	448,002.00	373,331.00	74,667.00
Sep-16	Nov-16	870,551.00				(122,226.00)			748,315.00	299,326.00	448,989.00	374,157.50	74,831.50
Oct-16	Dec-16	792,627.00				(60,330.00)			712,297.00	284,919.80	427,378.20	356,148.50	71,229.70
Calendar Year 2016		10,058,407.00				(1,069,820.00)			8,988,487.00	3,595,384.80	5,393,092.20	4,494,243.50	898,848.70

Nov-16	Jan-17	666,632.00				(65,518.00)			600,514.00	320,205.60	480,308.40	406,257.00	80,051.40
Dec-16	Feb-17	1,246,534.00				(111,189.00)			1,137,345.00	454,838.00	682,407.00	566,672.80	112,734.50
Jan-17	Mar-17	731,256.00				(71,701.00)			659,555.00	263,822.00	395,733.00	329,777.80	65,955.50
Feb-17	Apr-17	759,223.00				(70,675.00)			686,548.00	275,419.20	411,128.80	344,371.00	68,654.80
Mar-17	May-17	926,943.00				(85,983.00)			840,960.00	336,384.00	504,576.00	420,486.00	84,096.00
Apr-17	Jun-17	835,804.00				(69,857.00)			766,647.00	306,656.80	459,990.20	383,323.50	76,664.70
May-17	Jul-17	831,144.00				(64,340.00)			766,804.00	382,379.59	384,424.41	320,353.87	64,070.73
Jun-17	Aug-17	903,122.00				(85,535.00)			817,567.00	407,703.36	409,863.62	341,568.86	68,313.84
Jul-17	Sep-17	810,773.00				(68,480.00)			742,293.00	370,156.76	372,136.22	310,113.52	62,022.70
Aug-17	Oct-17	663,704.00				(63,619.00)			592,563.75	285,481.79	297,071.96	247,559.87	48,511.98
Sep-17	Nov-17	806,304.00				(111,786.00)			595,903.50	297,157.21	298,746.29	246,953.24	48,791.05
Oct-17	Dec-17	659,086.00				(60,069.00)			564,249.25	291,345.63	292,903.62	244,066.35	48,837.27
Calendar Year 2017		10,581,727.00				(987,652.00)			8,692,869.50	4,001,661.86	4,691,207.52	4,150,422.93	831,064.59

Nov-17	Jan-18	656,266.00				(64,573.00)			653,786.25	328,021.41	327,764.84	273,137.37	54,637.47
Dec-17	Feb-18	1,289,762.00				(105,162.00)			873,450.00	435,590.40	437,869.60	364,088.00	72,981.60

Month Collected By Vendor	Month Received By City	Gross Sales Tax from TIF	Dedicated PSST	Dedicated NET	Net Sales Tax	Transfer Adjustment (TA)	Dedicated TA	Net TA	Total Incremental Sales Tax	Apportionment to City (40%)	Apportionment to TIF (60%)*	50% Portion to TIF Projects	10% Portion to TIF Econ. Devel.
Jan-18	Mar-18	674,984.00	109,373.00	109,373.00	656,238.00	(107,613.00)	(28,903.25)	(80,709.75)	575,528.25	286,996.75	288,531.50	349,442.91	44,088.58
Feb-18	Apr-18	778,420.00	87,052.50	87,052.50	582,315.00	(89,834.00)	(17,459.50)	(52,375.50)	529,839.50	284,263.18	285,676.34	221,396.95	44,279.39
Mar-18	May-18	871,133.00	121,391.63	121,391.63	729,349.75	(81,543.00)	(20,385.75)	(81,157.25)	687,182.50	332,706.66	334,485.84	278,738.20	55,747.64
Apr-18	Jun-18								0.00	0.00	0.00	0.00	0.00
May-18	Jul-18								0.00	0.00	0.00	0.00	0.00
Jun-18	Aug-18								0.00	0.00	0.00	0.00	0.00
Jul-18	Sep-18								0.00	0.00	0.00	0.00	0.00
Aug-18	Oct-18								0.00	0.00	0.00	0.00	0.00
Sep-18	Nov-18								0.00	0.00	0.00	0.00	0.00
Oct-18	Dec-18								0.00	0.00	0.00	0.00	0.00
Calendar Year 2018		4,848,577.00	606,072.13	606,072.13	3,636,432.75	(448,715.00)	(112,178.75)	(338,538.25)	3,299,896.50	1,645,548.39	1,654,348.11	1,378,622.43	275,724.69
Grand Totals		77,510,185.00				(12,088,324.00)			63,731,000.00	28,674,194.84	37,056,805.06	30,880,670.86	8,178,134.18

\* The total TIF apportionment to the developer is adjusted from 60% based on the Average Annualized Growth Rate calculation provision in the UNIP TIF Agreement #72.

FYE 2007	60%
FYE 2008	60%
FYE 2009	60%
FYE 2010	60%
FYE 2011	Apportionment is 53.867%
FYE 2012	Apportionment is 57.2163%
FYE 2013	60%
FYE 2014	Apportionment is 58.831%
FYE 2015	60%
FYE 2016	60%
FYE 2017	60%
FYE 2018	Apportionment is 50.11%







# City of Norman, OK

Municipal Building  
Council Chambers  
201 West Gray  
Norman, OK 73069

## Master

File Number: GID-1718-76

File ID: GID-1718-76	Type: Request for Payment	Status: Consent Item
Version: 1	Reference: Item 22	In Control: City Council
Department: Legal Department	Cost: \$33,633.75	File Created: 06/12/2018
File Name: Quality Jobs Incentive	Final Action:	
<div style="border: 1px solid black; padding: 5px;"><p>Title: CONSIDERATION OF PAYMENT OF QUALITY JOBS INCENTIVE TO THE NORMAN ECONOMIC DEVELOPMENT COALITION IN THE AMOUNT OF \$33,633.75 IN ACCORDANCE WITH CONTRACT NO. K-1314-106, UNIVERSITY NORTH PARK TIF DEVELOPMENT AGREEMENT NO. 6.</p></div>		

Notes: ACTION NEEDED: Motion to approve or reject payment of quality jobs incentives to the Norman Economic Development Coalition; and, if approved, direct payment in the amount of \$33,633.75 to the Norman Economic Development Coalition.

ACTION TAKEN: \_\_\_\_\_

Agenda Date: 06/26/2018

Agenda Number: 22

Attachments: Master Text File, Development Agreement No. 6, Data Analysis for Qrts. 1-4, Incentive Project Worksheet

Project Manager: Kathryn Walker, Assistant City Attorney

Entered by: sencinias@normanok.gov

Effective Date:

### History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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### Text of Legislative File GID-1718-76

#### Body

**BACKGROUND:** On January 28, 2014 the Norman Tax Increment Finance Authority (NTIFA), Immuno Mycologics, Inc. (IMMY), and the Norman Economic Development Coalition (NEDC) memorialized an agreement (Development Agreement No. 6, herein DA#6) providing incentives for job creations related to an Advanced Manufacturing Facility to be built in the University North Park Tax Increment Finance District (UNP TIF). DA#6 supports the City of Norman's economic development plans for expanding employment, attraction of major investments, preservation and enhancement of the tax base, and facilitation of investments here in the City. DA#6 provides that job creation incentive payments earned by IMMY are assigned for payment to NEDC.

#### Definitions under DA#6

**Qualifying Job and Qualifying Wage calculations.** Employers qualifying for job creation incentives must create a "Quality Job" and pay a "Qualifying Wage". A "Quality Job" is defined as a "permanent full-time employ[ee] . . . which [receives] fringe benefits . . . [and receives] a "Qualifying Wage". The employee must work at least 35 hours a week a "normal year" or 1,680 hours per year, whichever is less. Additionally, a "Qualifying Wage" is

defined as "the average wage per New Job that results in an average hourly rate of at least \$24.04 per hour calculated on a quarterly basis" (\$50,000 per year).

*Incentive for Creation of New Quality Jobs Schedule Calculations.* DA#8 provides a schedule which is used to calculate quality job creation incentives earned by IMMY by satisfying the "Quality Job" and "Qualifying Wage" requirements. Once the number of new jobs created has been determined, then the incentive schedule will prescribe the percentage of incentive that is available based on average salaries of the new jobs created.

*Quarterly Maximums per New Job.* The Incentive Schedule in DA#8 also provides maximum payments an employer can receive per new job created. For instance, once a qualifying quarterly average per-employee wage is determined, a comparison is necessary to make sure that the "Quarterly Max per New Job" section of the Incentive Schedule is not exceeded.

#### ANALYSIS of 2017 Quarterly OESC forms from IMMY

The baseline to determine the addition of "New Quality Jobs" in 2017 that could be considered for quality job creation incentive payments is the total number of employees shown on the quarterly form required to be filed with the Oklahoma Employment Security Commission (OESC) for Quarter 4 of 2013. The OESC form for Quarter 4 of 2013 filed by IMMY identifies 29 employees. The OESC forms filed by IMMY for each quarter of 2017 were then reviewed using 29 employees as the baseline to determine "New Quality Jobs", and a "Qualifying Wage" for incentive considerations.

##### *a. 2017 Quarter 1 - Incentive Payments*

Total number of jobs indicated in this quarter is 62. This results in a net gain of thirty-three jobs. To identify the new jobs to be considered for incentive, the names of employees at the end of 2013 were compared to the names of employees in the current quarter. There were a total of forty-nine new employee names when compared to December of 2013. Of those forty-nine new names, the average quarterly payroll for the top nineteen equaled \$12,641.04 (\$50,564.15 annual equivalent), which is an average hourly equivalent of \$24.31. These nineteen jobs meet the incentive payment criteria. Applying the yearly average salary to the Incentive Schedule, a 2.15% Credit is indicated. The incentive calculation for this quarter is \$5,163.86.

However, the Incentive Schedule caps the quarterly quality job creation incentive payments paid per new job based on the Average Quarterly Salary. Here, the quarterly maximum per new job at 2.15% is capped at \$288.75. Applying that capped amount to nineteen new jobs equals a total quality job creation incentive payment of \$5,106.25 for this quarter. Therefore, based on the quarterly analysis of jobs created in Quarter 1 of 2017, the quality job creation incentive earned by IMMY and payable to NEDC is \$5,106.25.

##### *a. 2017 Quarter 2 - Incentive Payments*

Total number of jobs indicated in this quarter is 68. This results in a net gain of thirty-nine jobs. To identify the new jobs to be considered for incentive, the names of employees at the end of 2013 were compared to the names of employees in the current quarter. There were a total of fifty-five new employee names when compared to December of 2013. Of those fifty-five new names, the average quarterly payroll for the top thirty-four equals \$12,522.77 (\$50,091.09 annual equivalent), which is an average hourly equivalent of \$24.08. These thirty-four jobs meet the incentive payment criteria. Applying the yearly average salary to the Incentive Schedule, a 2.15% Credit is indicated. The incentive calculation for this quarter is \$9,154.15.

However, the Incentive Schedule caps the quarterly quality job creation incentive payments paid per new job based on the Average Quarterly Salary. Here, the quarterly maximum per new job at 2.15% is capped at \$288.75. Applying that capped amount to thirty-four new jobs equals a total quality job creation incentive payment of \$9,137.50 for this quarter. Therefore, based on the quarterly analysis of jobs created in Quarter 2 of 2017, the quality job creation incentive earned by IMMY and payable to NEDC is \$9,137.50.

##### *2017 Quarter 3 - Incentive Payments*

Total number of jobs indicated in this quarter is 69. This results in a net gain of forty jobs. To identify the new jobs to be considered for incentive, the names of employees at the end of 2013 were compared to the names of employees in the current quarter. There were a total of fifty-seven new employee names when compared to

December of 2013. Of those fifty-seven new names, the average quarterly payroll for the top twenty-six equals \$12,501.20 (\$50,004.80 annual equivalent), which is an average hourly equivalent of \$24.04. These twenty-six jobs meet the incentive payment criteria. Applying the yearly average salary to the Incentive Schedule, a 2.15% Credit is indicated. The incentive calculation for this quarter is \$6,988.17.

However, the Incentive Schedule caps the quarterly quality job creation incentive payments paid per new job based on the Average Quarterly Salary. Here, the quarterly maximum per new job at 2.15% is capped at \$268.75. Applying that capped amount to twenty-six new jobs equals a total quality job creation incentive payment of \$6,987.50 for this quarter. Therefore, based on the quarterly analysis of jobs created in Quarter 3 of 2017, the quality job creation incentive earned by IMMY and payable to NEDC is \$6,987.50.

#### *2017 Quarter 4 - Incentive Payments*

Total number of jobs indicated in this quarter is 70. This results in a net gain of forty-one jobs. To identify the new jobs to be considered for incentive, the names of employees at the end of 2013 were compared to the names of employees in the current quarter. There were a total of fifty-nine new employee names when compared to December of 2013. Of those fifty-nine new names, the total quarterly payroll for the top forty-one equals \$14,143.66 (\$56,574.63 annual equivalent), which is an average hourly equivalent of \$27.20. These forty-one jobs meet the incentive payment criteria. Applying the yearly average salary to the Incentive Schedule, a 2.20% Credit is indicated. The incentive calculation for this quarter is \$12,757.58.

However, the Incentive Schedule caps the quarterly quality job creation incentive payments paid per new job based on the Average Quarterly Salary. Here, the quarterly maximum per new job at 2.20% is capped at \$302.50. Applying that capped amount to forty-one new jobs equals a total quality job creation incentive payment of \$12,402.50 for this quarter. Therefore, based on the quarterly analysis of jobs created in Quarter 4 of 2017, the quality job creation incentive earned by IMMY and payable to NEDC is \$12,402.50.

**SUMMARY:** Based on the quarterly analysis of jobs created for Calendar Year 2017, applied to the *Incentive for Creation of New Quality Jobs Schedule*, the quality jobs creation incentive earned by IMMY and payable to NEDC is as follows:

Quarter 1 \$ 5,106.25  
Quarter 2 \$ 8,137.50  
Quarter 3 \$ 6,987.50  
Quarter 4 \$ 12,402.50  
\$ 33,633.75 Total 2017 Quality Job Creation Incentive

Funds are available in the University North Park Tax Increment Finance District Fund, Economic Development, Land (account 057-9542-419.60-01; project UT0008 Economic Development Activities).

#### *Year to Date Summary*

Development Agreement No. 6 required IMMY to create at least 50 Qualifying Jobs over the ten year incentive period. As noted above Quality Job Incentives were to be paid for those Quality Jobs that were paid a Qualifying Wage. Based on the 50 jobs to be created over the ten year incentive period, the projected incentive to be earned at the end of 2017 was \$21,500. These projections were very conservative.

Section 4.c of Development Agreement No. 6 specifies that the maximum payment for earned incentives shall be limited to \$770,000. This limit was included considering approximately 100 Quality Jobs at a Qualifying Wage over the ten year time period. Under this scenario, the incentives projected to have been earned by IMMY by the end of 2017 totaled \$55,315. The total Quality Job incentives actually earned by IMMY through 2017 are \$70,435, which is 27% above projections.

**RECOMMENDATION:** Staff recommends payment of \$33,633.75 to NEDC under Development Agreement #6.

**UNIVERSITY NORTH PARK TIF  
DEVELOPMENT AGREEMENT NO. 6**

This **ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT** (the "Agreement") made and entered this 28<sup>th</sup> day of January, 2014 by and among the **NORMAN ECONOMIC DEVELOPMENT COALITION** ("NEDC") a not for profit corporation organized under the laws of the State of Oklahoma, **IMMUNO MYCOLOGICS, INC.** (the "COMPANY"), a for-profit corporation authorized to transact business in the state of Oklahoma, and the **NORMAN TAX INCREMENT FINANCE AUTHORITY** (the "NTIFA"), a public trust having the **CITY** of Norman, Oklahoma as its Beneficiary.

**WITNESSETH:**

WHEREAS, the City of Norman, Oklahoma (hereinafter "CITY"), by Ordinance No. O-0506-66, adopted May 23, 2006, as amended by Ordinance No. O-0809-8, adopted August 26, 2008 (the "TIF Ordinance"), pursuant to the Oklahoma Local Development Act, Title 62, Oklahoma Statutes, Section 851, *et seq.*, adopted and approved the Norman University North Park Project Plan, as amended (the "Project Plan") and the project therein described (the "Project"); and

WHEREAS, the Project supports achievement of the CITY's economic development and redevelopment objectives for the Project area, including creation of a catalyst for expanding employment, attraction of major investment, preservation and enhancement of the tax base, and facilitation of investment, development and economic growth otherwise difficult, unlikely or impossible without the Project; and

WHEREAS, in accordance with the provisions of the Project Plan, the CITY has authorized up to \$8,250,000 in Economic Development Project Costs (as hereinafter defined) to be funded through apportioned incremental revenues generated from retail sales activities and increases in property values in the Project Area; and

WHEREAS, the CITY, as authorized in the Project Plan, has designated NEDC to undertake the financing for construction and development in support of the economic development activities and objectives of the Project; and

WHEREAS, the NTIFA, with concurrence by the CITY, issued \$8,250,000 in apportioned UNP TIF Economic Development Revenue Notes and \$8,250,000 in non-apportioned UNP TIF Economic Development Revenue Notes to NEDC on June 29, 2011, to be used in furtherance of the Economic Development component of the Project Plan (herein the "ED TIF Notes"); and

WHEREAS, NEDC purchased thirty (30) acres of Economic Development property in the University North Park TIF area on October 13, 2010, for the development of the UNP TIF Business Park and purchased an additional thirty-one and sixty-seven hundredths (31.67) acres of Economic Development property in the University North Park TIF area on December 5, 2013, a portion of which is to be used for the development of the UNP TIF Advanced Manufacturing Project; and

WHEREAS, the CITY and NEDC have jointly applied for and been awarded a grant of \$2,500,000 from the United States Economic Development Administration ( "EDA Grant") for the purpose of assisting in the construction of certain infrastructure improvements associated with the Economic Development Property, with said improvements to be owned by CITY upon completion and acceptance thereof; and

WHEREAS, the COMPANY is opening a manufacturing operation in Norman, Oklahoma and intends to purchase Lot 3, Block 1 of the University North Park Corporate Center Section 2 for a set Retail Purchase Price of one million nine hundred twenty thousand dollars (\$1,920,000) from the Norman Economic Development Coalition ("NEDC") in order to construct facilities to house such operations (the "COMPANY Project"); and

WHEREAS, the COMPANY desires to have a first right of refusal on three (3) additional lots in University North Park Corporate Center Sections 1 and 2 from NEDC; and

WHEREAS, the COMPANY plans to hire at least fifty new employees over the next ten (10) years for the COMPANY Project with the average wage paying above the Cleveland County average wage; and

WHEREAS, the construction and operation of the Facility will entail a capital expenditure of approximately \$12,500,000 to be invested in machinery and equipment, and in the construction of the new building; and

WHEREAS, NEDC, through its ED TIF Notes, is willing to provide a discount of the retail purchase price to the COMPANY (the "Incentive"), with the expectation that the COMPANY endeavor to meet certain criteria relating to job creation and maintenance of jobs created; and

WHEREAS, NEDC, the NTIFA and the COMPANY desire to set forth their understanding and agreements as to the use of ED TIF Notes to assist with land acquisition costs, the obligation of the NTIFA to review and consider this Economic Development Performance Agreement, and the expectation of the COMPANY regarding job creation and long term commitment to the community;

NOW, THEREFORE, in consideration of the foregoing, the mutual benefits, promises and undertakings of the parties to this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows.

**Section 1. DEFINITIONS.**

For the purposes of this Agreement, capitalized terms will have the same meaning as the definitions contained in the University North Park Economic Development Agreement dated 9/21/10 (Contract No. K- 1011-75) unless otherwise modified below:



**"Economic Development Tracts"** means that real property included in the University North Park Corporate Center Final Plat, Section I and Section 2, both of which were approved by the CITY on October 23, 2012.

**"Fringe Benefits"** means payments or benefits provided to the employee beyond their base wage. It includes, at a minimum, health insurance with at least 50% of the premium paid by the employer.

**"Purchase and Infrastructure Note"** means that financing transaction or transactions between NEDC and its Lender that provides funds for the purchase of the Economic Development Tracts and the construction of the infrastructure necessary to service the Economic Development Tracts.

**"Maintain"** means that the New Jobs created pursuant to the Incentive will continue without interruption from the date of creation through the Performance Date. Positions for the New Jobs, once initially filled, will be treated as Maintained during periods in which such positions are not filled due to temporary reductions in the COMPANY's employment levels in connection with recruitment for open positions provided the period in which such position remains unfilled does not exceed three (3) months.

**"Performance Date"** means December 31, 2023. If the NTIFA and NEDC deems that good faith and reasonable efforts have been made and are being made by the COMPANY to achieve the Target, NEDC, in consultation with the NTIFA, may agree to extend the Performance Date by up to 12 months. If the Performance Date is extended, the NEDC shall send written notice of the extension to the COMPANY and NTIFA and the date to which the Performance Date has been extended shall be the "Performance Date" for the purposes of this Agreement.

**"Quality Job"** means new permanent full-time employment of an indefinite duration at the Facility for which fringe benefits are paid by the COMPANY for the employee during a period in which the COMPANY pays a "Qualifying Wage". Each New Job must require a minimum of either (i) 35 hours of an employee's time per week for the entire normal year of the COMPANY's operations, which "normal year" must consist of at least 48 weeks, or (ii) 1,680 hours per year. Seasonal or temporary positions and positions with construction contractors, vendors, suppliers and similar multiplier or spin-off jobs shall not qualify as New Jobs.

**"Qualifying Wage"** means the average wage per New Job that results in an average hourly rate of at least twenty-four dollars and four cents (\$24.04) per hour calculated on a quarterly basis by dividing the total payroll for New Jobs to be considered for incentive in that quarter by the total number of New Jobs to be considered for incentive in that quarter and then dividing that quotient by five hundred twenty hours (average annual wage of at least \$50,000).

**"Target"** means the COMPANY's obligations to create and maintain at least 50 Quality Jobs at the Facility, all as of the Performance Date.

**"UNP ED TIF Revenues"** means ten percent (10%) of the Retail Sales Tax Increment collected from transactions within the UNP TIF District and set aside for economic development project costs pursuant to the 2009 NTIFA Bond Indenture.

**Section 2. OBLIGATIONS OF COMPANY**

- a. Purchase Economic Development Lot. Purchase from NEDC Lot 3, Block 1 of University North Park Corporate Center Section 2 (the "Site") at the Retail Purchase Price of \$1,920,000 (the "Retail Purchase Price") (approximately \$7.25 per square foot for approximately 264,845 sq. ft.). Of the total purchase price, Company will pay in cash at closing \$1,150,000. The remainder of the Retail Purchase Price of \$770,000 shall be satisfied with NEDC providing a discount to Company (the "Discount").
- b. Construct Advanced Manufacturing Center. Begin construction of an Advanced Manufacturing Center on the Site no later than eighteen (18) months after closing on the land sale, investing capital of approximately \$12,500,000 which will be invested in machinery and equipment, and in the construction of new buildings.
- c. Create New Quality Jobs. Create new employment opportunities with the Project by hiring at least fifty (50) new employees over the next ten (10) years that qualify as Quality Jobs as defined herein.
- d. Support Business Improvement District. Join in the Petition for a Business Improvement District (BID) to ensure maintenance obligations for Legacy Park, Legacy Trail and other common areas in the University North Park Development are met. Of the BID assessment attributable to the Site, COMPANY will contribute no more than \$900 annually through the Performance Date.
- e. Quality Job Incentive Payments. COMPANY recognizes that it may be entitled to certain Quality Job creation incentive payments pursuant to the Incentives Policy. COMPANY shall extend best good faith efforts to pursue grant of Quality Job creation incentives and shall forego any right to any such NTIFA Quality Job creation incentive payments and to the extent any such payments are made same shall be payable to NEDC.
- f. Provide Job Creation documentation. On a quarterly basis, provide appropriate documentation of compliance with Quality Job creation obligations under this Agreement.
- g. Allow for Private Annual Audit. Submit Company books and records for audit by an External Auditor for private review who will then report to the NTIFA and the NEDC regarding progress toward meeting the COMPANY'S obligations under this Agreement. The External Auditor shall be selected by NEDC with the concurrence of the General Manager of the NTIFA. NEDC shall pay the invoice of the External Auditor within thirty (30) days of submission of the invoice to the Company and NEDC. For this Project, the parties agree that the records necessary for private review would include payroll records to verify the accuracy of the OESC8 forms and pertinent additional records that confirm the COMPANY's good faith efforts to complete design of the facilities to be built in the Advanced Manufacturing Center, progress towards achieving a building

permit, and progress toward completion of construction of the facility and issuance of a Certificate of Occupancy.

**Section 3. OBLIGATIONS OF NEDC**

- a. Provide Discount on Retail Purchase Price for Site. Make available for purchase by COMPANY Lot 3, Block 1 of University North Park Corporate Center Section 2 (the "Site") at the purchase price of \$1,920,000 (approximately \$7.25 per square foot for approximately 264,845 sq. ft.). Of the total purchase price, Company will pay in cash at closing \$1,150,000. The remainder of the retail purchase price of \$770,000 shall be paid with NEDC providing the Discount to Company.
- b. Quality Job Incentive Payments. NEDC accepts any earned Quality Job incentive payments. NTIFA'S obligation under this Agreement shall be limited to a maximum payment for earned incentive of seven hundred seventy thousand dollars (\$770,000). In the event the Quality Job incentive payments from the NTIFA to NEDC are less than the NTIFA's maximum obligation by the Performance Date, then NEDC waives any right to reimbursement from the NTIFA TIF Note.
- c. First Right of Refusal. Within seven (7) days of receiving a written bona fide third party offer from a potential purchaser of Lot 2, Block 1 of University North Park Corporate Center Section 2, or Lot 7, Block 1 of University North Park Corporate Center Section 1, or Lot 2, Block 1 of University North Park Corporate Center Section 1, NEDC will notify COMPANY in writing of such offer and provide COMPANY seven (7) business days from the date of delivery of said notice to respond with a written offer to purchase the same property upon equal or better terms. If COMPANY desires to purchase the property in an amount and upon terms that are equal to or greater than the retail sales price offered by the other potential purchaser, then COMPANY shall execute and deliver a letter of intent to purchase said property to NEDC. Upon receipt of the letter of intent, NEDC and the COMPANY shall execute a purchase and sale agreement as soon as practical and close the sale of the property within thirty (30) days of delivery of the letter of intent. If either the letter of intent matching the third party offer is not timely delivered or the sale is not timely closed, then COMPANY will be automatically deemed to have waived all rights to exercise their first right of refusal on the subject property. NEDC will then be free to sell the parcel to other purchasers without restriction from COMPANY.
- d. BID Assessments for the Site. Any annual assessments made against the Site for the BID in excess of \$900 through the Performance Date shall be paid by NEDC, or others exclusive of COMPANY. Any BID payments made on behalf of COMPANY by NEDC may be funded through earned Quality Jobs payments assigned to NEDC as provided herein instead of applying said proceeds to the outstanding Purchase and Infrastructure Note noted in 3.f.2 or instead of applying



said proceeds to repayment of UNP TIF Economic Development funds as noted in 3.f.3.

- c. Provide Infrastructure for Economic Development Land. Fund or cause to be funded, through loan, grant, cash or combination thereof, the installation of public infrastructure required by, and to the extent of, the accepted final plat of the University North Park Corporate Center Section 2;
- f. Repayment of TIF ED Funds. In recognition that accumulated UNP ED TIF Revenues have been provided by the NTIFA to assist in financing the acquisition and public infrastructure for the UNP TIF Economic Development Properties as set out in 4.a below, NEDC agrees to the following:
  - 1. The General Manager of the NTIFA will be notified of any and all such indebtedness entered into by NEDC that raises the debt profile of the NEDC by more than \$25,000 on any occurrence;
  - 2. Funds received by NEDC, if any, in connection with the Economic Development Tracts in the form of land sales, grant funds from the EDA Grant, grant funds received from the State of Oklahoma in the form of Industrial Access Roadway Funding, assigned Quality Jobs incentive payments, or other third party grants, shall be applied first to the outstanding balance of the Purchase and Infrastructure Note; and
  - 3. Any fund proceeds from additional land sales from the Economic Development Tracts, after payment of all expenses and costs applicable to such sales (whether itemized on the closing settlement statement or outside of the settlement statement as related costs thereto), shall be paid to the NTIFA to reimburse the NTIFA for expenditures of UNP TIF ED funds.

#### **Section 4. OBLIGATIONS OF THE NTIFA**

- a. In accordance with: Resolutions R-1011-39 allow the use of \$694,203.69 plus earned interest to assist NEDC in financing the acquisition of thirty (30) acres of Economic Development property in the UNP TIF District; R-1213-64 allow use of 701,805.35 plus earned interest to assist NEDC in financing the acquisition of thirty-one and sixty-seven hundredths (31.67) acres of Economic Development property in the UNP TIF District; and R-1314-78 allow the use of accumulated TIF ED Revenues set aside under the prior Resolutions to assist NEDC in financing the public infrastructure improvements for the Economic Development property in the UNP TIF District.
- b. Honor Economic Development Notes released under this Agreement, as authorized by Resolution No. R-1011-40, and fund the Economic Development Notes with UNP ED TIF Revenues not already pledged, on an annual basis through the Performance Date. To pay to NEDC, by virtue of the Assignment

herein, the incentives through creation of New Jobs as defined herein and consistent with the NEDC New Job Creation Incentives Policy (the "Incentives Policy").

- c. NTIFA'S OBLIGATION UNDER THIS Agreement for quality job creation incentive payments as set out herein shall be limited to a maximum payment for earned incentive of seven hundred seventy thousand dollars (\$770,000).
- d. Seek City Council's authorization to allow the City Manager to waive bonding requirements for public infrastructure improvements on the Site to allow for concurrent construction of the public improvements with building improvements on the Site.
- e. Monitor progress of the COMPANY's obligations under this Agreement.

#### Section 5. INCENTIVE FOR CREATION OF NEW QUALITY JOBS

Eligibility for incentive for creation of New Jobs will be determined in accordance with the following chart.

Average Salary	Percent Credit	Quarterly Max per New Job	Yearly Maximum per New Job	Project Max per New Job (10 years)
\$35,000	2.00%	\$175.00	\$700	\$7,000
\$40,000	2.05%	\$205.00	\$820	\$8,200
\$45,000	2.10%	\$236.25	\$945	\$9,450
\$50,000	2.15%	\$268.75	\$1,075	\$10,750
\$55,000	2.20%	\$302.50	\$1,210	\$12,100
\$60,000	2.25%	\$337.50	\$1,350	\$13,500
\$65,000	2.30%	\$373.75	\$1,495	\$14,950
\$70,000	2.35%	\$411.25	\$1,645	\$16,450
\$75,000	2.40%	\$450.00	\$1,800	\$18,000
\$80,000	2.45%	\$490.00	\$1,960	\$19,600
\$85,000	2.50%	\$531.25	\$2,125	\$21,250

The COMPANY shall provide to the NTIFA and NEDC OESC8 forms filed with the Oklahoma Employment Security Commission that are submitted on a quarterly basis, and pertinent additional records that confirm the COMPANY's good faith efforts to complete design of the facilities to be built in the Advanced Manufacturing Center, progress towards achieving a building permit, and progress toward completion of construction of the facility and issuance of a Certificate of Occupancy to verify its progress in reaching the Target. Such progress reports will be provided on a quarterly basis, starting at the conclusion of the First Quarter for 2014 (March

31, 2014), and continuing each three months thereafter through the Performance Date. Quality Job incentives payments will be paid on an annual basis based on the number of New Jobs created following the NTIFA and NEDC'S acceptance and confirmation of the reports and data submitted by the COMPANY.

With each such quarterly report, the NTIFA and/or its designee will determine the amount of the Incentive due to NEDC based upon the table herein. Incentives shall not be unreasonably withheld and shall be disbursed to NEDC annually within thirty (30) days of acceptance and confirmation by the NTIFA and NEDC of the requirements set forth above. An annual report must be submitted to the NTIFA and NEDC at the conclusion of each calendar year.

**Section 6. NEDC or NTIFA Right of Repurchase**

- a. Users. The purpose of the Economic Development Tract is to allow for the development of the Property for economic development activities that focus on attracting and retaining enterprises that offer the community of Norman quality employment opportunities. NEDC believes the COMPANY will meet or exceed the objectives of the UNP TIF for the Economic Development Tract and the more specific Economic Development Criteria that exemplify the COMPANY as a provider of Quality Jobs. The COMPANY will satisfy the following criteria:

1. COMPANY begins construction of an Advanced Manufacturing Center on the Site no later than eighteen (18) months after closing on the land sale; and
2. COMPANY will occupy the Advanced Manufacturing Center no later than thirty-six (36) months after closing the land sale as set out in 6.c below; and
3. Retain the Company and its employees and industry within the municipal boundaries of Norman Oklahoma; and
4. The Property will NOT be sold by the COMPANY for speculation or for the development of general offices for lease to the open market. Buildings planned for the Economic Development Tract must be planned as being at least 50% owner occupied at the time of move-in after a certificate of occupancy is issued by the City of Norman, and at least 75% owner occupied upon the date that is three (3) years after the certificate of occupancy is issued by the City of Norman.

The above shall be referred to herein as the "Economic Development Criteria". In order to enforce the criteria above upon the COMPANY, COMPANY agrees to be unconditionally bound by an option of NEDC or NTIFA to repurchase and repossess the Property from COMPANY, as put forth in Section 6.c below, in the event that COMPANY does not meet the objectives of the UNP TIF for the

Economic Development Tract and the more specific Economic Development Criteria, and/or does not timely commence business operations on the Property.

- b. Affiliated, Joint Purchaser. The COMPANY may be an individual person or entity that does not meet the Economic Development Criteria if such COMPANY is a close affiliate, insider, and owner of an entity that does meet the Economic Development Criteria, and the COMPANY is buying the Property solely for the purpose that the Property is to be used ONLY by the closely affiliated entity that meets the objectives of the UNP TIF for the Economic Development Tract and the more specific Economic Development Criteria. In addition, the COMPANY may be a combination of more than one unrelated entity that meets the objectives of the UNP TIF for the Economic Development Tract and the more specific Economic Development Criteria, such that in the event that the COMPANY's companies independent of each other do not need the entire area of the Property for each singular company, thus necessitating the purchase of the Property by more than one entity. In such a case, each separate entity acknowledges and agrees that each entity purchasing and using the Property shall be required to separately meet the objectives of the UNP TIF for the Economic Development Tract and the more specific Economic Development Criteria and in the event that either entity does not meet the objectives of the UNP TIF for the Economic Development Tract and the more specific Economic Development Criteria, then the entire Property may be subject to the Seller repurchasing the Property from all COMPANY entities.
- c. Timing of Development: COMPANY shall be obligated to improve, occupy, and staff the Property within a reasonable period of time, and to do so in conformance and fulfillment of at least the Economic Development Criteria put forth in section 6.a above. COMPANY shall be considered to have fulfilled COMPANY's commitment to timely develop and occupy the Property at such point in time when COMPANY has fulfilled the Economic Development Criteria put forth in section 6.a above, and COMPANY has completed all of the following:
  - (1) Obtained a building permit for the COMPANY's improvements of a minimum 60,000 gross square foot facility to be placed on the Property, and which building permit shall be issued no later than eighteen (18) months after the date of Closing of the land purchase;
  - (2) Been issued a Certificate of Occupancy by the City of Norman for a minimum 60,000 gross square foot building improvements and interior finish spaces and which Certificate of Occupancy shall be issued no later than thirty-six (36) months after the date of Closing of the land purchase; and
- d. Repurchase Right: In the event that COMPANY fails to timely meet any of the above stated deadlines and criteria in Sections 6.a through 6.e, then at any time within ten (10) years after the date of closing NEDC or NTIFA shall have the unconditional right and standing option, but not the obligation, to immediately publicly market and advertise the Property for sale and/or lease to third parties,

and repurchase, repossess, and reacquire the Property from COMPANY. The NEDC or NTIFA must provide written intent to exercise the Option to COMPANY within one (1) year of discovering that the COMPANY has failed to meet a requirement within Section 6.a through 6.c, or 6.e. The rights of NEDC or NTIFA under the Option shall be memorialized on the record of the Property at Closing. In order to exercise the option set forth herein NEDC or NTIFA shall pay the COMPANY's purchase cost and construction costs in the Property as follows:

1. The Retail Purchase Price less the Discount by NEDC as put forth in this Agreement, together with
  2. The greater of Construction costs, including only labor and material of the building improvements to the Property by COMPANY through a general contractor and subcontractors thereunder, as such costs were accounted for as capital expense improvements on the Property or the Fair Market Value of all improvements to the Property as of the date written notice is given of NEDC or NTIFA's intent to exercise the option set forth above. The Fair Market Value as defined in this paragraph shall be determined first by agreement between the parties. If the parties are unable to agree on Fair Market Value of the improvements, then the parties shall select a qualified commercial appraiser, located in the Oklahoma City metro area, by mutual agreement to inspect and determine the Fair Market Value of all the improvements on the Property. If the parties are unable to agree on a single appraiser to determine Fair Market Value, then each party shall submit one name of qualified commercial appraiser in the Oklahoma City metro area, and the two appraisers shall then select a third appraiser, and the three appraisers shall determine the appraised value. If the three cannot agree on an appraised value then they shall each report their opinion as to value and the average of such reports shall be deemed the Fair Market Value. Fair Market Value shall be determined by considering such factors as construction cost, depreciation, current condition of the improvements, comparable sales of similar facilities in the areas, or other methods commonly accepted by commercial real estate appraisers within the State of Oklahoma.
- c. Option Upon Attempted Sale or Lease to Third Party. In the event that the Buyer intends to enter into any contract to sell, or deed to sell, or lease agreement for any part of the Property, or conveys or transfers any interests in the Property to any third party at any time within ten (10) years after Closing of the land purchase, NEDC or NTIFA shall have the same Option to re-purchase, reacquire and repossess the Property as put forth under Section 6.d above.



**Section 7. NOTICES.**

Any notices required or permitted under this Agreement shall be given in writing, and shall be deemed to be received upon receipt or refusal after mailing of the same in the United States Mail by certified mail, postage fully pre-paid or by overnight courier (refusal shall mean return of certified mail or overnight courier package not accepted by the addressee):

If to the COMPANY, to:

IMMY, INC  
2700 Technology Pl  
Norman, OK 73071  
Attention: Sean or Scott Bauman

With a copy to:

Goolsby, Proctor, Heefner & Gibbs, P.C.  
701 North Broadway Avenue, Suite 400  
Oklahoma City, OK 73102  
Attention: Timothy A. Heefner, Esq.

If to the CITY, to:

CITY Manager  
CITY of Norman, Oklahoma  
P.O. Box 370  
Norman, Oklahoma 73070

With a copy to:

CITY Attorney  
CITY of Norman, Oklahoma  
P.O. Box 370  
Norman, Oklahoma 73070

If to the Authority to:

General Manager  
Norman Tax Increment  
Finance Authority  
P.O. Box 370  
Norman, Oklahoma 73070

With a copy to:

General Counsel  
Norman Tax Increment  
Finance Authority  
P.O. Box 370  
Norman, Oklahoma 73070

If to NEDC, to:

Executive Director  
Norman Economic Development Coalition  
710 Asp Avenue, Suite 100  
Norman, Oklahoma 73069

with a copy to:

SP Rieger PLLC  
Attn: Sean Paul Rieger, Esq.  
136 Thompson Drive  
Norman, OK 73069

**Section 8. MISCELLANEOUS.**

- a. *Entire Agreement; Amendments:* This Agreement constitutes the entire agreement among the parties hereto as to the Incentive and may not be amended or modified, except in writing, signed by each of the parties hereto. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective

successors and assigns. The COMPANY may not assign its rights and obligations under this Agreement without the prior written consent of the NTIFA.

- b. *Governing Law; Venue:* This Agreement is made, and is intended to be performed, in the State of Oklahoma and shall be construed and enforced by the laws of the State of Oklahoma. Jurisdiction and venue for any litigation arising out of or involving this Agreement shall lie in the District Court of Cleveland County, Oklahoma, and such litigation shall be brought only in such court.
- c. *Counterparts:* This Agreement may be executed in one or more counterparts, each of which shall be an original, and all of which together shall be one and the same instrument.
- d. *Severability:* If any provision of this Agreement is determined to be unenforceable, invalid or illegal, then the enforceability, validity and legality of the remaining provisions will not in any way be affected or impaired, and such provision will be deemed to be restated to reflect the original intentions of the parties as nearly as possible in accordance with applicable law.

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IN WITNESS WHEREOF, the parties hereto have executed this Performance Agreement as of the date first written above.

Immune Mycologics, Inc.  
Company Name

By Sean Bauman  
Name: Sean Bauman  
Title: President & CEO  
Date: 5-7-2014

Norman Economic Development Coalition

By Dorcas M. Wood  
Name: Dorcas M. Wood  
Title: Executive Director  
Date: 1-30-14

Norman Tax Increment Finance Authority

By Cindy S. Rosenthal  
Name: Cindy Rosenthal  
Title: Chairman  
Date: January 28, 2014

ATTEST:  
Brenda Hall  
Secretary



Approved as to form and legality this 27 day of January, 2014.

Kathryn L. Walker  
Kathryn L. Walker, Assistant City Attorney



# IMMY Quality Job Incentive Earnings 2017 - Assigned to NEDC

## 1ST QUARTER QUALIFYING JOBS (Average Hourly Wage of at least \$24.04)

Employee #	Total Wages Paid:
1	\$ 24,496.56
2	\$ 22,803.30
3	\$ 16,747.01
4	\$ 15,178.90
5	\$ 13,316.40
6	\$ 12,895.40
7	\$ 12,692.28
8	\$ 12,513.55
9	\$ 11,551.86
10	\$ 11,218.98
11	\$ 10,774.07
12	\$ 10,741.32
13	\$ 10,230.12
14	\$ 9,808.23
15	\$ 9,756.30
16	\$ 9,713.22
17	\$ 8,651.99
18	\$ 8,594.25
19	\$ 8,495.96
Sum	\$ 240,179.70
Avg. Qtr. Paid	\$ 12,641.04
Avg. Year Paid	\$ 50,564.15
Avg. Hourly	\$ 24.31

## 2ND QUARTER QUALIFYING JOBS (Average Hourly Wage of at least \$24.04)

Employee #	Total Wages Paid:
1	\$ 28,616.56
2	\$ 26,649.45
3	\$ 20,189.68
4	\$ 17,584.72
5	\$ 16,601.44
6	\$ 15,556.40
7	\$ 14,807.66
8	\$ 14,142.11
9	\$ 14,035.62
10	\$ 13,477.17
11	\$ 12,733.91
12	\$ 12,500.73
13	\$ 11,993.59
14	\$ 11,966.43
15	\$ 11,722.57
16	\$ 11,347.84
17	\$ 11,171.33
18	\$ 11,128.81
19	\$ 10,460.84
20	\$ 10,198.18
21	\$ 9,974.64
22	\$ 9,832.08
23	\$ 9,823.35
24	\$ 9,806.53
25	\$ 9,765.51
26	\$ 9,570.80
27	\$ 9,329.24
28	\$ 9,320.72
29	\$ 9,020.72
30	\$ 8,924.97
31	\$ 8,806.33
32	\$ 8,655.22
33	\$ 8,594.12
34	\$ 7,505.00
Sum	\$ 425,774.27
Avg. Qtr. Paid	\$ 12,522.77
Avg. Year Paid	\$ 50,091.09
Avg. Hourly	\$ 24.08

## 3RD QUARTER QUALIFYING JOBS (Average Hourly Wage of at least \$24.04)

Employee #	Total Wages Paid:
1	\$ 26,030.99
2	\$ 25,485.36
3	\$ 19,953.33
4	\$ 17,240.32
5	\$ 16,153.86
6	\$ 15,293.43
7	\$ 13,281.76
8	\$ 12,339.12
9	\$ 11,790.20
10	\$ 11,690.59
11	\$ 11,631.74
12	\$ 10,873.52
13	\$ 10,753.53
14	\$ 10,622.53
15	\$ 10,607.22
16	\$ 10,090.26
17	\$ 9,909.38
18	\$ 9,765.24
19	\$ 9,622.50
20	\$ 9,451.48
21	\$ 9,283.12
22	\$ 9,269.22
23	\$ 9,107.16
24	\$ 8,887.20
25	\$ 8,771.02
26	\$ 8,554.64
27	\$ 8,554.64
28	\$ 337,532.39
29	\$ 32,501.20
30	\$ 50,004.80
31	\$ 24.04
Sum	\$ 337,532.39
Avg. Qtr. Paid	\$ 32,501.20
Avg. Year Paid	\$ 50,004.80
Avg. Hourly	\$ 24.04

## 4TH QUARTER QUALIFYING JOBS (Average Hourly Wage of at least \$24.04)

Employee #	Total Wages Paid:
1	\$ 36,762.12
2	\$ 29,336.13
3	\$ 23,715.22
4	\$ 21,809.53
5	\$ 21,685.01
6	\$ 18,450.98
7	\$ 17,409.18
8	\$ 17,071.40
9	\$ 16,175.46
10	\$ 14,765.90
11	\$ 14,765.86
12	\$ 14,411.93
13	\$ 14,373.50
14	\$ 14,178.45
15	\$ 13,890.03
16	\$ 13,801.28
17	\$ 13,498.80
18	\$ 13,238.88
19	\$ 13,195.21
20	\$ 12,807.66
21	\$ 12,807.36
22	\$ 12,437.06
23	\$ 12,236.48
24	\$ 12,139.96
25	\$ 11,564.40
26	\$ 11,267.90
27	\$ 11,104.18
28	\$ 11,063.83
29	\$ 11,026.27
30	\$ 10,914.16
31	\$ 10,736.61
32	\$ 10,661.10
33	\$ 10,611.90
34	\$ 10,488.16
35	\$ 10,321.98
36	\$ 10,241.58
37	\$ 9,818.87
38	\$ 9,740.55
39	\$ 9,045.65
40	\$ 8,396.28
41	\$ 8,182.12
Sum	\$ 579,889.93
Avg. Qtr. Paid	\$ 14,143.66
Avg. Year Paid	\$ 56,574.63
Avg. Hourly	\$ 27.20

# IMMY Quality Job Incentive Projections - Assigned to Norman Economic Development Coalition

Incentive Commitment - Dev Agr #6													
5 employees per year - 50 employees													
Year	No. of New Jobs	Cumulative Jobs	Cumulative new jobs achieved	Target Qualifying Ave. Salary	Target Added payroll per year	Target Cumulative added payroll	Cumulative added payroll achieved	Target Incentive per year	Target Cumulative Incentive	Achieved Incentive per year	Cumulative Incentive Achieved	97 jobs projections	
												Incentive per year	Cumulative Incentive
2014	5	5	5	\$50,000	\$250,000	\$250,000	\$93,028	\$5,375	\$5,375	\$2,150	\$2,150	\$7,475	\$7,475
2015	5	10	18	\$50,000	\$250,000	\$500,000	\$470,560	\$5,375	\$10,750	\$12,775	\$14,925	\$7,475	\$14,950
2016	5	15	25	\$50,000	\$250,000	\$750,000	\$918,838	\$5,375	\$16,125	\$21,875	\$36,800	\$10,465	\$25,415
2017	5	20	41	\$50,000	\$250,000	\$1,000,000	\$1,405,930	\$5,375	\$21,500	\$33,634	\$70,434	\$29,900	\$55,315
2018	5	25		\$50,000	\$250,000	\$1,250,000		\$5,375	\$26,875			\$29,900	\$85,215
2019	5	30		\$50,000	\$250,000	\$1,500,000		\$5,375	\$32,250			\$7,475	\$92,690
2020	5	35		\$50,000	\$250,000	\$1,750,000		\$5,375	\$37,625			\$7,475	\$100,165
2021	5	40		\$50,000	\$250,000	\$2,000,000		\$5,375	\$43,000			\$14,950	\$115,115
2022	5	45		\$50,000	\$250,000	\$2,250,000		\$5,375	\$48,375			\$14,950	\$130,065
2023	5	50		\$50,000	\$250,000	\$2,500,000		\$5,375	\$53,750			\$14,950	\$145,015
		50							\$295,625	\$70,434			\$771,420



# office memorandum

DATE: July 5, 2018

TO: Steven Lewis, City Manager/NTIFA General Manager

FROM: Anthony Francisco, Finance Director/NTIFA Treasurer *A. Francisco*

SUBJECT: Average Annualized Growth Rate Calculation, FYE 2019

Pursuant to the University North Park Tax Increment Finance District (UNP TIF) Project Plan Ordinance (Ordinance O-0506-66), an annual calculation is required to help to ensure that the growth of retail sales within the UNP TIF does not adversely impact the growth of the City's overall sales tax base. Procedures for making this calculation are delineated in the adopted Operating Procedures and Practices (Joint Resolution R-0607-69). Generally speaking, the Procedures require that the growth rate in the City's overall sales tax must have grown by an average annual rate of at least 4.5 percent (4.5%) over the life of the TIF (defined to be since the fiscal year ending June 30, 2005), or the amount of sales tax apportioned to the UNP TIF will be reduced proportionally in each year that the Average Annualized Growth Rate falls below 4.5%. We have performed the Average Annualized Growth Rate calculation that will be applied for the apportionments during fiscal year 2018-2019.

The relevant portions of the Operating Procedures are repeated below:

## Average Annualized Sales Tax Growth Rate

"The City desires to ensure that growth of retail sales within the UNP TIF District does not adversely impact the growth of the City's overall sales tax base. The Project Plan [Section VI.D.2.a.(i)] requires a comparison of the Retail Sales Tax Increment to the Average Annualized Sales Tax Growth Rate over fiscal year 2004-2005 to ensure that it at least exceeds the historic growth rate of City sales tax (4.5% per year). If it does not, the Project Plan reduces the amount to be apportioned to the UNP TIF Fund by the proportion that the annualized average falls below 4.5 percent (4.5%).

For these purposes, the City Finance Department will make a determination of the Average Annualized Sales Tax Growth Rate each June (once all of the sales tax for the fiscal year has been reported from the Oklahoma Tax Commission to the City). The method for making this determination will be as follows:

1. Calculate the total general purpose (non-dedicated) sales tax received by the City for the current fiscal year (sales tax recorded in the twelve months ended in June).
2. From this figure, subtract \$37,974,140 (the amount of general purpose sales tax received by the City in fiscal year 2004-2005).
3. Divide this difference by \$37,974,140 to obtain the total growth ratio in sales tax since the base year.
4. Divide this ratio by the number of fiscal years since fiscal year 2004-2005 to obtain the Average Annual Sales Tax Growth Rate.
5. If the calculated Average Annual Sales Tax Growth Rate is greater than or equal to 4.5 percent (4.5%), then 60 percent (60%) of the Retail Sales Tax Increment is apportioned to the UNP TIF Fund in each month of the subsequent fiscal year (in this case, the multiplier anticipated in the Project Plan, Section VI.D.2.a(i) would be greater than 1, so the "lesser" amount would be the Retail Sales Tax Increment).

If the calculated Average Annual Sales Tax Growth Rate is less than 4.5 percent (4.5%), then the calculated Average Annual Sales Tax Growth Rate is divided by 4.5% and the calculated ratio is used as a multiplier for the subsequent fiscal year's 60% Retail Sales Tax Increment."

The City's general purpose sales tax for fiscal year 2017-2018 totaled \$55,160,221. Subtracting \$37,974,140 from this figure leaves a difference of \$17,186,081, which is a total growth of 45.3% since the inception of the UNP TIF. Over the thirteen-year life of the TIF, then, the Average Annualized Growth Rate in City sales tax is 3.48%.

Based on this calculation, the Multiplier to be applied to apportionments of retail sales tax to the UNP TIF during fiscal year 2018-2019 will be 77.36%, and the apportionments will be based on 46.42% of incremental retail sales generated within the TIF.

As always, we stand ready to respond to any questions you may have regarding this matter.

EC:           Honorable Norman Tax Increment Finance Authority (NTIFA) Trustees  
Guy Patton, Director, University North Park, LLC  
Jeff H. Bryant, City Attorney/NTIFA General Counsel  
UNP TIF Oversight Committee  
Jason Smith, Director, Norman Economic Development Coalition  
Kimberly Coffman, Budget Manager  
Clint Mercer, Chief Accountant  
Rick Smith, Municipal Finance Services  
Allan Brooks, Public Finance Law Group  
Nate Ellis, Public Finance Law Group  
Dan Batchelor, Center for Economic Development Law



# City of Norman, OK

Municipal Building  
Council Chambers  
201 West Gray  
Norman, OK 73069

## Master

File Number: R-1718-124

File ID: R-1718-124

Type: Resolution

Status: Non-Consent Items

Version: 1

Reference: Item 32

In Control: City Council

Department: Legal Department

Cost:

File Created: 06/21/2018

File Name: Resolution referring Project Plan to Statutory Review  
Committee

Final Action:

**Title:** RESOLUTION NO. R-1718-124: RESOLUTION OF THE COUNCIL OF THE CITY OF NORMAN FORWARDING TO THE STATUTORY REVIEW COMMITTEE FOR REVIEW, COMMENT, AND RECOMMENDATION, PROPOSED AMENDED AND RESTATED NORMAN UNIVERSITY NORTH PARK PROJECT PLAN, INCLUDING TAX INCREMENT FINANCING DISTRICTS 2, 4 & 5, FOR THE PURPOSES OF PROVIDING: A FINANCING STRUCTURE THAT CONTEMPLATES PUBLIC INVESTMENT INTO AN ENTERTAINMENT DISTRICT, ANCHORED BY AN ARENA WITH A PUBLIC PARKING GARAGE AND ALL ACCOMPANYING PUBLIC INFRASTRUCTURE IMPROVEMENTS TO ENTICE SIGNIFICANT PRIVATE INVESTMENT INTO THE PROJECT; ADDITIONAL RETURNS TO THE AD VALOREM TAXING JURISDICTIONS THROUGH STIMULATION OF PRIVATE INVESTMENT AND ECONOMIC DEVELOPMENT; ADDITIONAL LONG TERM FINANCIAL BENEFITS TO THE NORMAN PUBLIC SCHOOLS THROUGH STIMULATION OF PRIVATE INVESTMENT INTO THE PROJECT WITH ALLOCATION OF INCREMENTAL REVENUES BACK TO THE SCHOOLS; ADDITIONAL OPPORTUNITY FOR NON-RETAIL JOB GROWTH IN THE DISTRICT AS WELL AS NEW URBANIST HOUSING OPTIONS; FUNDING UP TO FIVE MILLION DOLLARS FOR A MULTI-PURPOSE FACILITY AT THE CLEVELAND COUNTY FAIRGROUNDS TO STIMULATE ADDITIONAL ECONOMIC DEVELOPMENT IN EAST NORMAN; ENCOURAGEMENT TO FINALIZE A CERTAIN LEASE AGREEMENT BETWEEN THE UNIVERSITY OF OKLAHOMA AND THE NORMAN MUNICIPAL AUTHORITY TO SECURE A LOCATION FOR THE NORMAN FORWARD INDOOR AQUATICS FACILITY, INDOOR MULTI-SPORT FACILITY, AND SENIOR CITIZENS CENTER ON THE NORTH BASE EAST OF THE YMCA; IMMEDIATE RELIEF TO THE GENERAL FUND; AND FURTHER ENCOURAGING ADDITIONAL ECONOMIC DEVELOPMENT ACTIVITY TO PROVIDE ADDITIONAL FUNDING FOR THE PUBLIC SAFETY SALES TAX PROJECTS AND NORMAN FORWARD PROJECTS.

**Notes:** ACTION NEEDED: Motion to adopt or reject Resolution R-1718-124.

ACTION TAKEN: \_\_\_\_\_

Agenda Date: 06/26/2018

Agenda Number: 32

**Attachments:** Master Text File, R-1718-124 referring Project Plan to  
Statutory TIF Committee, Amended Project Plan  
6-21-18, Mayor memo re UNP Proposal - Study &  
Decision Processes

**Project Manager:** Jeff Bryant

Entered by: jeff.bryant@normanok.gov

Effective Date:

## History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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## Text of Legislative File R-1718-124

## Body

**BACKGROUND:** A draft of the proposed Amended and Restated University North Park Project Plan ("Project Plan") has been prepared based on input received from Council members, City Staff, the City's financial advisors, and representatives of the affected ad valorem taxing jurisdictions. As we've discussed in multiple meetings together regarding the proposed project detailed in the CallisonRTKL Master Plan and the Amended PUD recently approved by the Planning Commission, the following are considerations for the Council in determining whether it will choose to consider the project and public financial assistance to support it:

- \$500 million+ private investment, bringing new residents and visitors to Norman;
- New-to-market living options, helping to attract and retain young professionals;
- Non-retail investment and job growth, helping to attract and retain young professionals;
- Immediate relief to the City's general fund with capacity to far exceed the short-term impact of ending the existing Increment District;
- Significant returns to affected taxing jurisdictions;
- Direct incremental revenues to Norman Public Schools, significantly enhancing the overall financial picture of the schools and providing very strong support for public education;
- Completion of original project goals and objectives;
- Increased revenues and securing of land for key Norman Forward projects, including the senior center; and
- No new taxes are being imposed; rather, the increase in revenues generated by the new investment is specified to pay authorized project costs.

The Project Plan includes a structure that allows for the authorization of funding project costs. We believe that the structure provides:

- an opportunity for the entertainment district, arena, and parking garage to succeed;
- immediate relief to the City's general fund effective in the upcoming fiscal year;
- maximum returns to the affected ad valorem taxing jurisdictions;
- support to public education;
- non-retail job growth;
- funding mechanism for a multi-purpose facility at the Cleveland County fairgrounds;
- revenue stream to assist in the financing of parking solutions throughout the community; and
- increased revenues for Norman Forward projects.

The Project Plan provides a structure for moving forward, but no funds for new authorized project costs will be expended until appropriate development agreements have been prepared and approved by the Norman Tax Increment Finance Authority. No assistance in development financing will be provided towards Entertainment District, Arena, and Parking Garage Project Costs unless and until the developer of the entertainment district, arena, and parking garage has provided evidence of financing of the entertainment district, arena, and parking garage. The closing on any public financing is contingent upon the private financing necessary for the project. The development agreement and/or financing agreement, to be entered into between the Authority and developer, will provide performance goals, timelines, and appropriate remedies in the event of nonperformance. At the City Council Study Session on June 19th, concern was expressed that additional language may be appropriate to ensure the City's General Fund would not be called upon at some time in the future to make up any operation

loss of the Arena should that occur at some point in the future, and that a future development agreement, prior to incremental revenue contribution, address the desire for an agreed upon revenue sharing in the parking facility operation. That requested language has been added X.B.5 on page 14.

By all most recent accounts, approval of the Project Plan will also move the City closer to finalizing the property exchange for the James Garner extension, and the lease of property on North Base where the City is poised to begin master planning the three facilities to be located there: Indoor Aquatics; Indoor Multi-Sport; and Senior Citizen Center. The University of Oklahoma Foundation has also offered an "bridge loan" funding mechanism to start the construction of the Senior Center, if needed.

The funding mechanism for a multi-purpose facility at the Cleveland County Fairgrounds in the amount of \$5 million is from anticipated taxes generated from construction materials and state local government matching payments pursuant to an application by the City in accordance with the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act, 62 O.S. §§ 840, *et seq.* The provisions of this statute allow for a dollar for dollar match of incremental revenues in certain types of developments. We believe a portion of the sales taxes generated by construction materials will be eligible for such a match. This approach will not lessen projected incremental revenues that were anticipated to be available for immediate relief to the City's general fund, nor does it negatively affect any of the other ad valorem taxing jurisdictions. I've been advised that the initial draft of the CS&L study being performed on behalf of the County indicates that this multi-purpose facility project will provide between \$5 and \$6 million per year in direct economic impact to the fairgrounds area and east Norman. I look forward to the City being provided an opportunity to review the County's finalized CS&L study so that it can receive greater detail about the proposed multi-purpose facility project proposed by the County. This opportunity should occur in connection with the development agreement on such project.

Some concern was expressed by Council members regarding the use of anticipated taxes associated with construction materials for the Entertainment District proposal. Our analysis on this option covered a number of points:

1. Presenting a project that can be financed through traditional financing outlets is the goal of tax increment financing - without the financing, this project will not occur. Traditional financing outlets for these types of projects require loan to pledged repayment revenue ratios that illustrate more anticipated revenue to occur than the actual loan amounts.
2. Prior to working toward identifying the level of increased sales tax increment that could be allocated to achieve additional relief to the General Fund, the revenue to debt service ratios appeared to be workable. However, when the strength of TIF#2 increment to be generated for Project Costs was diluted by channeling greater relief to the General Fund, fincability of the project became tenuous. The options were to reduce the level of immediate relief to the General Fund or increase the level of increment participation by the ad valorem taxing jurisdictions. As the ad valorem taxing jurisdictions were already being asked to increase their increment participation level by 10%, the option of further increasing their level of participation did not seem workable.
3. In addition, the opportunity presented by the County to stimulate further economic development in east Norman through a multipurpose facility at the fairgrounds seemed worthy of exploration, provided it could be accomplished without increasing the participation burden on the other ad valorem taxing jurisdictions, and without requiring a significant reduction in the level of immediate relief to the City's General Fund that needed to occur in FYE19. Including taxes generated on construction materials into incremental revenues thereby allowing access to State Leverage Act matching dollars seemed to present a viable solution.
4. If the Arena and Parking garage projects do not occur, then no construction material sales taxes from these projects will occur at all. The City cannot lose something it would not otherwise be receiving. Although, even without amendment of the Project Plan, some development will occur and the City will receive some amount of construction use tax over time from whatever

construction occurs in the future, the amount and timeliness of that additional revenue would likely be significantly lower, and take significantly longer to achieve.

5. Projections of the level of State Leverage Act matching funds that could occur were sufficient to cover the County's request for funding for the Multi-purpose facility, and provide additional revenues that could further help financibility of the project without also requiring the City to significantly reduce the level of immediate relief to the General Fund in FYE19.
6. Without using the taxes from construction materials in the increment and applying the State Leverage Act, no state matching funds can be accessed, and it does not appear this approach will result in a structure that is financeable without reducing the amount of increment going directly to all the taxing jurisdictions, including the City.

As was presented to you, HVS Convention, Sports, Entertainment Facilities Consulting, out of Chlcago, Illinois, has been engaged to perform an independent review of the analyses, assumptions, and projections contained in the CallisonRTKL Master Plan, CS&L's report, Professor Dauffenbach's report, Oklahoma Department of Commerce's report, and Professor Rogers' report. Thomas Hazinski, President of HVS, is finalizing the review, which will be circulated to you very soon. He will be in attendance at the June 26th Council Conference.



# Resolution

R-1718-124

RESOLUTION OF THE COUNCIL OF THE CITY OF NORMAN FORWARDING TO THE STATUTORY REVIEW COMMITTEE FOR REVIEW, COMMENT, AND RECOMMENDATION, PROPOSED AMENDED AND RESTATED NORMAN UNIVERSITY NORTH PARK PROJECT PLAN, INCLUDING TAX INCREMENT FINANCING DISTRICTS 2, 4 & 5, FOR THE PURPOSES OF PROVIDING: A FINANCING STRUCTURE THAT CONTEMPLATES PUBLIC INVESTMENT INTO AN ENTERTAINMENT DISTRICT, ANCHORED BY AN ARENA WITH A PUBLIC PARKING GARAGE AND ALL ACCOMPANYING PUBLIC INFRASTRUCTURE IMPROVEMENTS TO ENTICE SIGNIFICANT PRIVATE INVESTMENT INTO THE PROJECT; ADDITIONAL RETURNS TO THE AD VALOREM TAXING JURISDICTIONS THROUGH STIMULATION OF PRIVATE INVESTMENT AND ECONOMIC DEVELOPMENT; ADDITIONAL LONG TERM FINANCIAL BENEFITS TO THE NORMAN PUBLIC SCHOOLS THROUGH STIMULATION OF PRIVATE INVESTMENT INTO THE PROJECT WITH ALLOCATION OF INCREMENTAL REVENUES BACK TO THE SCHOOLS; ADDITIONAL OPPORTUNITY FOR NON-RETAIL JOB GROWTH IN THE DISTRICT AS WELL AS NEW URBANIST HOUSING OPTIONS; FUNDING UP TO FIVE MILLION DOLLARS FOR A MULTI-PURPOSE FACILITY AT THE CLEVELAND COUNTY FAIRGROUNDS TO STIMULATE ADDITIONAL ECONOMIC DEVELOPMENT IN EAST NORMAN; ENCOURAGEMENT TO FINALIZE A CERTAIN LEASE AGREEMENT BETWEEN THE UNIVERSITY OF OKLAHOMA AND THE NORMAN MUNICIPAL AUTHORITY TO SECURE A LOCATION FOR THE NORMAN FORWARD INDOOR AQUATICS FACILITY, INDOOR MULTI-SPORT FACILITY, AND SENIOR CITIZENS CENTER ON THE NORTH BASE EAST OF THE YMCA; IMMEDIATE RELIEF TO THE GENERAL FUND; AND FURTHER ENCOURAGING ADDITIONAL ECONOMIC DEVELOPMENT ACTIVITY TO PROVIDE ADDITIONAL FUNDING FOR THE PUBLIC SAFETY SALES TAX PROJECTS AND NORMAN FORWARD PROJECTS.

- § 1. WHEREAS, the City Council of the City of Norman ("Council") adopted Resolution No. R-0405-95, September 13, 2005, authorizing the Mayor to appoint a Norman University North Park Project Plan Statutory TIF Review Committee ("Statutory Review Committee"), as allowed under the Local Development Act, 62 Okla. Stat. §851, to consider, among other things, the impact on the taxing jurisdictions of possible creation of a tax increment financing district to facilitate economic development of property located north of Robinson Street, east of Interstate 35, and south of Tecumseh Road in the City of Norman; and
- § 2. WHEREAS, the taxing jurisdictions appointed their respective representatives and the Mayor, as Chair of the Statutory Review Committee submitted a list of seven persons from whom the Statutory Review Committee later elected three members at large on March 28, 2006, in accordance with the Local Development Act; and
- § 3. WHEREAS, the Statutory Review Committee unanimously approved the Project Plan on April 27, 2006, which recommended financing authorization of up to \$54.725 million in Project Costs consisting of the following Estimated Project Costs: 1.a Traffic and Roadway Improvements, \$10.5 million; b. Legacy Park, \$7.5 million; c. Engineering, Legal and other Professional fees, \$1.75 million; d. Contingency, \$1.975 million; 2. a. Conference Center and



RESOLUTION OF THE COUNCIL OF THE CITY OF NORMAN FORWARDING TO THE STATUTORY REVIEW COMMITTEE FOR REVIEW, COMMENT, AND RECOMMENDATION, PROPOSED AMENDED AND RESTATED NORMAN UNIVERSITY NORTH PARK PROJECT PLAN, INCLUDING TAX INCREMENT FINANCING DISTRICTS 2, 4 & 5, FOR THE PURPOSES OF PROVIDING: A FINANCING STRUCTURE THAT CONTEMPLATES PUBLIC INVESTMENT INTO AN ENTERTAINMENT DISTRICT, ANCHORED BY AN ARENA WITH A PUBLIC PARKING GARAGE AND ALL ACCOMPANYING PUBLIC INFRASTRUCTURE IMPROVEMENTS TO ENTICE SIGNIFICANT PRIVATE INVESTMENT INTO THE PROJECT; ADDITIONAL RETURNS TO THE AD VALOREM TAXING JURISDICTIONS THROUGH STIMULATION OF PRIVATE INVESTMENT AND ECONOMIC DEVELOPMENT; ADDITIONAL LONG TERM FINANCIAL BENEFITS TO THE NORMAN PUBLIC SCHOOLS THROUGH STIMULATION OF PRIVATE INVESTMENT INTO THE PROJECT WITH ALLOCATION OF INCREMENTAL REVENUES BACK TO THE SCHOOLS; ADDITIONAL OPPORTUNITY FOR NON-RETAIL JOB GROWTH IN THE DISTRICT AS WELL AS NEW URBANIST HOUSING OPTIONS; FUNDING UP TO FIVE MILLION DOLLARS FOR A MULTI-PURPOSE FACILITY AT THE CLEVELAND COUNTY FAIRGROUNDS TO STIMULATE ADDITIONAL ECONOMIC DEVELOPMENT IN EAST NORMAN; ENCOURAGEMENT TO FINALIZE A CERTAIN LEASE AGREEMENT BETWEEN THE UNIVERSITY OF OKLAHOMA AND THE NORMAN MUNICIPAL AUTHORITY TO SECURE A LOCATION FOR THE NORMAN FORWARD INDOOR AQUATICS FACILITY, INDOOR MULTI-SPORT FACILITY, AND SENIOR CITIZENS CENTER ON THE NORTH BASE EAST OF THE YMCA; IMMEDIATE RELIEF TO THE GENERAL FUND; AND FURTHER ENCOURAGING ADDITIONAL ECONOMIC DEVELOPMENT ACTIVITY TO PROVIDE ADDITIONAL FUNDING FOR THE PUBLIC SAFETY SALES TAX PROJECTS AND NORMAN FORWARD PROJECTS.

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Cultural Facilities Costs, \$15 million; b. Contingency, \$1.5 million; 3.a. Lifestyle Center Costs, \$7.5 million; b. Contingency, \$750,000; 4.a. Economic Development Costs, \$7.5 million; b. Contingency, \$750,000; and

- § 4. WHEREAS the Planning Commission for the City of Norman on May 4, 2006, unanimously recommended and approved the Project Plan as presented to the Statutory Review Committee and determined the Project Plan was in conformance with the Comprehensive Plan of the City of Norman; and
- § 5. WHEREAS, the Council adopted the Project Plan as presented by the Statutory Review Committee on May 23, 2006; and
- § 6. WHEREAS, on April 23, 2007 the Oklahoma Department of Transportation (ODOT) offered the City of Norman up to \$4 million in matching funding for the construction of an overpass of Interstate 35 at Rock Creek Road provided the City secured funding sources for the remainder of the overpass construction costs; and
- § 7. WHEREAS, on February 25, 2008, the Hotelier who was constructing the Hotel/Conference Center under Development Agreement No. 2 offered to the City of Norman to complete said construction and to waive the requirement that the City consider purchasing the Conference Center for \$15 million in consideration of a portion of the authorized Project Costs under the Project Plan originally designated for the Conference Center purchase being reallocated to partially fund an overpass of Interstate 35 at Rock Creek Road in order to provide another roadway connection across I-35 into the UNP TIF Project enhancing traffic flows at almost all the intersections associated with the UNP TIF Project; and
- § 8. WHEREAS, with the Hotelier's commitment to finish construction of the Hotel / Conference Center without the use of TIF funding, an Objective of the Project Plan was satisfied; and
- § 9. WHEREAS, Section IX (A)(2) of the Project Plan relating to Conference Center and Cultural Facilities Costs provides "To the extent such fund has not been so utilized by January 1, 2021, or to the extent such a Conference Center, museums or other similar cultural projects are funded through other sources, the funding authorization may be reallocated to other Project Costs", allowing such fund authorization not used for the Conference Center to be reallocated to Cultural Facilities or other Project Costs; and
- § 10. WHEREAS, the Council believed such a reallocation of the \$7.75 million authorization of Project Costs from the Conference Center and Cultural Facilities component of the Project Plan to the Traffic and Roadway Improvement component of the Project Plan for the partial funding of the overpass of I-35 at Rock Creek Road to be consistent with the original Project Plan, and in furtherance of the Objectives of the Project Plan, and forwarded the recommendation to the Statutory Review Committee and Planning Commission for consideration; and
- § 11. WHEREAS, in addition to reallocation of the \$7.75 million authorization of Project Costs from the Conference Center and Cultural Facilities component of the Project Plan to the Traffic and Roadway Improvement component of the Project Plan for the partial funding of the overpass of I-35 at Rock Creek Road, the Council also asked the Statutory Review Committee to consider that the remaining \$8.75 million of funding authorization in the

Conference Center and Cultural Facility component of the UNP TIF be reduced by 50% (\$4.375 million), effectuating an overall reduction of the total UNP TIF funding authorization of almost 8%, and that \$4.375 million of funding authorization originally allocated to the Conference Center and Cultural Facilities component of the UNP TIF be allowed to remain in the Project Plan for allocation to Cultural Facilities or other Project Costs; and

- § 12. WHEREAS, the Statutory Review Committee and the Planning Commission reviewed the requested amendment to the Project Plan and recommended that the a \$7.75 million portion of the authorization of Project Costs from the Conference Center and Cultural Facilities component of the Project Plan be reallocated to the Traffic & Roadway Improvement component of the Project Plan for partial funding of the overpass at I-35 and Rock Creek Road, and that \$8.75 million remain in the Cultural Facilities component of the Project Plan; and
- § 13. WHEREAS, the Statutory Review Committee also recommended that a proposed use of the \$8.75 million authorization for Cultural Facilities be brought back to the Statutory Review Committee for review and recommendation as indicated by the following language:

“In addition, the remaining original allocation for Conference Center and Cultural Facilities Costs of \$8,750,000 may be used to fund cultural facilities or other Project Costs in furtherance of the objectives of the Project Plan as set out in Section IV but only upon review and approval by the Statutory TIF Review Committee”

With the principal objectives in Section IV of the Project Plan and Increment District No. 2 being:

- A. To create the Lifestyle Center, designed to foster the quality of development at University North Park and to facilitate the creation of a retail environment that will be a regional draw of retail customers to Norman.
- B. To create Legacy Park, with appropriate memorials, a substantial lake/water feature, and destination restaurants and boutique shops, together with the extension of the Legacy Trail system, quality public art, trees, and extensive landscaping throughout University North Park.
- C. To construct a conference center, and accompanying museums and other cultural facilities, in order to secure a first-class hotel.
- D. To attract quality jobs through economic development activities in order to recruit businesses not currently located in Norman and to provide quality employment opportunities in Norman.
- E. To stimulate private commitments to invest in the Project Area.
- F. To reverse a long-standing condition of arrested economic development, to serve as a catalyst for expanding employment, and to attract major investment in the area.

- G. To preserve and enhance the tax base and make possible investment, development, and economic growth that would otherwise be difficult without the Project and the apportionment of incremental tax revenues.
- § 14. WHEREAS, City Council accepted the recommendation of the Statutory Review Committee and the Planning Commission when it adopted Ordinance No. O-0809-8 on August 26, 2008, amending the Project Plan, thereby providing for the following financing authorization of up to \$54.725 million in Project Costs consisting of the following Estimated Project Costs: 1.a(1) Traffic and Roadway Improvements (Development Agreement No. 1) \$11.55 million, (2) Rock Creek Overpass \$7.75 million; b. Legacy Park, \$8.25 million; c. Engineering, Legal and other Professional fees, \$1.75 million; d. Unallocated Contingency, \$175,000; 2. Conference Center and Cultural Facilities Costs, \$8.75 million; 3. Lifestyle Center Costs, \$8.25 million; 4. Economic Development Costs, \$8.25 million; and
- § 15. WHEREAS, since its approval in 2006 through the end of calendar year 2017 the UNP TIF District has generated over \$200 million in private investment into the district which has resulted in the generation of over \$72.66 million in collected sales taxes providing \$9.32 million in dedicated Public Safety Sales Taxes, \$2.34 million in dedicated Norman Forward Sales Taxes, \$31.12 million in sales taxes to the General Fund and Capital Fund, \$24.91 million in sales taxes to UNP TIF Project Costs, \$4.98 million in sales taxes to UNP TIF Economic Development projects, and \$16.94 million in ad valorem taxes of which 50%, or \$8.47 million was disbursed to the taxing jurisdictions and an equal amount was available for Project Costs for total incremental revenue for Project Costs being \$38.36 million in the first ten years of the life of the UNP TIF District; and
- § 16. WHEREAS, authorized, but not committed components of the Project Plan include the construction of Cultural Facilities using \$8.75 million in financing authorization; and
- § 17. WHEREAS, on December 19, 2017, the City Council approved an Exchange Agreement with the University of Oklahoma that provides, among other things, a long term lease of land owned by the University of Oklahoma which is located generally east of the YMCA on which the City intends to utilize to construct some or all of Norman Forward projects designated as the Multi-sport facility, the Aquatics facility, and the Senior Citizens Center; and
- § 18. WHEREAS, the Board of Regents of the University of Oklahoma was scheduled to consider the Exchange Agreement at its regular meeting in March of 2018, which if approved, provided for a closing of the contemplate exchange of property and execution of the long term lease no later than sixty (60) days following approval of the Exchange Agreement, with consideration now being postponed to a later date while the University transitions to a new President; and
- § 19. WHEREAS, the Council proposed with the passage of Resolution R-1718-98, that the Statutory Review Committee consider whether the \$8.75 million of funding authorization for Project Costs allocated to the Cultural Facilities should be utilized to fund a Senior Citizens Center to be located on land generally east of the YMCA currently proposed to be leased on a long term basis to the Norman Municipal Authority by the University of Oklahoma; and
- § 20. WHEREAS, the Statutory Review Committee met and then recommended the following:

- that the \$8.75 million Project Cost component for a Cultural Facility not be used outside of the Increment District;
  - that it be strongly recommended to the City Council that an additional project be added to the UNP Project Plan for a Senior & Cultural Center in an amount to be determined by City Council after appropriate study and that this group supports current funding mechanisms to fund a Senior & Cultural Center in the Project Area
  - that the Council consider additional Project Costs, including, but not limited to, a multi-purpose facility at the County Fairgrounds.
- and

- § 21. WHEREAS, the Citizens UNP TIF Oversight Committee met and then recommended the following: “. . . to add up to \$12,500,000 to the amended Project Plan for an additional authorized project for construction of a Senior Citizen’s Center and that it be expedited through the statutory approval process.”; and
- § 22. WHEREAS, at its May 1, 2018, Study Session City Council formally received the reports from the Statutory Review Committee and the Citizens UNP TIF Oversight Committee regarding Resolution R-1718-98; and
- § 23. WHEREAS, City Staff and the Center for Economic Development Law has continued to work with to develop a Project Plan frame work that will address concerns expressed by Council members, ad valorem taxing jurisdictions, community members, and OU Foundation that would address the following concerns:
- Provides significant immediate relief to the City’s General Fund effective in the upcoming fiscal year;
  - Allows for the best chance for the Entertainment District, Arena, and Parking Garage to succeed;
  - Reduces overall Project Costs as much as possible;
  - Maximizes returns to the affected ad valorem taxing jurisdictions;
  - Continues to provide the Norman Public Schools with the benefit of direct incremental revenue;
  - Provides a funding mechanism for a multi-purpose facility at the Cleveland County Fairgrounds up to five million dollars; and
  - Completes original Project goals.
- § 24. WHEREAS, a draft of an Amended Project Plan addressing the aforementioned goals was discussed with City Council at its Study Session on June 19, 2018; and

- § 25. WHEREAS, the Mayor has prepared a schedule for Community consideration of the Entertainment District proposal, that seeks input from the Statutory Review Committee, Economic Development Advisory Board, Citizen UNP TIF Oversight Committee, Planning Commission, and the public in scheduled public hearings, all culminating in a decision by City Council on August 28, 2018, regarding possible Amendments to the UNP Project Plan to allow the Entertainment District proposal to proceed; and
- § 26. WHEREAS, in accordance with the schedule for Community consideration of the Entertainment District proposal, it is now time to refer the draft Amended Project Plan to the Statutory Review Committee for review, comment, and recommendation.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA;

- § 27. That the City Manager and the staff are hereby directed to forward to the Norman University North Park Project Plan Statutory TIF Review Committee the attached draft Amended Project Plan; and
- § 28. That the Norman University North Park Project Plan Statutory TIF Review Committee is hereby requested to convene for the purpose of reviewing, commenting on, and making a recommendation to the City Council considering the Amended Project Plan in relation to the goals and objectives of the Norman University North Park Project Plan.

PASSED and ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk



**AMENDED AND RESTATED**  
**NORMAN UNIVERSITY NORTH PARK**  
**PROJECT PLAN**

**INCREMENT DISTRICT NO. 2,  
INCREMENT DISTRICT NO. 4, AND  
INCREMENT DISTRICT NO. 5**



**PREPARED BY:  
THE CITY OF NORMAN, OKLAHOMA**

Lynne Miller, Mayor  
Kate Bierman, Ward 1  
Aleisha Karjala, Ward 2  
Robert Castleberry, Ward 3  
Bill Hickman, Ward 4  
Sereta Wilson, Ward 5  
Breea Clark, Ward 6  
Stephen Holman, Ward 7  
Kyle Allison, Ward 8

**AND:**  
Norman Planning Commission  
Norman Public Schools  
Moore Norman Technology Center  
Cleveland County  
Pioneer Multi-County Library System  
Cleveland County Health Department

**WITH THE ASSISTANCE OF:**  
Center for Economic Development Law  
301 North Harvey, Suite 100  
Oklahoma City, Oklahoma 73102  
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# **AMENDED AND RESTATED NORMAN UNIVERSITY NORTH PARK PROJECT PLAN**

## **I. INTRODUCTION**

The performance of the Norman University North Park Project ("Project") has generated revenues and produced community impacts that are very close to those that were projected at the time of the inception of the Project in 2006. The aggregate success of the Project has yielded new investments, increased property values, quality commercial developments, enhanced community attractions, and new public revenues benefiting the community and its various taxing jurisdictions that closely match the original performance estimates.

The City of Norman ("City") is continuing its efforts to nourish the community as a place to live, grow, and invest. The beneficial impacts, both physical and financial, are experienced throughout the community. The success of the Project to date provides a strong foundation for the City to accelerate and strengthen its aspirations for the future.

The first phase of the Project has been concentrated on development of the southern portion of Increment District No. 2. Although ranges of potential uses were identified in Special Development Areas (SDAs), no specific development plan was previously prepared for the remaining area to the north; a development plan has now been presented by the property owner. Development progress in the southern portion of Increment District No. 2 now provides a foundation for the community to capitalize on successful development strategies.

### **A. The Original Project Plan – Phase I Development**

The City and a broad-based citizens' committee dedicated their expertise, time, and energy into creating the original vision for the Project. Phase I of University North Park is being developed by University Town Center, LLC, an Oklahoma limited liability company ("Developer"), and other participating developers pursuant to agreements among the City, the Norman Tax Increment Financing Authority, a public trust ("Authority"), the Developer, and University North Park, LLC, an Oklahoma limited liability company, which is a wholly owned subsidiary of the University of Oklahoma Foundation, Inc. ("OU Foundation"). Phase I development consists primarily of retail development, and is supported by Legacy Park, a hotel with conference center, and an extension of the Legacy Trail system, landscaping, public art, and other amenities throughout the southern portion of Increment District No. 2. The OU Foundation, the City, and the Developer have been intricately involved in the development, design, and strategy for the Project.

B. The Amended Project Plan – Innovative Community Development

New opportunities can be claimed by undertaking an added phase of the Project which will create an innovative community through development of a new urbanist neighborhood, opportunities for nonretail economic development job creation, and the continuation of financial partnerships with the Norman Public Schools and other affected taxing jurisdictions.

An Entertainment District, anchored by a new arena and located in the northern portion of University North Park, will bring new visitors, new attractions, new entertainment facilities, and new quality of life opportunities to the City. The inviting location of the area, with excellent access to transportation to the metropolitan area as well as to the center of the City, provides a superb opportunity to enhance the creation of a new residential neighborhood, including a range of urban residential lifestyles. The OU Foundation has also agreed to consider the inclusion of up to two-acres for a new public elementary school site within the new phase of the Project.

The creation of a place to attract and retain young professionals strengthens the City's ability to attract new and expanding non-retail businesses, which stimulate the growth of quality employment opportunities critical to community success. The Entertainment District and the addition of a housing type new to the community seek to meet those objectives. In addition, the use of a portion of the public financing leverage created by the Project can spark development in the Center City area and be used to assist Cleveland County in the development of a multi-purpose facility at the fairgrounds.

II. DESCRIPTION OF PROJECT

The Amended and Restated Norman University North Park Project Plan is a "project plan" as defined under the Oklahoma Local Development Act, 62 O.S. §850, *et seq.* ("Act"), and is referred to herein as the "Amended Project Plan." The Amended Project Plan amends and restates in its entirety the original Project Plan adopted by the City on May 23, 2006 that created Increment District No. 2. The Amended Project Plan provides for these principal components:

A. A new urbanist neighborhood containing an inviting array of living options with appeal to a wide range of residents, from millennials to seniors.

B. New long-term financial partnerships with taxing jurisdictions.

C. An Entertainment District and regional destination development anchored by a 21st-century performance arena, which will serve as the home game venue for University of Oklahoma men's and women's basketball teams and be available to the Norman Public Schools for local and regional school events and performance competitions, and an array of other public performances and gatherings.

D. The completion of the projects and goals contemplated in the original Project Plan as set forth in Section X(D) of this Amended Project Plan.

E. Interim financing authorizations to assist in sparking reinvestment in the Center City area and funding for a multi-purpose facility at the Cleveland County fairgrounds which is projected to stimulate additional economic development activity in east Norman.

F. Attraction of quality jobs through economic development activities to recruit or retain businesses not currently located in Norman and to provide quality employment opportunities in the City.

G. Additional traffic and roadway improvements beyond those contemplated in the original Project Plan and Development Agreement No. 1 and Development Agreement No. 5.

### **III. BOUNDARIES OF PROJECT AREA AND INCREMENT DISTRICTS**

#### **A. Project Area Boundaries**

The Project Area remains unchanged and is the area in which Project activities will take place. The Project Area lies generally between U.S. Highway 77 to west of I-35, and from just south of Robinson Street to north of Tecumseh Road. The Project Area is shown on the Project Area Boundary Map, attached as Exhibit A. The legal description of the Project Area boundary is contained in Exhibit B.

#### **B. Increment District Boundaries**

The Increment Districts are the areas from which the increment is generated. Increment District No. 2, City of Norman, was established by the original Project Plan. Its boundaries are amended by this Amended Project Plan. The amended Increment District No. 2 lies generally between I-35 and just west of Max Westheimer Airport, and from Robinson Street to Rock Creek Road, excluding certain property east of 24<sup>th</sup> Avenue N.W., as reflected on the Increment District No. 2 Boundary Map contained in Exhibit C.

Increment District No. 4, City of Norman, is established by this Amended Project Plan. Increment District No. 4 lies generally between I-35 and just west of Max Westheimer Airport, and from Rock Creek Road to Tecumseh, but excluding property lying within Increment District No. 5 and including certain undeveloped property east of 24<sup>th</sup> Avenue N.W., as reflected on the Increment District No. 4 Boundary Map contained in Exhibit D.

Increment District No. 5 lies generally just north of Rock Creek Road and south of Increment District No. 4, encompassing the Entertainment District, as reflected on the

Increment District No. 5 Boundary Map contained in Exhibit E. It will become effective as described in Section VII(A) below and as required by §856(B) of the Act.

The legal descriptions of the boundaries of Increment District No. 2, Increment District No. 4, and Increment District No. 5 are contained in Exhibit F.

#### **IV. ELIGIBILITY OF PROJECT AREA AND INCREMENT DISTRICT**

The Project Area and Increment Districts qualify as “enterprise areas”, as defined in the Act. The Project Area and Increment Districts are located within a state-designated Enterprise Zone, which was approved and made effective by the Oklahoma Department of Commerce on August 19, 1999.

The Project Area and Increment Districts also qualify as a “reinvestment area”, as defined in the Act, because they lie in an area requiring public improvements to reverse economic stagnation, to serve as a catalyst for expanding employment, to attract major investment in the area, and to enhance the tax base.

#### **V. OBJECTIVES**

The principal objectives of the Amended Project Plan are:

A. To complete the major retail center, designed to foster the quality of development at University North Park and to facilitate the creation of a retail environment that will increasingly be a regional draw to Norman.

B. To connect Legacy Park with the extension of the Legacy Trail system, and place appropriate memorials, public art, trees, and extensive landscaping throughout University North Park.

C. To develop a new residential community containing an inviting variety of urban living options with appeal to a wide range of residents, from millennials to families to seniors.

D. To attract quality jobs through economic development activities in order to recruit businesses not currently located in Norman, retain businesses currently located in Norman and entice talented young people to live in Norman by providing quality employment opportunities in the City.

E. To construct a cultural facility, to be included as a component of the arena.

F. To create new long-term financial partnerships with the Norman Public Schools and other taxing jurisdictions in the area.

G. To create an Entertainment District and regional destination development anchored by a 21st-century arena, which will provide a venue for attracting visitors to the City of Norman by offering an array of performances for local and regional events.

H. To provide an interim financing mechanism to assist in sparking reinvestment in the Center City area.

I. To provide funding of \$5,000,000 for a multi-purpose facility at the Cleveland County fairgrounds which is projected to stimulate additional economic development activity in east Norman.

J. To reverse a long-standing condition of arrested economic development, to serve as a catalyst for expanding employment, and to attract major investment in the area.

K. To preserve and enhance the tax base and make possible investment, development, and economic growth that would otherwise be difficult without the Project and the apportionment of incremental tax revenues.

## **VI. STATEMENT OF PRINCIPAL ACTIONS**

Implementation actions for the Project, including all necessary, appropriate and supportive steps, will consist of the following:

A. Creation of a new innovative residential neighborhood, together with the extension of the Legacy Trail system, quality public art, trees, and extensive landscaping throughout University North Park.

B. Attraction of quality jobs through economic development activities to recruit non-retail businesses not currently located in Norman, retain quality jobs employers in the community, and to provide quality employment opportunities in Norman.

C. Construction of traffic and roadway improvements, including but not limited to I-35 ingress/egress and off-site improvements at Robinson Street and Tecumseh Road.

D. Creation of an Entertainment District, including infrastructure, a first-class arena, a parking garage, a cultural facility (to be included as a component of the arena) and other improvements designed to foster a high-quality development at University North Park. Such improvements are necessary to facilitate the creation of a regional draw of visitors to Norman. The entertainment environment envisioned is one that will draw new visitors to the community and entice visitors to extend their stay.

## **VII. ESTABLISHMENT OF INCREMENT DISTRICTS, CITY OF NORMAN**

### **A. Increment Districts**

The original Project Plan created and established Increment District No. 2, City of Norman, an ad valorem and a sales tax increment district. This Amended Project Plan amends Increment District No. 2, an ad valorem and sales tax increment district.

This Amended Project Plan creates and establishes Increment District No. 4, City of Norman, an ad valorem and sales tax increment district.

This Amended Project Plan creates and authorizes the establishment of Increment District No. 5, an ad valorem and sales tax increment district. Increment District No. 5 shall commence and be established as of January 1, 2019.

The boundaries of Increment District No. 2, Increment District No. 4, and Increment District No. 5 are comprised of the areas shown on Exhibits C, D, and E, respectively, and described in Exhibit F.

### **B. Determination of Ad Valorem Increments**

The ad valorem increment is the ad valorem revenue in excess of the revenue generated by the base assessed value of the increment district (*i.e.*, the new revenue attributable to increases in the value of the property within the increment district), as determined by the Cleveland County Assessor in accordance with Section 862 of the Act.

The increment of ad valorem taxes from Increment District No. 2, Increment District No. 4, and Increment District No. 5 in excess of the base assessed value of the Increment Districts shall be used to pay Project Costs authorized by Section X of this Amended Project Plan for a period not to exceed twenty-five (25) fiscal years from the respective effective dates of Increment District No. 2 (May 23, 2006), Increment District No. 4 (August 28, 2018), and Increment District No. 5 (January 1, 2019), as provided by law, or the period required for the payment of Project Costs authorized by Section X, whichever is less. During the period of apportionment, the apportionment fund (1) shall be available to pay Project Costs under Section X, (2) shall constitute funds of the Authority, and (3) shall not constitute a part of the general fund to be apportioned annually by the City.

### **C. Apportionment of Ad Valorem Increments**

Through the end of the fiscal year ending June 30, 2021, fifty percent (50%) of the generated ad valorem increment shall be allocated to pay the Project Costs detailed in Section X, and the other fifty percent (50%) of the ad valorem increment generated shall be allocated to the affected taxing jurisdictions in proportion to the allocation (excluding sinking funds) that the taxing entities would ordinarily receive from the increased assessed values, in the absence of an increment district.

In each of the succeeding fiscal years, sixty percent (60%) of the generated ad valorem increment shall be allocated to pay the Project Costs detailed in Section X, and the other forty percent (40%) of the ad valorem increment generated shall be allocated to the affected taxing jurisdictions in proportion to the allocation (excluding sinking funds) that the taxing entities would ordinarily receive from the increased assessed values, in the absence of an increment district.

Such allocations are authorized by the Oklahoma Constitution and the Act, specifically Okla. Const. Art. X, §6C, and 62 O.S. §§853(9), (14)(i), and 854(4).

D. Determination of Sales Tax Increments: Construction Sales and Use Tax Increment

The sales tax increment is a portion of the City's non-dedicated sales tax, attributable to investment and development within the Increment Districts. The sales tax increment shall be an amount equal to (i) three percent (3%) of the gross proceeds or gross receipts derived from all sales in the Increment Districts that are taxable under the sales tax code of Oklahoma (including all amendments thereto and revisions thereof), regardless of whether the City modifies its sales tax rates, minus (ii) the Total Transfer Adjustments as defined below.

"Transfer Adjustment" means an amount equal to (i) \$800,000, which shall be applied through June 30, 2031, plus (ii) for each retail business which relocates from a location within the City of Norman after the date hereof to a location within Increment District No. 2, Increment District No. 4, or Increment District No. 5, an amount equal to: (a)(I) the transactions subject to City sales taxes during the last twelve (12) full calendar months at the former location multiplied by (II) the non-dedicated sales tax rate; reduced by the product of (b)(I) the aggregate transactions subject to sales tax at the former location during the current fiscal year multiplied by (II) the non-dedicated sales tax rate; *provided* that the portion of such amount related to any retail business which relocates to a location within Increment District No. 2 shall only be applied through June 30, 2031. "Total Transfer Adjustments" is the sum of all Transfer Adjustments.

The sales tax increment which is apportioned pursuant to this Amended Project Plan may be supplemented by state local government matching payments pursuant to an application by the City in accordance with the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act, 62 O.S. §§ 840, *et seq.* ("Leverage Act"). The City and the Authority shall, in good faith, file applications under the Leverage Act for all projects within the Increment Districts that qualify for state local government matching payments under the Leverage Act and shall administer the City's participation in the Leverage Act program in good faith, including preparing and submitting any required reports and paying over to the Authority all state local government matching payments received from the State of Oklahoma.



The amount of generated sales tax increment allocated to pay Project Costs detailed in Section X shall be the lesser of (a) the percentage of the total sales tax increment during the applicable time period (30% or 50%, as noted below) or (b) such applicable percentage allocated to pay Project Costs multiplied by (1) the average annualized non-dedicated City sales tax and use tax revenue growth rate over Fiscal Year 2005 non-dedicated sales and use tax revenue divided by (2) the lesser of (i) four and one-half percent (4.5%), or (ii) the most recent moving fifteen (15) year average annualized non-dedicated City sales tax and use tax revenue growth rate, provided that the quotient shall not be less than .90 in any fiscal year, allowing for no more than a ten percent (10%) reduction in any one fiscal year in increment to be allocated to pay Project Costs, or (iii) such other growth rate factor as agreed upon in an appropriate development agreement and/or financing agreement as necessary to allow sufficient incremental revenues to be pledged to support financing of the project; *provided*, further, that any state local government matching payments received by the City under the Leverage Act shall be paid over to the Authority and one hundred percent (100%) of such payments shall be allocated to pay Project Costs detailed in Section X.

The increment of the sales taxes generated by Increment District No. 2, Increment District No. 4, and Increment District No. 5, as determined in accordance with the provisions of this Section, supplemented as necessary by a formula and accounting procedures approved by Resolution of the City Council in accordance with the Act and any additional procedures required by applicable development agreements, shall be used to pay Project Costs authorized by Section X of this Amended Project Plan for a period not to exceed twenty-five (25) fiscal years from the respective effective dates of Increment District No. 2 (May 23, 2006), Increment District No. 4 (August 28, 2018), and Increment District No. 5 (January 1, 2019), as provided by law, or the period required for payment of Project Costs authorized by Section X, whichever is less. During the period of apportionment, the sales tax apportionment fund (1) shall be available to pay Project Costs under Section X, (2) shall constitute funds of the Authority, and (3) shall not constitute a part of the general fund to be apportioned annually by the City.

The sales tax increment shall also include a portion of the City's sales and use taxes generated by investment, construction, and development that takes place within the Increment Districts, pursuant to development agreements that obligate the developer to use its reasonable efforts to provide periodic reporting of sales and use taxes paid in connection with the developments within the Increment Districts ("Construction Sales Tax Increment"). The Construction Sales Tax Increment shall be three percent (3%) of the gross proceeds or gross receipts derived from construction and development within the Increment Districts that are taxable under the sales and use tax code of Oklahoma (including all amendments thereto and revisions thereof), regardless of whether the City modifies its sales tax rates. The Construction Sales Tax Increments which are apportioned pursuant to this Amended Project Plan may be supplemented by state local government matching payments pursuant to an application by the City in accordance with the Leverage Act. The Construction Sales Tax Increment shall not be subject to the allocations defined in Section VII(E) below; rather eighty percent (80%) of the Construction Sales Tax Increment shall be available for the payment of Project Costs under Section X, as described in this Section VII(D) and as further defined in Section X,



and the remaining twenty percent (20%) of the Construction Sales Tax Increment shall be allocated to the City; *provided* that any state local government matching payments received by the City under the Leverage Act shall be paid over to the Authority and one hundred percent (100%) of such payments shall be allocated to pay Project Costs detailed in Section X.

E. Apportionment of Sales Tax Increments

From the respective effective date of each Increment District through the end of the fiscal year ending June 30, 2023, thirty percent (30%) of the generated sales tax increment shall be allocated to pay the Project Costs detailed in Section X. Seventy percent (70%) of the sales tax increment generated shall be allocated to the City.

From the beginning of the fiscal year beginning July 1, 2023 through the respective termination dates of each Increment District, fifty percent (50%) of the generated sales tax increment shall be allocated to pay the Project Costs detailed in Section X, and the other fifty percent (50%) of the sales tax increment generated shall be allocated to the City.

Notwithstanding the foregoing or anything to the contrary contained herein, (i) eighty percent (80%) of the generated Construction Sales Tax Increment shall be allocated to pay the Project Costs detailed in Section X, and the other twenty percent (20%) of the Construction Sales Tax Increment generated shall be allocated to the City, and (ii) one hundred percent (100%) of any state local government matching payments received by the City under the Leverage Act shall be paid over to the Authority and one hundred percent (100%) of such payments shall be allocated to pay Project Costs detailed in Section X.

**VIII. PROJECT AND INCREMENT DISTRICTS AUTHORIZATIONS**

A. Principal Entity. The City is designated and authorized as the public entity to carry out and administer the provisions of this Amended Project Plan and to exercise all powers necessary or appropriate thereto as provided in §854 of the Act. Within the budgetary authorizations of the Amended Project Plan, any determinations regarding Project Costs shall be provided by the City, subject to the limitations of §853 of the Act.

B. Minor Amendments. The City reserves the right to approve minor amendments as provided in the Act and intends to consider such amendments where desirable and appropriate to implement and achieve the objectives of this Amended Project Plan.

C. Delegation of Powers. The Authority is the public entity of the City authorized to assist in carrying out this Amended Project Plan and to exercise all powers necessary or appropriate thereto pursuant to Section 854 of the Act, except for approval

of this Amended Project Plan and those powers enumerated in paragraphs 1, 3, 4, 7, 13 and 16 of Section 854.

D. Special Financing Authorizations. As the public entity designated by the City, the Authority is authorized to: (1) issue tax apportionment bonds or notes, or both; (2) incur and pay Project Costs, pursuant to Section X of this Amended Project Plan; (3) provide funds to or reimburse the City for the payment of Project Costs and other costs incurred in support of the implementation of the Project; (4) advance loans or finance public infrastructure costs for the Norman Center City Project Plan in an amount of not more than \$3,000,000, subject to available funds and loan repayment terms approved by the City; (5) provide funding to Cleveland County for the purpose of developing a multi-purpose facility at the fairgrounds in an amount of not more than \$5,000,000 (as detailed in Section X(B)(6)); and (6) incur the cost of issuance of bonds for payment of such costs and to accumulate appropriate reserves, if any, in connection with them. Project Costs shall mean (1) the public costs authorized to be paid by apportioned tax increments pursuant to Section X of this Amended Project Plan, and (2) additional costs necessary or appropriate to implement this Amended Project Plan, as provided in Section X(F), which may be authorized without amendment to this Amended Project Plan.

E. Person in Charge. The City Manager, Steve Lewis, or his successor in office shall be the person in charge of implementation of this Amended Project Plan in accordance with the provisions, authorizations, and respective delegations of responsibilities contained in this Amended Project Plan. The City Manager is authorized to empower one or more designees to exercise responsibilities in connection with Project implementation.

## **IX. SPECIAL REVIEW AND APPROVAL REQUIREMENTS**

A. All expenditures for Economic Development Costs shall be approved by the City Council. Economic Development Costs are intended to be only those costs necessary and appropriate to provide and foster new quality employment opportunities by attracting and retaining enterprises deemed desirable to the future of Norman. The City Council shall be guided by these principles and shall have broad discretion to review proposed developments to assure they are used only to satisfy the development goals articulated in this Amended Project Plan. Appropriation and expenditure of Economic Development Costs must be approved by the City Council.

B. The City Council shall have broad discretion to review proposed developments to assure they are used only to satisfy the development goals articulated in this Amended Project Plan. Appropriation and expenditure of Regional Draw Costs must be approved by the City Council. Expenditures not committed by date of expiration of any contract obligation may be reallocated to other authorized Project Costs without amendment to the Amended Project Plan.

C. The City Council has previously approved a lease agreement for the occupancy and use of certain real property located within the Project Area near the Max

Westheimer Airport that is owned by the University of Oklahoma and known as North Base and designated as the site for certain Norman Forward projects. Implementation of the Entertainment District, Arena, Parking Garage Project shall be conditioned on approval in all material terms of such lease agreement by the University of Oklahoma's Board of Regents.

D. The Development Oversight Committee oversees the implementation of this Amended Project Plan on behalf of the City Council. The Development Oversight Committee shall make recommendations on (1) the use of revenues and expenditures other than traffic, roadway, and utility improvements; (2) material modifications of the master plan; and (3) material changes in the Design Guidelines adopted by the Architectural Review Board. The Development Oversight Committee shall report to the City Council on at least an annual basis. Prior to any authorization for expenditures by the City Council for costs other than Traffic and Roadway Project Costs, the Development Oversight Committee shall report to the City Council whether applicable objectives of the Amended Project Plan will be met by the proposed action. The Development Oversight Committee shall at all times be guided by the goals of the Amended Project Plan.

E. All property in University North Park shall be developed in accordance with the PUD and City regulations, Design Guidelines adopted (or to be adopted) by the Architectural Review Board and all other requisite approvals by the Architectural Review Board established pursuant to the restrictive covenants required by the PUD. However, access to Economic Development Costs and Regional Draw Costs shall be conditioned as described herein.

F. The traffic and roadway improvements included in the Amended Project Plan shall provide a minimum service level D as defined under the Norman City Code, which shall be verified by an updated and appropriate Traffic Impact Analysis prepared in accordance with the applicable provisions of Development Agreement No. 5, as amended, as future development occurs at time of preliminary plat issuance. If future development of University North Park requires additional traffic improvements not included in the Amended Project Plan, such additional traffic improvements necessary to maintain a service level D shall be made at the developer's expense and/or state or federal funds.

**X. BUDGET OF ESTIMATED PROJECT COSTS TO BE FINANCED BY TAXES APPORTIONED FROM INCREMENT DISTRICT NO. 2, INCREMENT DISTRICT NO. 4, AND INCREMENT DISTRICT NO. 5**

A. Financing Objectives. Financing objectives are:

1. Make possible the Entertainment District, Arena, Parking Garage, and related developments and improvements, which means assuring upfront financing for the arena, parking garage, entertainment district, and public improvements, and support for the Project components.

2. Create a long-term financial partnership with the Norman Public Schools as a critical component of economic development and ingredient of community quality.

3. To the extent feasible, generate reliable, long-term, and dependable revenue streams for the Norman Public Schools and other taxing jurisdictions.

4. Authorize interim loan of funds to finance public improvements in the Center City in order to accelerate development in the community core and multiply community impacts.

5. Authorize funding to assist Cleveland County in its development of a multi-purpose facility at the fairgrounds.

B. Project Costs Categories. The Project Costs will be financed by the apportionment of ad valorem and sales tax increments from Increment District No. 2, Increment District No. 4, and Increment District No. 5, except for Cleveland County Project Costs, which will be financed as described in paragraph 6 below. The categories are:

1. Public Art, Trails, BID, Landscaping Project Costs. Public Art, Trails, BID, Landscaping Project Costs include costs related to those detailed in Development Agreement No. 3; the extension of the Legacy Trail system through University North Park in excess of that required by the PUD; quality public art through University North Park; trees and extensive landscaping through University North Park in excess of that required by the PUD at locations necessary to screen the Project from I-35 and at other locations designated in final plats approved by the City; commitments in Development Agreement No. 5 to provide assistance through June 30, 2022, in creating a Business Improvement District to spur additional development.

2. Traffic and Roadway Project Costs. Traffic and Roadway Project Costs include a portion of costs related to those detailed in Development Agreement No. 1 and Development Agreement No. 5. In addition, Traffic and Roadway Project Costs also includes costs associated with some or all of the following: new I-35 ingress/egress at Tecumseh Road; extension of I-35 frontage road, connecting new I-35 exits; improvements at Tecumseh Road and 24<sup>th</sup> Avenue NW; improvements at Tecumseh Road and Highway 77; improvements at 24<sup>th</sup> Avenue NW and Highway 77; and right-of-way acquisition to accommodate planned improvements at Tecumseh Road.

3. Regional Draw Project Costs. Regional Draw Project Costs include costs related to those detailed in Development Agreement No. 5 and other costs related to attracting projects that meet the objective of bringing individuals to Norman from surrounding communities. This includes the cost of planning, financing, assistance in development financing, acquiring, constructing, and developing facilities to foster such opportunities.

4. Economic Development Project Costs. Economic Development Project Costs are costs related to the location of businesses in the Project Area not

currently located in Norman that provide quality employment opportunities in Norman, or for retaining or expanding quality employment opportunities for businesses already in Norman. Commitments in the Economic Development Agreement dated September 21, 2010, and Development Agreement No. 6 shall be honored. For this purpose, quality employment opportunities shall mean jobs providing such salaries and benefits as are required for an employer to qualify for benefits under the Oklahoma Quality Jobs Act and such additional employment as determined by the City to qualify for purposes of this Amended Project Plan. Economic Development Project Costs are intended to foster special employment opportunities in Norman and, to the extent feasible, may be used to attract or retain quality jobs employer at other locations outside the Project Area, as approved by City Council. This includes the cost of planning, financing, assistance in development financing, acquiring, constructing, relocating, and developing facilities to foster such opportunities.

5. Entertainment District, Arena, and Parking Garage Project Costs. Entertainment District, Arena, and Parking Garage Project Costs is assistance in development financing to be provided towards the construction of the Entertainment District, Arena, and Parking Garage, pursuant to terms detailed in a development agreement with the proposed developer. Such developer shall be obligated by the terms of the development agreement to include the following components: arena, parking garage, cultural facility (to be included as a component of the arena), entertainment district, utilities, preparation of site for development, landscaping, streetscaping, associated other public improvements such as stormwater management, public streets, public water line installation, public sanitary sewers, and public stormwater sewers. The assistance in development financing shall be provided to the developer as upfront financing in the form of an incentive or reimbursement of costs as agreed upon by the Authority and the developer. No assistance in development financing shall be provided towards Entertainment District, Arena, and Parking Garage Project Costs unless and until the developer(s) of the entertainment district, arena, and parking garage has provided evidence of financing of the entertainment district, arena, and parking garage. The closing on any public financing shall be contingent upon closing on the private financing necessary for the arena, parking garage, and the public improvements necessary for the buildout of the entertainment district. The development agreement and/or financing agreement, to be entered into between the Authority and developer, shall provide performance goals, timelines, and appropriate remedies in the event of nonperformance. The development agreement and/or financing agreement shall provide reasonable financial safeguards necessary to meet development requirements in the event of nonperformance. The development agreement and/or financing agreement shall provide that the owner of the arena or another entity other than the Authority or the City, shall be responsible for any shortfall in the operations of the arena. The development agreement and/or financing agreement shall provide that the Authority (or a multi-jurisdictional parking authority to be created) shall have an economic participation interest, at a level to be mutually determined, in the parking garage to be constructed by the developer.

6. Cleveland County Project Costs. Cleveland County Project Costs include financial assistance in an amount of \$5,000,000 towards the construction of a multi-purpose facility at the fairgrounds. Such is authorized by the Oklahoma Constitution and

the Act, specifically Okla. Const. Art. X, §6C, and 62 O.S. §§853(9), (14)(i), and 854(4). Cleveland County Project Costs shall be financed by a loan from existing available increment, which shall be repaid with the Construction Sales Tax Increment, defined in Section XII(D) above, apportioned to pay Project Costs. Any amount of Construction Sales Tax Increment in excess of \$5,000,000 shall then be available to fund other Project Costs.

D. Estimated Project Costs. Estimated Project Costs are as follows:

Public Art, Trails, BID, Landscaping	\$ 3,000,000
Traffic and Roadway	\$ 9,600,000
Regional Draw	\$ 8,250,000
Economic Development	\$ 4,350,000
Entertainment District, Arena, Parking Garage	\$ 90,000,000
Cleveland County Multi-Purpose Facility at Fairgrounds	\$ 5,000,000
Contingency and Implementation Costs	<u>\$ 4,000,000</u>
TOTAL:	\$124,200,000

Plus financing costs, necessary or appropriate reserves, and interest on repayment of Project Costs and other project related bridge financing. In addition, the Authority may pay an administrative fee to the City of no more than three percent (3%) of all incremental revenues for processing, managing, and accounting related to the administration of the Amended Project Plan; *provided* that such fee shall be paid out of incremental revenues after allocation towards authorized Project Costs.

E. Prioritization. The priorities of the Authority shall be to provide upfront funding for the following Project Cost categories on a *pari passu* basis: (i) Traffic and Roadway; (ii) Entertainment District, Arena, Parking Garage; and (iii) Contingency and Implementation Costs, to the extent that contingency is required for Project Costs described under (i), and to provide upfront funding for the Cleveland County Multi-Purpose Facility at Fairgrounds Project Cost; *provided* that increment may be allocated to other categories of Project Costs as required under existing Development Agreements. The Authority shall use its commercially reasonable efforts to secure upfront funding for the Entertainment District, Arena and Parking Garage Project Costs by issuing bonds in a private placement to a traditional lender.

F. Additional Project Costs. Additional costs necessary or appropriate to implement this Amended Project Plan that are to be financed by other than apportioned tax increments may be approved by the City at any time. The provisions of this Section X are not a limitation on Project related costs to be financed by sources other than apportioned tax increments.

G. Reallocation of Project Costs. Except for the Entertainment District, Arena, Parking Garage Project Cost and the Cleveland County Project Cost, estimated amounts of authorized Project Costs provided above may be reallocated to other authorized Project Costs without amendment to the Amended Project Plan.

H. Prior Development Agreements. Notwithstanding the adoption of this Amended Project Plan, the City and the Authority reaffirm their respective agreements and obligations contained in the various Development Agreements adopted under the original Project Plan to the extent that such agreements have not been fully performed prior to the date hereof or otherwise been terminated according to their terms and further agree that such Development Agreements shall continue in full force and effect.

## **XI. AMENDED PROJECT PLAN FINANCING**

A. Financing Authorizations. The implementation of the Amended Project Plan shall be financed in accordance with financial authorizations, including both fund and asset transfers, authorized from time to time by the City Council.

B. Financing Revenue Sources. The revenue sources expected to finance Project Costs authorized by Section X are the increments generated by Increment District No. 2, Increment District No. 4, and Increment District No. 5. Project Costs will be paid by (or paid by the developer and reimbursed by) the City and/or the Authority, or another public entity designated by the City.

C. Financial Reports and Audits. The redevelopment activities undertaken by the City, pursuant to this Amended Project Plan, shall be accounted for and reported by the appropriate and necessary annual fiscal year audits and reports, including an annual audit of the Authority as a separate entity by an independent certified public accounting firm appointed by the City and approved by the TIF Oversight Committee with the results of such audit made publicly available. The cost of the audit shall be an authorized Implementation Project Cost.

D. Other Necessary and Supporting Costs. The Authority, or another public entity designated by the City, is authorized to issue bonds and notes and to apply for and obtain grants from other sources for costs incurred or to be incurred in connection with the Project and the construction of facilities therein in addition to Project Costs to be financed pursuant to Section X.

## **XII. ESTIMATED PRIVATE AND PUBLIC INVESTMENTS STIMULATED BY THE PROJECT**

A. Private and Public Investments Expected from the Project and Increment District No. 2, Increment District No. 4, and Increment District No. 5. Private investment to date since approval of the original Project Plan in 2006 has totaled over \$234 million. Private investments are estimated to range from an additional \$194



million in the near term to more than \$550 million over a ten (10) year period after approval of the Amended Project Plan. Public investment to date since approval of the original Project Plan in 2006 is approximately \$30 million and additional public investment is expected to be approximately \$124 million over a ten (10) year period after approval of the Amended Project Plan, plus financing costs and interest on repayment of Project Costs.

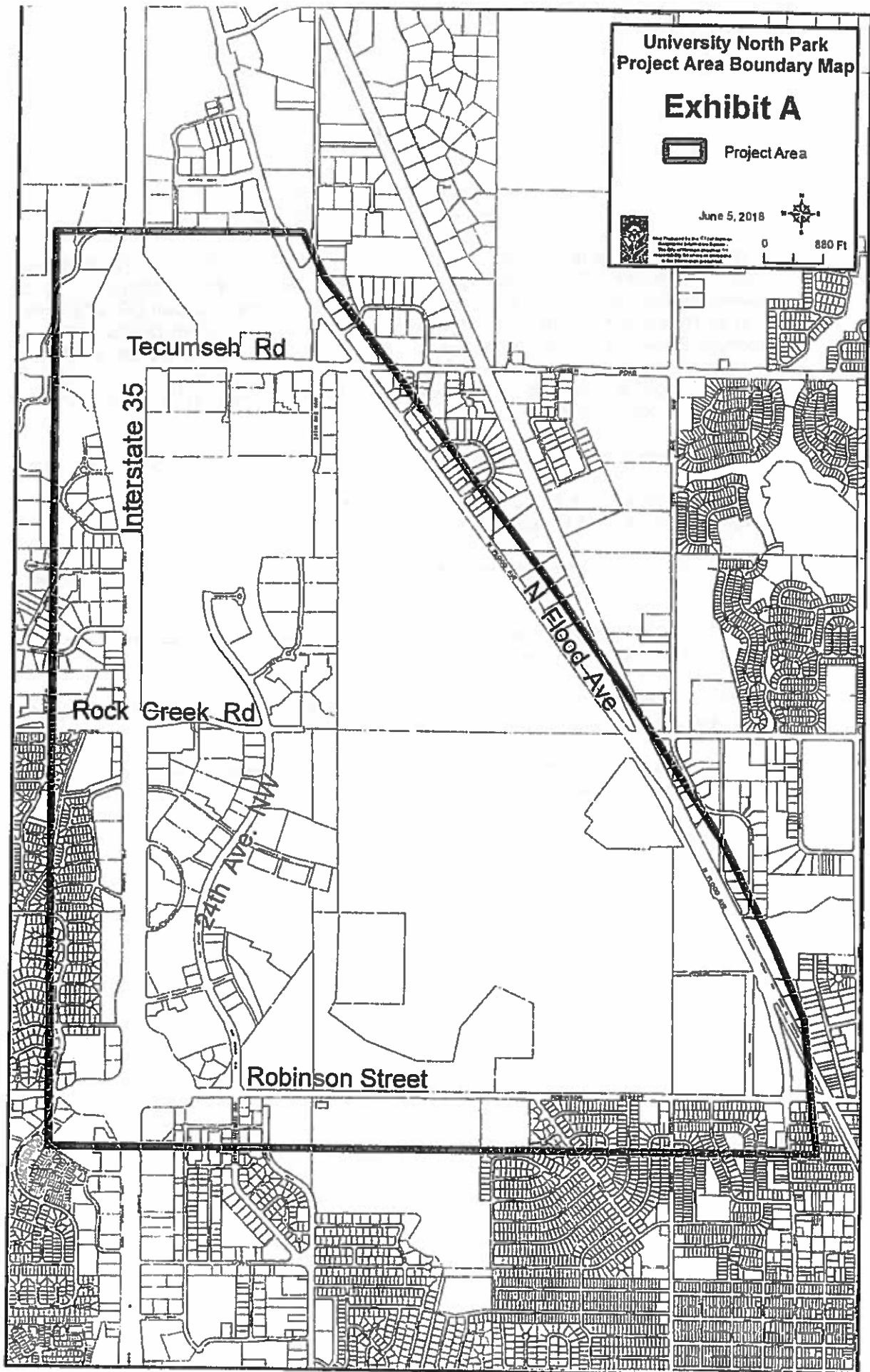
B. Public Revenue Estimated to Accrue from the Project and Increment District No. 2, Increment District No. 4, and Increment District No. 5. Public revenue is estimated to range from \$10 million annually in the near term to more than \$30 million annually over the period of Project implementation. Incremental revenues anticipated to result from the Project total over \$475 million.

### **XIII. MISCELLANEOUS PROVISIONS**

Approval of an amended planned unit development allowing retail development on the property north of Rock Creek Road is necessary for implementation of the Project north of Rock Creek Road. Approval of this Amended Project Plan shall constitute approval of the proposed "Updated Master Plan for University North Park dated March 19, 2018, prepared by CallisonRTKL," subject to any modifications approved in applicable development agreements. In the balance of the Project Area, the City may approve appropriate zoning modifications and additional specific planned unit developments to support the economic development objectives. Subject to approval of the amended planned unit development, this Amended Project Plan complies with the objectives and priorities of the Comprehensive Plan of the City of Norman, as amended.

Existing zoning and uses of real property in the Increment Districts are shown on the map attached as Exhibit G. The condition of the real property in the Increment Districts are shown on the map attached as Exhibit H. The proposed improvements to and proposed uses of the real property in the Increment Districts are shown on Exhibit I.





## **EXHIBIT B**

### **University North Park Project Area Legal Description**

A tract of land lying in the Sections Eleven (11), Twelve (12), Thirteen (13), Fourteen (14), Twenty-three (23), Twenty-four (24), Twenty-five (25), and Twenty-six (26) of Township Nine (9) North, Range Three (3) West and Sections Nineteen (19) and Thirty (30) of Township Nine (9) North, Range Two (2) West of the Indian Meridian, City of Norman, Cleveland County, Oklahoma and being more particularly described as follows:

COMMENCING at the Southwest Corner of said Section Eleven (11) of Township Nine (9) North, Range Three (3) West;

THENCE Easterly with the south line of said Section Eleven (11) a distance of 1440 feet;

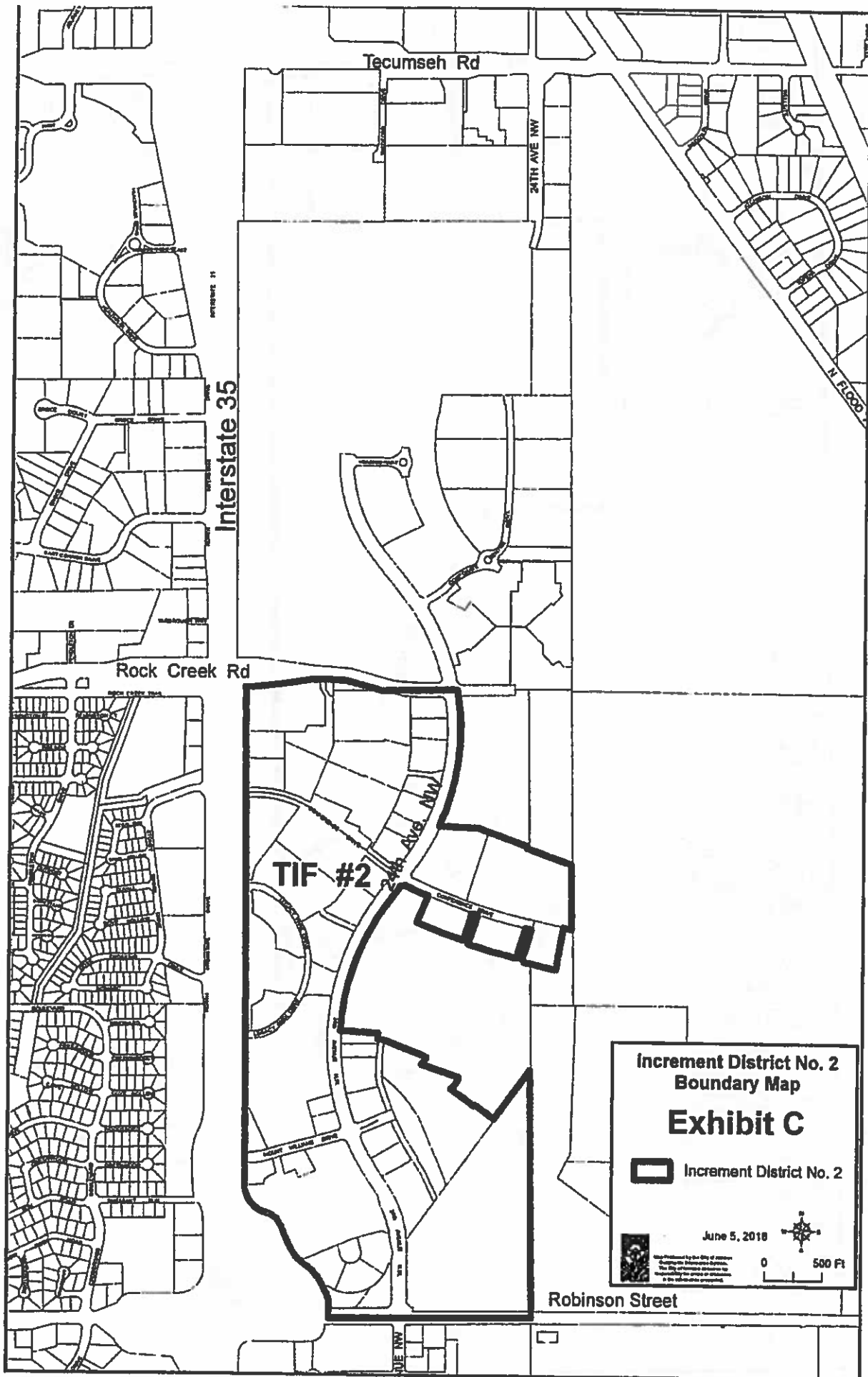
THENCE Northerly parallel to the west line of said section Eleven (11) a distance of 1980 feet to the POINT OF BEGINNING;

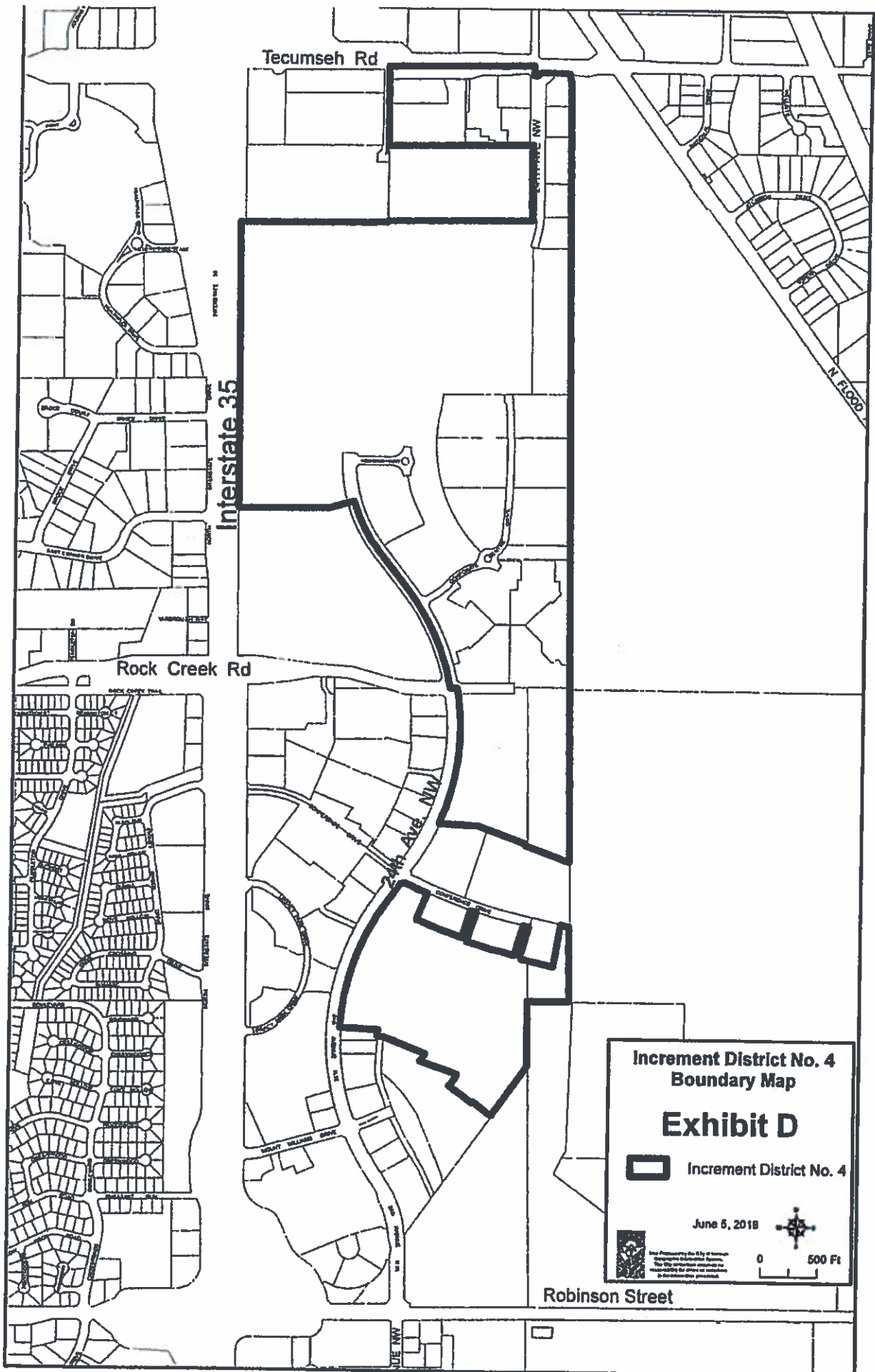
THENCE Easterly parallel to the south line of said section Eleven (11) to a point 360 feet east of US Highway 77;

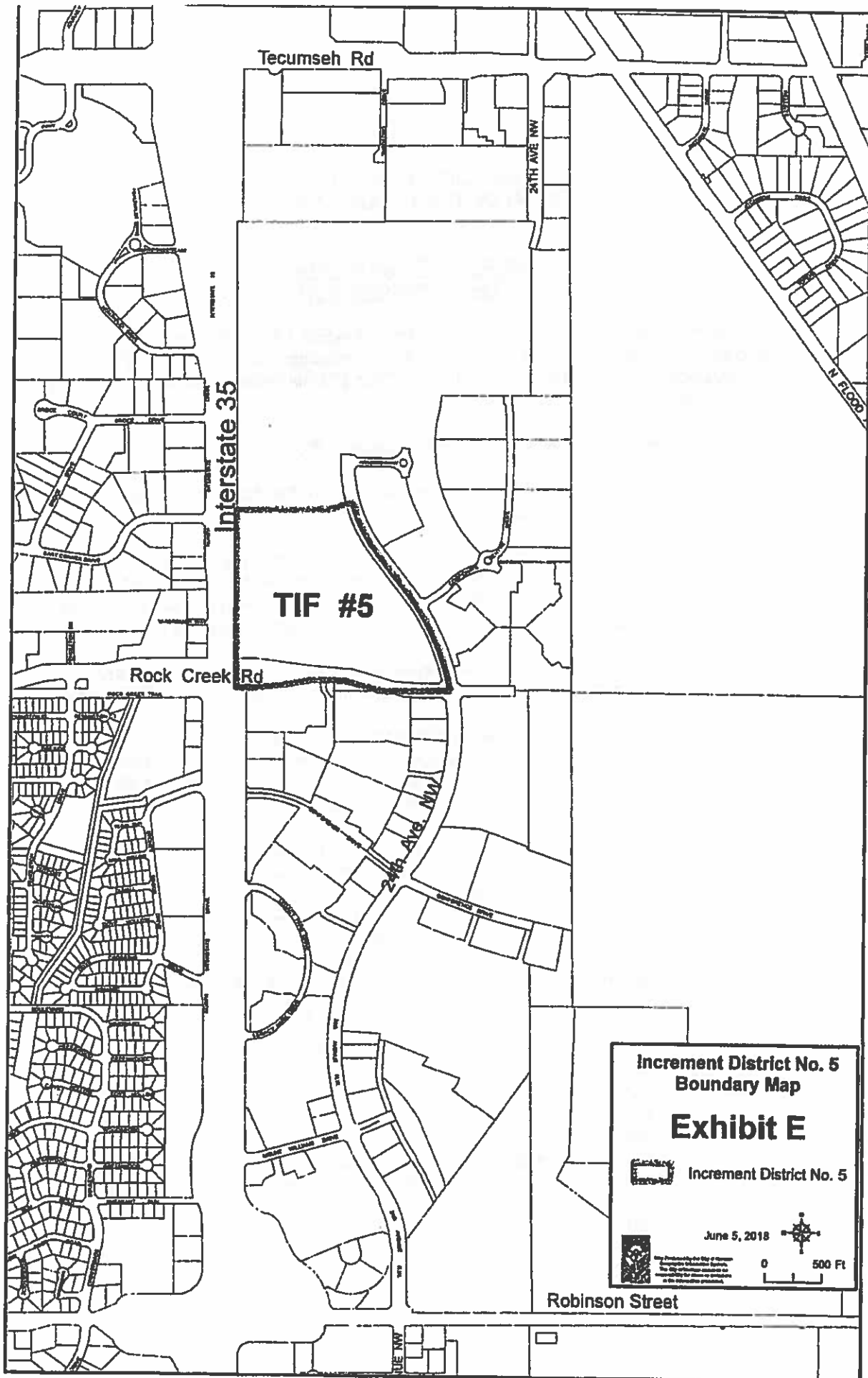
THENCE Southeasterly parallel to the centerline of US Highway 77 and 360 feet east to a point 800 feet south of Robinson Street;

THENCE Westerly parallel to the centerline of Robinson Street and 800 feet south to a point 1440 feet east of 36<sup>th</sup> Avenue Northwest;

THENCE Northerly parallel to the centerline 36<sup>th</sup> Avenue Northwest and 1440 feet east to the POINT OF BEGINNING.







## EXHIBIT F

### UNIVERSITY NORTH PARK INCREMENT DISTRICTS LEGAL DESCRIPTIONS

#### INCREMENT DISTRICT NO. 2 LEGAL DESCRIPTION

A tract of land lying in the Southeast Quarter of Section 13, the West Half of Section 23 and the Northwest Quarter of Section 24, all in Township 9 North, Range 3 West of the Indian Meridian, City of Norman, Cleveland County, Oklahoma, Oklahoma, and being more particularly described as follows:

BEGINNING at the southeast corner of said Section 23;

THENCE South 89°24'39" West, along the south line of the Southeast Quarter of said Section 23, a distance of 1,712.65 feet;

THENCE North 00°35'21" West a distance of 109.94 feet to a point on the easterly right-of-way line of the Interstate Highway 35 access ramp and frontage road as established by the plat of UNIVERSITY NORTH PARK SECTION I, according to the plat thereof recorded in Book 21 of Plats, Page 7, Cleveland County records;

THENCE northerly, along said easterly right-of-way line for the access ramp and frontage road, as established by numerous plats, the following thirteen (13) courses:

1. North 04°17'48" West a distance of 11.24 feet,
2. Northerly along a non-tangent curve to the left having a radius of 205.00 feet (said curve subtended by a chord which bears North 14°06'53" West a distance of 97.50 feet) for an arc distance of 98.44 feet,
3. North 27°52'17" West a distance of 94.87 feet,
4. Northwesternly along a curve to the left having a radius of 386.00 feet (said curve subtended by a chord which bears North 40°45'34" West a distance of 172.19 feet) for an arc distance of 173.65 feet,
5. North 53°38'51" West a distance of 79.25 feet,
6. Northwesternly along a curve to the right having a radius of 260.09 feet (said curve subtended by a chord which bears North 40°57'14" West a distance of 114.30 feet) for an arc distance of 115.24 feet,
7. North 28°15'40" West a distance of 93.89 feet,
8. North 22°54'33" West a distance of 105.21 feet,
9. North 25°20'08" West a distance of 42.79 feet,
10. Northwesternly along a curve to the left having a radius of 183.00 feet (said curve subtended by a chord which bears North 50°45'45" West a distance of 157.15 feet) for an arc distance of 162.43 feet,
11. Northwesternly along a curve to the right having a radius of 245.00 feet (said curve being subtended by a chord which bears North 38°16'25" West a distance of 301.11 feet) for an arc distance of 324.26 feet,
12. North 00°21'28" West a distance of 4,166.76 feet to a point on the common line between Sections 23 and 14,

13. continuing North 00°21'28" West a distance of 35.36 feet to a point on the south right-of-way line of Rock Creek Road, said point also being the northwest corner of Block 1, UNIVERSITY NORTH PARK SECTION XII, a Planned Unit Development to the City of Norman, according to the plat thereof recorded in Book 23 of Plats, Page 168, Cleveland County records;

THENCE easterly, along the northerly lines of said plat, said lines also being the southerly right-of-way line of Rock Creek Road, the following six (6) courses:

1. South 89°44'04" East a distance of 68.16 feet,
2. North 83°21'04" East a distance of 301.65 feet,
3. North 79°42'20" East a distance of 203.04 feet,
4. North 89°37'55" East a distance of 177.79 feet,
5. South 85°59'30" East a distance of 114.46 feet,
6. South 75°36'28" East a distance of 326.08 feet to the most easterly corner of said plat of UNIVERSITY NORTH PARK SECTION XII, said point also being on the north line of Northeast Quarter of said Section 23;

THENCE North 89°06'20" East, along said north line of the Northeast Quarter, a distance of 634.71 feet to a point on the easterly right-of-way line of 24<sup>th</sup> Avenue N.W. as established by the plat of UNIVERSITY NORTH PARK SECTION VI, according to the plat thereof recorded in Book 22 of Plats, Page 4;

THENCE southerly, along said easterly right-of-way line, on a non-tangent curve to the right having a radius of 1,965.41 feet (said curve subtended by a chord which bears South 07°04'49" West a distance of 1,158.56 feet) for an arc distance of 1,176.02 feet to the northwest corner of Block 1, UNIVERSITY NORTH PARK SECTION II, according to the plat thereof recorded in Book 21 of Plats, Page 131;

THENCE easterly, along the northerly line of said plat of UNIVERSITY NORTH PARK SECTION II, the following four (4) courses:

1. South 87°22'15" East a distance of 333.87 feet,
2. South 70°25'58" East a distance of 436.14 feet,
3. Southerly along a non-tangent curve to the right having a radius of 300.00 feet (said curve subtended by a chord which bears South 07°49'15" West a distance of 19.41 feet) for an arc distance of 19.41 feet,
4. South 70°25'58" East a distance of 401.10 feet to the northeast corner of said plat;

THENCE South 00°38'00" East, along the east line of said plat, a distance of 549.96 feet to the southeast corner of said plat;

THENCE North 77°11'34" West, along the southerly line of said plat, a distance of 73.79 feet to the northeast corner of the plat of UNIVERSITY NORTH PARK SECTION XV, according to the plat thereof recorded in Book 24 of Plats, Page 154;

THENCE southwesterly, northwesterly, northeasterly and westerly, along the lines of said plat, the following five (5) courses:

1. South 09°38'58" West a distance of 360.55 feet,
2. North 77°11'34" West a distance of 276.98 feet,
3. North 30°09'46" West a distance of 27.26 feet,
4. North 16°52'02" East a distance of 260.70 feet to a point on the southerly right-of-way line of Conference Drive,
5. North 77°11'34" West, along said right-of-way line, a distance of 50.13 feet to the northeast corner of Lot 1, Block 1, UNIVERSITY NORTH PARK SECTION XIII, according to the plat thereof recorded in Book 23 of Plats, Page 146, Cleveland County records;

THENCE southwesterly, northwesterly and northeasterly, along the lines of said plat of UNIVERSITY NORTH PARK SECTION XIII, the following three (3) courses:

1. South 16°52'02" West a distance of 262.30 feet to the southeast corner of said plat,
2. Westerly along a non-tangent curve to the right having a radius of 4,951.96 feet (said curve subtended by a chord which bears North 74°40'49" West a distance of 426.66 feet) for an arc distance of 426.79 feet,
3. North 18°22'03" East a distance of 258.68 feet to a point on the southerly right-of-way line of Conference Drive as established by the above referenced UNIVERSITY NORTH PARK SECTION II;

THENCE westerly, along said southerly right-of-way line, on a non-tangent curve to the right having a radius of 4,693.29 feet (said curve subtended by a chord which bears North 71°56'16" West a distance of 50.00 feet) for an arc distance of 50.00 feet to the northeast corner of the plat of UNIVERSITY NORTH PARK SECTION VII, according to the plat thereof recorded in Book 22 of Plats, Page 211, Cleveland County records;

THENCE southwesterly, northwesterly and northeasterly, along the lines of said plat, the following three (3) courses:

1. South 18°22'03" West a distance of 240.00 feet,
2. Westerly along a non-tangent curve to the right having a radius of 4,933.29 feet (said curve subtended by a chord which bears North 69°11'49" West a distance of 419.28 feet) for an arc distance of 419.40 feet,
3. North 23°14'18" East a distance of 240.00 feet to the northwest corner of said plat, said point being on the southerly right-of-way line of Conference Drive as established by the above referenced plat of UNIVERSITY NORTH PARK SECTION II;

THENCE northwesterly, along said southerly right-of-way line, the following two (2) courses:

1. Northwesterly on a non-tangent curve to the right having a radius of 4,693.29 feet (said curve subtended by a chord which bears North 65°26'36" West a distance of 215.98 feet) for an arc distance of 216.00 feet,
2. South 76°14'55" West a distance of 38.42 feet to a point on the easterly



right-of-way line of 24<sup>th</sup> Avenue N.W. as established by the above referenced plat of UNIVERSITY NORTH PARK SECTION VI;

THENCE southerly, along said easterly right-of-way line of 24<sup>th</sup> Avenue N.W., the following two (2) courses:

1. South 36°28'10" West a distance of 211.60 feet,
2. Southerly along a curve to the left having a radius of 1,942.19 feet (said curve subtended by a chord which bears South 19°43'12" West a distance of 1,119.44 feet) for an arc distance of 1,135.54 feet to the northwest corner of Lot 2D of the SHORT FORM PLAT of Lots 2C and 2D, said SHORT FORM PLAT recorded in Book 5092, Page 1363, Cleveland County records;

THENCE easterly and southerly, with the line of said Lot 2D, the following two (2) courses:

1. South 86°55'02" East a distance of 324.87 feet,
2. Southerly along a non-tangent curve to the left having a radius of 2,126.91 feet (said curve subtended by a chord which bears South 07°35'37" West a distance of 52.39 feet) for an arc distance of 52.39 feet to the northwest corner of the plat of UNIVERSITY NORTH PARK SECTION VIII, according to the plat thereof recorded in Book 23 of Plats, Page 70, Cleveland County records;

THENCE southeasterly, along the lines of said plat, the following nine (9) courses:

1. South 83°06'44" East a distance of 50.00 feet,
2. South 69°13'41" East a distance of 392.54 feet,
3. Southwesterly along a non-tangent curve to the right having a radius of 440.00 feet (said curve subtended by a chord which bears South 33°43'42" West a distance of 73.60 feet) for an arc distance of 73.68 feet,
4. South 70°26'24" East a distance of 331.57 feet,
5. South 19°33'36" West a distance of 19.83 feet,
6. Southwesterly along a non-tangent curve to the right having a radius of 182.08 feet (said curve subtended by a chord which bears South 36°07'02" West a distance of 98.58 feet) for an arc distance of 99.83 feet,
7. South 54°04'20" East a distance of 243.68 feet,
8. North 35°55'40" East a distance of 14.41 feet,
9. South 54°04'20" East a distance of 200.56 feet to the northeast corner of said plat;

THENCE North 35°55'40" East a distance of 513.41 feet to a point on the east line of the Southeast Quarter of said Section 23;

THENCE South 00°35'48" East, along said east line, a distance of 2,089.33 feet to the POINT OF BEGINNING.

Said tract of land containing 10,165,917 square feet or 233.3773 acres more or less.

INCREMENT DISTRICT NO. 4  
LEGAL DESCRIPTION

PART 1 – NORTH PARCEL:

A tract of land lying in the West Half of Section 13, the East Half of Section 14, the Northeast Quarter of Section 23 and the Northwest Quarter of Section 24, all in Township 9 North, Range 3 West of the Indian Meridian, City of Norman, Cleveland County, Oklahoma, and including within its bounds the lands included within the plats of

UNIVERSITY NORTH PARK PROFESSIONAL CENTER, recorded in Book 24 of Plats, Page 80;  
UNIVERSITY NORTH PARK SECTION XIV, recorded in Book 24 of Plats, Page 83; UNIVERSITY NORTH PARK CORPORATE CENTRE ADDITION SECTION 1, recorded in Book 24 of Plats, Page 15;  
UNIVERSITY NORTH PARK CORPORATE CENTRE ADDITION SECTION 2, recorded in Book 23 of Plats, Page 179;  
SHOPS AT TECUMSEH, recorded in Book 24, Page 213;  
SHOPS AT TECUMSEH CROSSING SECTION 1, recorded in Book 24, Page 226;  
SHOPS AT TECUMSEH CROSSING SECTION 2, recorded in Book 24, Page 229;

said tract of land being more particularly described as follows:

BEGINNING at the northwest corner of said Section 13, said point also being the northeast corner of said Section 14;

THENCE South 00°16'07" East, along the common line between said Sections 13 and 14, a distance of 85.00 feet to a point on the southerly right-of-way line of Tecumseh Road as established by that certain HIGHWAY EASEMENT recorded in Book 2475, Page 439, said point also being the POINT OF BEGINNING of the herein described parcel;

THENCE easterly, along said right-of-way, the following four (4) courses:

1. South 89°49'14" East a distance of 33.00 feet,
2. North 44°57'58" East a distance of 35.22 feet,
3. South 89°49'14" East a distance of 189.54 feet,
4. South 83°18'03" East a distance of 58.87 feet;

THENCE South 09°09'51" East a distance of 99.71 feet;

THENCE South 00°38'00" East a distance of 5,105.12 feet to a point on the south line of the Southwest Quarter of said Section 13;

THENCE continuing South 00°38'00" East a distance of 1,473.32 feet to the northeast corner of the plat of UNIVERSITY NORTH PARK SECTION II, according to the plat thereof recorded in Book 21 of Plats, Page 131;

THENCE westerly, along the northerly lines of said plat, the following four (4) courses:

1. North 70°25'58" West a distance of 401.10 feet,
2. Northerly along a non-tangent curve to the left having a radius of 300.00 feet (said curve subtended by a chord which bears North 07°49'15" East a distance of 19.41 feet) for an arc distance of 19.41 feet,
3. North 70°25'58" West a distance of 436.14 feet,
4. North 87°22'15" West a distance of 333.87 feet to a point on the easterly right of way line of 24<sup>th</sup> Avenue N.W. as established by the plat of UNIVERSITY NORTH PARK SECTION VI, according to the plat thereof recorded in Book 22 of Plats, Page 4;

THENCE northerly, along said easterly right-of-way line, on a non-tangent curve to the left having a radius of 1,965.41 feet (said curve subtended by a chord which bears North 07°04'49" East a distance of 1,158.56 feet) for an arc distance of 1,176.02 feet to a point on the north line of the Northeast Quarter of said Section 23;

THENCE South 89°06'20" West, along said north line, a distance of 60.80 feet to a point on the centerline of 24<sup>th</sup> Avenue N.W.;

THENCE northwesterly, along said centerline of 24<sup>th</sup> Avenue N.W., the following three (3) courses:

1. Northerly on a non-tangent curve to the left having a radius of 1,905.41 feet (said curve subtended by a chord which bears North 24°23'10" West a distance of 924.06 feet) for an arc distance of 933.37 feet to a point of tangency,
2. North 38°25'09" West a distance of 400.00 feet to a point of curvature,
3. Northwesterly on a curve to the right having a radius of 1,225.41 feet (said curve subtended by a chord which bears North 27°16'01" West a distance of 474.03 feet) for an arc distance of 477.04 feet;

THENCE South 74°27'51" West a distance of 219.54 feet;

THENCE South 89°33'56" West a distance of 779.84 feet to a point on the easterly right-of-way line of Interstate Highway 35 as established by that certain DEDICATION DEED PUBLIC HIGHWAY recorded in Book 243, Page 188;

THENCE North 00°21'28" West, along said easterly right-of-way line as established by said DEDICATION DEED PUBLIC HIGHWAY, a distance of 2,416.94 feet;

THENCE North 89°16'02" East, along the southerly line of the premises described in that certain Cleveland County District Court Case No. CJ-99-1510 BH, recorded in Book RB 3111, Page 680, and said line extended, a distance of 1,262.33 feet to the southeast corner of said premises

THENCE North 00°16'09" West a distance of 8.20 feet to a point, said point being 1,311.35 feet South 00°16'09" East of the north line of the Northeast Quarter of said Section 14;

THENCE North 89°15'36" East a distance of 1,240.62 feet to a point on the east line of the said Northeast Quarter of said Section 14;

THENCE North 00°16'07" West, along the east line of said Section 14, a distance of 639.19 feet, said point being 672.31 feet South 00°16'07" East of the northeast corner of said Section 14;

THENCE South 89°15'45" West a distance of 1,240.63 feet;

THENCE North 00°16'09" West a distance of 672.11 feet to a point on the north line of the Northeast Quarter of said Section 14;

THENCE North 89°15'12" East, along said north line, a distance of 1,240.64 feet to the POINT OF BEGINNING.

Said tract of land containing 11,486,359 square feet or 263.6904 acres more or less.

#### PART 2 – SOUTH PARCEL:

A tract of land lying in the East Half of Section 23 and the Northwest Quarter of Section 24, Township 9 North, Range 3 West of the Indian Meridian, City of Norman, Cleveland County, Oklahoma, and being more particularly described as follows:

COMMENCING at the Southeast corner of the Southeast Quarter of said Section 23, Township 9 North, Range 3 West of the Indian Meridian;

THENCE South 89°24'39" West, along the south line of said Southeast Quarter, a distance of 1004.88 feet to the intersection of the easterly right-of-way line of 24<sup>th</sup> Avenue N.W. with the south line of said Southeast Quarter;

THENCE Northerly with the easterly right-of-way line of 24<sup>th</sup> Avenue N.W., as established in part by the plats of UNIVERSITY NORTH PARK SECTION I, according to the plat thereof recorded in Book 21 of Plats, Page 7, THE REPLAT OF UNIVERSITY NORTH PARK SECTION IV, according to the plat thereof recorded in Book 22 of Plats, Page 82, and UNIVERSITY NORTH PARK SECTION II, according to the plat thereof recorded in Book 21 of Plats, Page 131, the following nine (9) courses:

1. North 00°35'21" West a distance of 85.00 feet,
2. South 89°24'39" West a distance of 15.00 feet,
3. North 45°35'21" West a distance of 49.50 feet,
4. North 00°35'21" West a distance of 476.46 feet to a point of curvature,
5. Northerly along a curve to the left having a radius of 920.21 feet (said curve subtended by a chord which bears North 16°50'47" West a distance of 515.23 feet) for an arc distance of 522.21 feet to a point of tangent,
6. North 33°06'14" West a distance of 200.00 feet,
7. Northerly along a curve to the right having a radius of 1,942.19 feet (said curve subtended by a chord which bears North 15°04'00" West a distance of 1,202.73 feet) for an arc distance of 1,222.83 feet the northwest corner of Lot 2D of the SHORT FORM PLAT of Lots 2C and 2D, said SHORT FORM PLAT recorded in Book 5092, Page 1363, Cleveland County records, and the POINT OF BEGINNING;
8. Continuing Northerly along a curve to the right having a radius of

- 1,942.19 feet (said curve subtended by a chord which bears North 19°43'12" East a distance of 1,119.44 feet) for an arc distance of 1,135.54 feet,
9. North 36°28'10" East a distance of 211.60 feet to the intersection of the easterly right-of-way line for 24<sup>th</sup> Avenue N.W. and the southerly right-of-way line of Conference Drive as established by the said plat of UNIVERSITY NORTH PARK SECTION II,

THENCE Easterly with the southerly right-of-way line of Conference Drive the following two (2) courses:

1. North 76°14'55" East a distance of 38.42 feet,
2. Southeasterly along a non-tangent curve to the left having a radius of 4,693.29 feet (said curve subtended by a chord which bears South 65°26'35" East a distance of 215.98 feet) for an arc distance of 216.00 feet to the northwest corner of the plat of UNIVERSITY NORTH PARK SECTION VII, according to the plat thereof recorded in Book 22 of Plats, Page 211, Cleveland County records;

THENCE southwesterly, southeasterly and northeasterly, along the lines of said plat the following three courses:

1. South 23°14'18" West a distance of 240.00 feet to the southwest corner of said plat,
2. Easterly along a non-tangent curve to the left having a radius of 4,933.29 feet (said curve subtended by a chord which bears South 69°11'50" East a distance of 419.28 feet) for an arc distance of 419.40 feet to the southeast corner of said plat,
3. North 18°22'03" East a distance of 240.00 feet to the northeast corner of said plat and on the southerly line of Conference Drive as established by the said plat of UNIVERSITY NORTH PARK SECTION II;

THENCE easterly, along said southerly right-of-way line of Conference Drive, on a non-tangent curve to the left having a radius of 4,693.29 feet (said curve subtended by a chord which bears South 71°56'16" East a distance of 50.00 feet) for an arc distance of 50.00 feet to the northwest corner of the plat of UNIVERSITY NORTH PARK SECTION XIII, according to the plat thereof recorded in Book 23 of Plats, Page 146, Cleveland County records;

THENCE Southwesterly, southeasterly and northeasterly, with the lines of said plat, the following four (4) courses:

1. South 18°22'03" West a distance of 258.68 feet to the southwest corner of said plat,
2. Easterly along a non-tangent curve to the left having a radius of 4,951.96 feet (said curve subtended by a chord which bears South 74°40'48" East a distance of 426.66 feet) for an arc distance of 426.79 feet, to the southeast corner of said plat,
3. North 16°52'02" East a distance of 262.30 feet to the northeast corner of Lot 1, Block 1 of said plat, said point also being on the southerly right-of-way line of Conference Drive as established by the plat of UNIVERSITY

NORTH PARK SECTION XV, according to the plat thereof recorded in  
Book 24 of Plats, Page 154;

THENCE easterly southwesterly, southeasterly and northeasterly with the lines of said  
plat the following five (5) courses:

1. South 77°11'34" East a distance of 50.13 feet,
2. South 16°52'02" West a distance of 260.70 feet,
3. South 30°09'46" East a distance of 27.26 feet,
4. South 77°11'34" East a distance of 276.98 feet,
5. North 09°38'58" East a distance of 360.55 feet to the northeast corner of  
said plat, said point also being on the south line of Lot 2, Block 1 of the  
above referenced UNIVERSITY NORTH PARK SECTION II;

THENCE South 77°11'34" East, along the south line of said plat of UNIVERSITY  
NORTH PARK SECTION II, a distance of 73.79 feet to the southeast corner of said  
plat;

THENCE South 00°38'00" East a distance of 635.27 feet to a point on the south line of  
the Northwest Quarter of said Section 24;

THENCE South 89°53'39" West, along said south line, a distance of 355.58 feet to the  
southwest corner of said Northwest Quarter of Section 24, said point also being the  
northeast corner of the Southeast Quarter of said Section 23;

THENCE South 00°35'48" East, along the east line of said Southeast Quarter of  
Section 23, a distance of 555.00 feet;

THENCE South 35°55'40" West a distance of 513.41 feet to the northeast corner of the  
plat of UNIVERSITY NORTH PARK SECTION VIII, according to the plat thereof  
recorded in Book 23 of Plats, Page 70, Cleveland County records;

THENCE Northwesternly, along the lines of said plat, the following nine (9) courses:

1. North 54°04'20" West a distance of 200.56 feet,
2. South 35°55'40" West a distance of 14.41 feet,
3. North 54°04'20" West a distance of 243.68 feet,
4. Northeasterly along a non-tangent curve to the left having a radius of  
182.08 feet (said curve subtended by a chord which bears North  
36°07'02" East a distance of 98.58 feet) for an arc distance of 99.83  
feet,
5. North 19°33'36" East a distance of 19.83 feet,
6. North 70°26'24" West a distance of 331.57 feet,
7. Northeasterly along a non-tangent curve to the left having a radius of  
440.00 feet (said curve subtended by a chord which bears North  
33°43'42" East a distance of 73.60 feet) for an arc distance of 73.68  
feet,
8. North 69°13'41" West a distance of 392.54 feet,
9. North 83°06'44" West a distance of 50.00 feet to the northwest corner of  
said plat, said point being on the east line of the above referenced Lot  
2D of the SHORT FORM PLAT of LOTS 2C and 2D;

THENCE northerly and westerly, with the lines of said Lot 2D, the following two courses:

1. Northerly along a non-tangent curve to the right having a radius of 2,126.91 feet (said curve subtended by a chord which bears North 07°35'36" East a distance of 52.39 feet) for an arc distance of 52.39 feet to the northeast corner of said Lot 2D,
2. North 86°55'02" West a distance of 324.87 feet to the POINT OF BEGINNING.

Said tract of land containing 1,978,164 square feet or 45.4124 acres more or less.

INCREMENT DISTRICT NO. 5  
LEGAL DESCRIPTION

A tract of land lying in the Southeast Quarter of Section 14, Township 9 North, Range 3 West of the Indian Meridian, City of Norman, Cleveland County, Oklahoma, and being more particularly described as follows:

COMMENCING at northeast corner of said Section 14, said point also being the northwest corner of Section 13, Township 9 North, Range 3 West of the Indian Meridian;

THENCE South 00°16'07" East, along the common line between said Sections 14 and 13, a distance of 85.00 feet to a point on the southerly right-of-way line of Tecumseh Road as established by that certain HIGHWAY EASEMENT recorded in Book 2475, Page 439;

THENCE easterly, along said right-of-way, the following four (4) courses:

1. South 89°49'14" East a distance of 33.00 feet,
2. North 44°57'58" East a distance of 35.22 feet,
3. South 89°49'14" East a distance of 189.54 feet,
4. South 83°18'03" East a distance of 58.87 feet;

THENCE South 09°09'51" East a distance of 99.71 feet;

THENCE South 00°38'00" East a distance of 5,105.12 feet to a point on the south line of the Southwest Quarter of said Section 13;

THENCE North 89°51'09" West, along said south line, a distance of 353.90 feet to the southwest corner of said Section 13, said point also being the southeast corner of said Section 14;

THENCE South 89°06'20" West, along the south line of the Southeast Quarter of said Section 14, a distance of 667.66 feet to a point on the centerline of 24<sup>th</sup> Avenue N.W., said point being the POINT OF BEGINNING of the herein described parcel;

THENCE continuing South 89°06'20" West, along the said south line of the Southeast Quarter, a distance of 573.90 feet to the most easterly corner of the plat of

UNIVERSITY NORTH PARK SECTION XII, a Planned Unit Development to the City of Norman, according to the plat thereof recorded in Book 23 of Plats, Page 168, Cleveland County records;

THENCE westerly, along the north line of said plat, said lines also being the southerly right-of-way line for Rock Creek Road, the following six (6) courses:

1. North 75°36'28" West a distance of 326.08 feet,
2. North 85°59'30" West a distance of 114.46 feet,
3. South 89°37'55" West a distance of 177.79 feet,
4. South 79°42'20" West a distance of 203.04 feet,
5. South 83°21'04" West a distance of 301.65 feet,
6. North 89°44'04" West a distance of 148.16 feet to a point on the easterly right-of-way line of Interstate Highway 35 as established by that certain PUBLIC HIGHWAY DEDICATION DEED recorded in Book 243, Page 110;

THENCE North 00°21'28" West, along said easterly right-of-way line as established by said PUBLIC HIGHWAY DEDICATION DEED and the DEDICATION DEED PUBLIC HIGHWAY recorded in Book 242, Page 188, a distance of 1,503.27 feet;

THENCE North 89°33'56" East a distance of 779.84 feet;

THENCE North 74°27'51" East a distance of 219.54 feet to a point in the centerline of 24<sup>th</sup> Avenue N.W.;

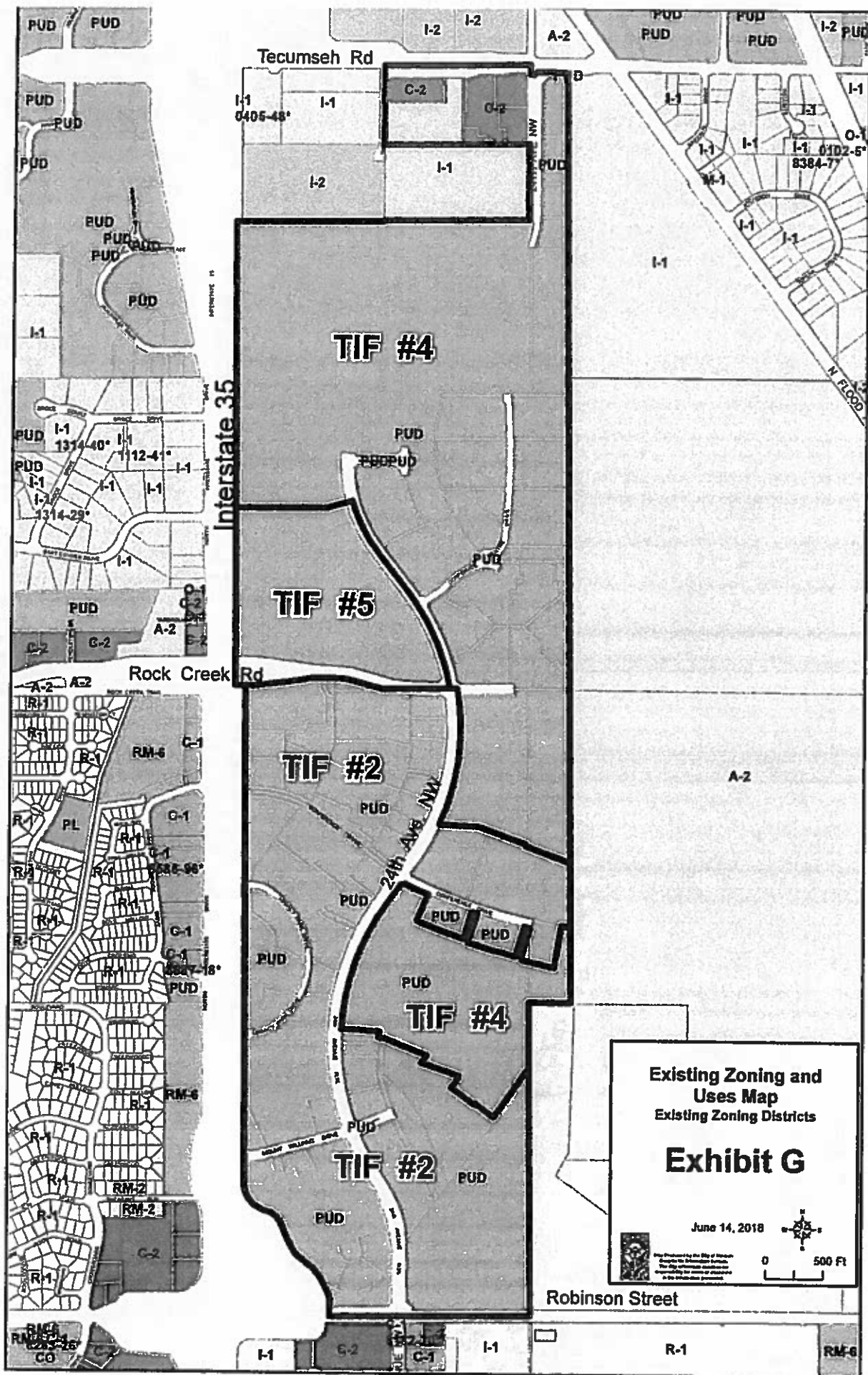
THENCE southeasterly, along said centerline, the following three (3) courses:

1. Southeasterly on a non-tangent curve to the left having a radius of 1,225.41 feet (said curve subtended by a chord which bears South 27°16'01" East a distance of 474.03 feet) for an arc distance of 477.04 feet,
2. South 38°25'09" East a distance of 400.00 feet,
3. Southeasterly along a non-tangent curve to the right having a radius of 1,905.41 feet (said curve subtended by a chord which bears South 24°23'10" East a distance of 924.06 feet) for an arc distance of 933.37 feet to the POINT OF BEGINNING.

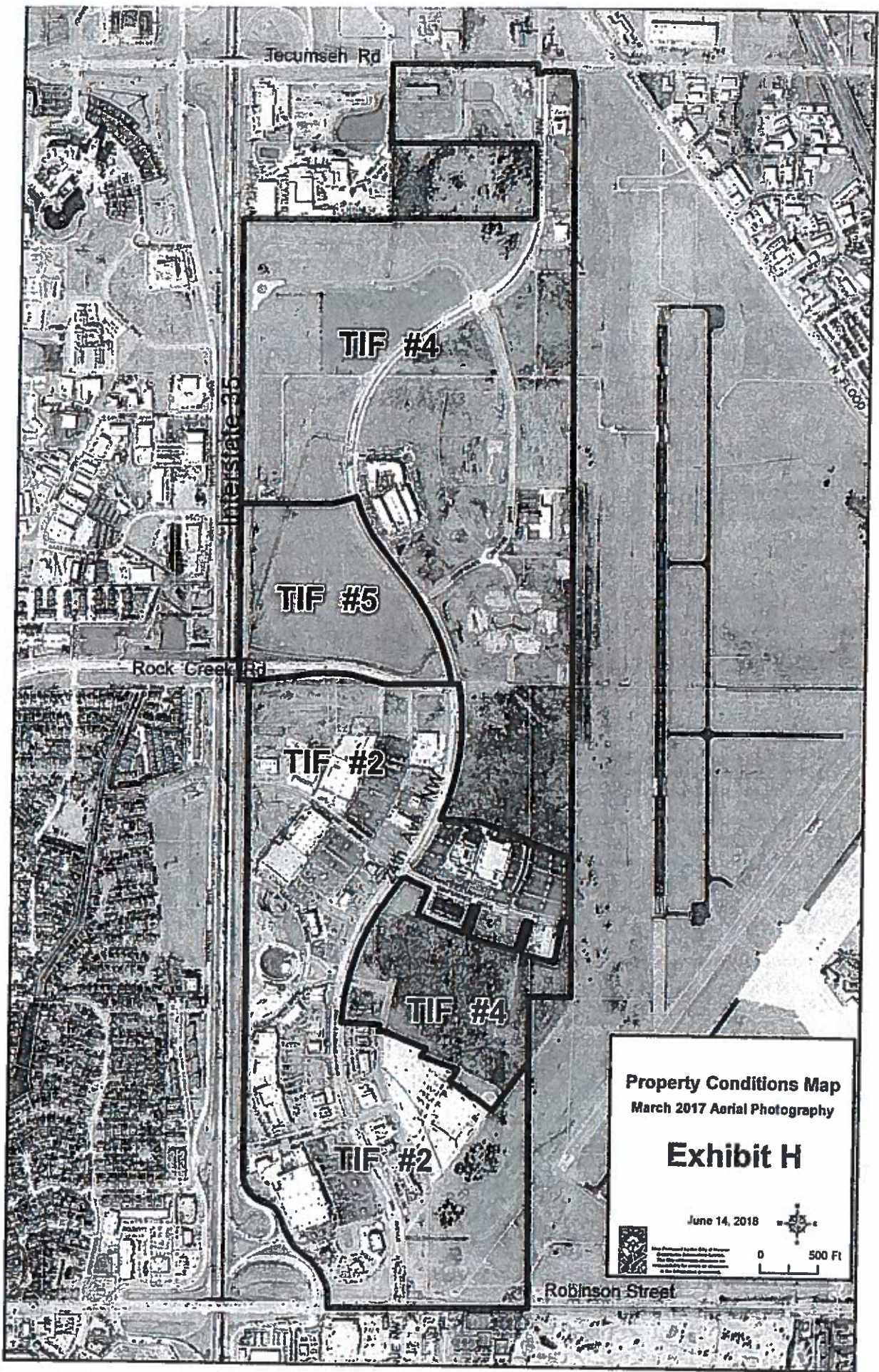
Said tract of land containing 2,183,192 square feet or 50.1192 acres more or less.

Prepared by:  
Glen W. Smith, PE, PLS  
May 26, 2018  
Modified June 6, 2018

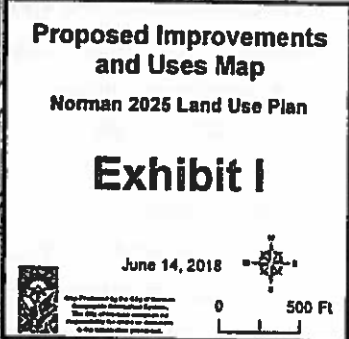













Date: June 7, 2018  
To: Council members  
From: Mayor Lynne Whier   
Subject: UNP TIF Entertainment District Proposal – Study and Decision Processes

This week I felt we had a good discussion regarding the UNP Proposal at our Study Session. We also heard information regarding why it is important that the City Council make a timely decision regarding the proposed UNP Entertainment District and development of the northern portion of UNP. One point made was that a timeline exists for when private investment dollars would potentially no longer be available for investment into our community that are now available due to the possibility of this project. I have understood that timeline extends to the end of the summer.

Last night the Planning Commission had a public meeting regarding the PUD Amendment proposing another 7% of Commercial development in the UNP which would allow the Entertainment District to be located north of Rock Creek Road and west of 24<sup>th</sup> Avenue NW. There was good public input at that meeting with points both for and against the proposal. The Planning Commission recommended approval of the the proposed PUD Amendment by a vote of 5 to 1. In the normal course of our zoning processes, the PUD Amendment will be before Council for consideration at its July 10<sup>th</sup> regular meeting.

As this is a very important issue for our community and for Council, I feel it would be helpful to us as Council members and to the community members that would like to be engaged in this discussion to have an appreciation for the various meetings and opportunities to hear and provide input on this proposal. Accordingly I am attaching a timeline in which Council, the Planning Commission, Citizens' TIF Oversight Committee, and Statutory Review Committee will be called upon to meet, discuss, and make recommendations regarding the proposal. The schedule also has time slots for Council to hear input from HVS for an independent review of the analyses related to the proposal, and from Market Street to hear their advice on how the proposal may impact the City's efforts to retain and attract an attractive employee pool that might assist us in job creation and employer recruitment.

This process of consideration culminates in the Council making a decision on the proposal this upcoming August: a time period that is acceptable to those considering investing significant sums into our community based on this project. This timeline also allows all Council members, including the two newly elected Council members, an opportunity to learn about the proposal, communicate with constituents, hear the recommendations of the Planning Commission, Citizens TIF Oversight Committee, and Statutory Review Committee, and weight the positives and negatives of the proposal prior to making a decision on this very important matter for our community. I look forward to working through this process with each of you. Please let me know if you have any questions regarding the timeline.

## UNP TIF - Entertainment District Proposal - Study & Decision Process

<u>Date</u>	<u>Body</u>	<u>Presentation</u>	<u>Action Item</u>
June 19 <sup>th</sup> Tues	City Council Study Session	Project Plan language for Council Review and Discussion	
June 26 <sup>th</sup> Tues	City Council Conference	HVS – Independent Analysis Presentation	
June 26 <sup>th</sup> Tues	City Council Regular Meeting	HVS – Independent Analysis Presentation Resolution referring Project Plan to Statutory Review Committee 1 <sup>st</sup> Reading of PUD Ordinance	Consider Resolution asking Statutory Review Committee to consider Amendments
July 10 <sup>th</sup> Tues	City Council Regular Meeting	UNP PUD Ordinance 2 <sup>nd</sup> and Final Reading of PUD Ordinance	Consider Adoption of PUD Ordinance and corresponding Master Plan for north
July 17 <sup>th</sup> Tues	City Council Study Session	Discuss recommendations of Statutory Review Committee	
July 24 <sup>th</sup> Tues	City Council Conference	Market Street - Econ Dev Master Plan	Consider Impact of UNP Master Plan on Job recruitment & retention
August 14 <sup>th</sup> Tues	City Council	1 <sup>st</sup> Reading of TIF Ordinance and 1 <sup>st</sup> Public Hearing re Project Plan	1 <sup>st</sup> Public Hearing re Project Plan
August 28 <sup>th</sup> Tues	City Council	2 <sup>nd</sup> & Final Reading of TIF Ordinance and 2 <sup>nd</sup> Public Hearing	2 <sup>nd</sup> Public Hearing re Project Plan Adopt Project Plan TIF Ordinance

June 6 <sup>th</sup> Wed	Planning Commission Special Session	PUD Ordinance Amendment – Special Session to hear presentation of RTKL Plan / CSL /	Consider Amended PUD Ordinance and corresponding Master Plan for north
July 12 <sup>th</sup> Thurs	Planning Commission Regular meeting	Consider Project Plan	Consider whether Project Plan is Consistent with Comprehensive Plan
August 9 <sup>th</sup> Thurs (if needed)	Planning Commission Regular meeting	Consider Project Plan	Consider whether Project Plan is Consistent with Comprehensive Plan
June 19 <sup>th</sup> Tues	City Citizen TIF Oversight Committee	Present updated RTKL Master Plan and PUD Ordinance review	Consider approval of Master Plan as amended
July 17 <sup>th</sup> Tues	City Citizen TIF Oversight Committee	Consider and make recommendation on Project Plan	Consider and Recommend Amendments to Project Plan
June 29 <sup>th</sup> Fri	Statutory Review Committee	Consider Project Plan, Financial Impacts Report	Consider Project Plan Amendments
July 9 <sup>th</sup> or 10 <sup>th</sup> Mon or Tues	Statutory Review Committee	Consider Project Plan, Financial Impacts Report	Consider and Approve Findings and Recommendation
July 16 <sup>th</sup> Tues (if needed)	Statutory Review Committee	Consider Project Plan, Financial Impacts Report	Consider and Approve Findings and Recommendation
July 5 <sup>th</sup> Thurs	Econ Dev Advisory Board Regular Meeting	Kimely-Horn Parking Study / UNP Proposal	Consider and make recommendations regarding Parking Study & UNP Proposal
Aug 2 <sup>nd</sup> Thurs (if needed)	Econ Dev Advisory Board Regular Meeting	Kimely-Horn Parking Study / UNP Proposal	Consider and make recommendations regarding Parking Study & UNP Proposal