

**UNIVERSITY NORTH PARK TAX INCREMENT FINANCE DISTRICT PROJECT  
STATUTORY REVIEW COMMITTEE MINUTES  
CITY OF NORMAN**

March 30, 2018, 9:00 a.m.

The University North Park Tax Increment Finance District Project, Statutory Review Committee, met in the Municipal Complex located at 201 West Gray Street on March 30, 2018, at 9:00 a.m., and notice and agenda of the meeting were duly posted at least 48 hours prior to the beginning of the meeting.

PRESENT: Mayor Lynne Miller, Neil Robinson, Darry Stacy, Dr. Nick Migliorino, Keith Reed, Jane Bowen, Lisa Wells, Chuck Thompson, Bob Thompson, Beth Sparks

STAFF PRESENT: City Manager Steve Lewis, City Attorney Jeff Bryant, Assistant City Attorney Kathryn Walker, Sarah Encinias, Emily Pomeroy

**Item 1, being:  
Call to Order**

Chair, Mayor Lynne Miller, called the meeting to order at 9:05 a.m.

**Item 2, being:  
Introduction of Members and Roll Call**

- Lynne Miller – Mayor of Norman
- Neil Robinson – Chair of the City Planning Commission
- Darry Stacy – Cleveland County Commissioner Chairman
- Dr. Nick Migliorino – Superintendent of Norman Public Schools
- Keith Reed – Cleveland County Health Department Regional Director
- Jane Bowen – Superintendent and CEO of Moore Norman Technology Center
- Lisa Wells – Executive Director of the Pioneer Library System
- Chuck Thompson – At-Large Member
- Bob Thompson – At-Large Member
- Beth Sparks – At-Large Member

Mayor Miller requested a motion for an amendment to today's agenda for the approval of the Minutes for the March 30, 2018 meeting. Members motioned and seconded with all approved and none opposed. The Minutes for the March 30, 2018 meeting were approved by unanimous vote.

**Item 3, being:  
Discussion and Possible action item regarding Council Resolution No. R-1718-98**

Mayor Lynne Miller began by briefly discussion the Council's Resolution No. R-1718-98 for the new At-Large members that were just now joining the Committee. She stated that Council's

desire in the Resolution was to utilize \$8.75 million designated for “Cultural Facilities” in the UNP Project Plan for construction of a Senior Citizens Center & Cultural Facility on property the City hoped to lease from OU east of the YMCA on north base. She also spoke of the UNP TIF Oversight Committee, whose purpose as outlined by the UNP TIF Project Plan, is to review TIF expenditures and determine the appropriate use of incremental revenue generated within the TIF. The Oversight Committee held a regular meeting last week and discussed their recommendation that the \$8.75 million specified in the Project Plan for cultural facility uses should only be used inside the increment district to provide a direct economic boost to the taxing jurisdictions including generating sales taxes and ad valorem taxes. However, they also did not object to adding the Senior Center as a project to the paid from incremental revenues. They made the following motion as transcribed from the meeting: “The Oversight Committee for the UNP TIF recommends to add up to \$12.5 million dollars to the Amended Project Plan for an additional authorized project for construction of a Senior Citizens Center and that it be expedited through the statutory approval process”. They also understood that the actions of the UNP TIF Statutory Review Committee and City Council could supersede their recommendation.

Mayor Miller then gave the floor to Ms. Emily Pomeroy of the Center for Economic Development Law. Ms. Pomeroy gave a brief discussion with a Powerpoint regarding the definition of TIF and how it is used as a tool to fund development. It is authorized by the Oklahoma Constitution with provisions codified in the Local Development Act. TIF does not impose new taxes rather its purpose is to capture ad valorem or sales taxes that are subsequently generated by development in that area. Specific financing rules are put into a Project Plan which defines the district’s use of incremental taxes generated by new development. Once TIF is adopted, for ad valorem increment, base assessed value is set by the County Assessor and any ad valorem generated above this base generated by new development is defined as the increment. Similarly, for sales tax increment, sales taxes generated in the district prior to adoption of the TIF sets the base, and then any additional sales taxes generated above the base during the Project Plan period is defined as increment. An example of that in Norman was the Campus Corner TIF. The Project Plan can define how increment can be used, whether it’s 100% toward authorized project costs or whether a portion of the revenue stream generated by new development goes directly back to the affected taxing jurisdiction. For the UNP TIF, the Project Plan uses part of the increment toward project costs and part of the revenue stream goes back to the affected taxing jurisdictions.

There are two areas established by a TIF: an increment area and a project area. The increment area is where the increment is generated and the project area is where the generated funds may be expended. The Project Plan explains goals, projected costs, changes in zoning, ideas for development, names a person in charge of implementation and authorizes a public entity to carry out project costs. For the UNP TIF, a finance authority was established and the City has funded its authorized project costs through a series of seven (7) economic development agreements.

TIFs terminate at the end of 25 years or when all authorized project costs are paid, whichever is sooner. However a TIF can be amended prior to its termination and new project costs can be added.

The UNP TIF plan contemplates the development of just under 600 acres and calls for significant public improvements to stimulate private development, to provide funding for economic development opportunities, and investments, all with a goal of drawing people to Norman to live, work, and spend to generate sales taxes and ad valorem taxes for the community. To date, just under half of the 600 acres is built out but is already generating over \$200 million in private investments on the south side of the increment district. These improvements include Embassy Suites and its Conference Center, the Rock Creek Road overpass, over \$24 million in traffic and roadway improvements and 60 acres dedicated to create quality jobs. Legacy Park was also created along with the Business Improvement District (BID) which funds maintenance of the area.

To date, sales tax increments have paid 74% of the project costs and ad valorem taxing jurisdictions have received approximately \$10 million in the allocation of increment. Since the adoption of this TIF, the Project Plan allocates taxes generated by new development to allow increment for project costs, and to allow revenue to go back to the City and the affected taxing jurisdictions.

Statutorily, subsequent changes made to a TIF are defined as minor amendments and major amendments. Minor amendments can be approved by City Council, whereas major amendments are adopted through the same process as the original Project Plan by way of the Statutory Review Committee, the Planning Commission and two public hearings in front of City Council prior to adoption. Anything that increases the budget over 5% is defined as a major amendment, as well as anything that changes the original intent or purpose of the plan.

This Statutory Review Committee is charged with doing 3 things: speaking to eligibility, financial impacts, and submitting its approval or disapproval of recommendations to City Council.

Mr. Jeff Bryant asked members to refer to their information packet containing the 2006 Project Plan and the 2008 Amended Plan. The 2006 Project Plan specifies \$15 million for the City's to contribute to a Conference Center along a \$1.5 million contingency. The Hotel developer waived the City's contribution to the Conference City if funding were to be reallocated to the Rock Creek Overpass project. The 2008 amendment addressed not having to contribute to the Conference Center, allowed an allocation of these project costs to the Rock Creek Overpass, and then allowing the remainder, estimated at \$7.25 million plus \$1.5 million in contingency to be used as the City desired. The Project Plan was amended by Ordinance that reserved this funding allocation to cultural facility uses and states any spending of the remaining \$8.75 million requires the reconvening of the Statutory Review Committee to get its recommendation and approval. This was to ensure that the proposed action would be consistent with the plan's goals and objectives.

Mayor Miller asked members to consider if it would be appropriate for the \$8.75 million allotted for the Cultural Center to be spent in the project area and not the increment area since the original plan called for the money to be used in the increment area.

County Commissioner Darry Stacy stated he supported a Senior Citizens Center project and that he realized it has become necessary to create funding for it, however he cannot agree to the use of the \$8.75 million for this purpose. This action would remove the money from its original intended purpose of being a reinvestment opportunity to generate additional sales or ad valorem tax and would ultimately hurt any chances of getting the Senior Center fully funded. Mr. Stacy would instead like to add to the Project Plan for the proposed Senior Center. Dr. Nick Migliorino, Ms. Jane Bowen, Mr. Keith Reed and Ms. Lisa Wells agreed with Mr. Stacy.

Mr. Bob Thompson voiced his agreement with Mr. Stacy but also stated that he had concerns about not having an agreement from the University of Oklahoma (OU) to allow the facility be built on their land.

Mr. Stacy also requested additional information regarding the facility such as the building plans, cost estimates and revenue projections before making a final decision. Ms. Bowen and Mr. Neil Robinson agreed. Ms. Beth Sparks also agreed and stated that the facility would have the potential of attracting businesses offering services senior citizens need and have the bonus of being situated in close proximity but that the language in the Project Plan does not appear to allow this facility be built with the \$8.75 million. Mr. Chuck Thompson also requested financial impact projections and Mr. Bryant states that the Center for Economic Development Law and City staff are currently working on the financial outlook information and that he will make this and additional information available to members at the next meeting.

Mr. Chuck Thompson voiced concern regarding the land owned by OU that is to be used for the proposed facility. He would like to see something in writing provided by OU that shows their intent of allowing their land be used for this purpose. Mr. Bryant stated he has been in talks with OU since November of last year and that the agreement was close to being finalized and placed on the Regents agenda for this month however it was delayed due to the process of selecting their new president. Mr. Bryant anticipates that the agreement will be on their agenda in May but that in the meantime he will attempt to obtain written documentation from OU that reflects their intentions of allowing their land be used for the cultural facility. Mayor Miller also wishes to point out to members that the land agreement has indeed not been finalized and that it is still being negotiated.

**Item 4, being:  
Future Meetings Schedule**

Committee members discussed availability and agreed to hold the next meeting Friday, April 13, 2018, at 9:00 a.m. Dr. Migliorino stated he would not be available for this meeting and so appointed Ms. Brenda Burkett to serve as his substitute.

**Item 5, being:  
Other Business**

None.

**Item 6, being:**

## **Adjournment**

The meeting adjourned at 10:30 a.m.