

ECONOMIC DEVELOPMENT ADVISORY BOARD

November 1, 2018

The Economic Development Advisory Board of the City of Norman, Cleveland County, Oklahoma, met in the Municipal Building Conference Room at 201 West Gray on the 1st day of November, 2018, at 8:30 a.m. Notice and agenda of the meeting were posted at the Municipal Building 48 hours prior to the beginning of the meeting.

MEMBERS PRESENT:

Mr. Ben Graves  
Mr. Alexander Holmes  
Ms. Sue Ringus  
Mr. Chuck Thompson, Chairman

MEMBERS ABSENT:

Mr. Hossein Farzaneh  
Mr. Edd Painter  
Ms. Chris Purcell

OTHERS PRESENT:

Mr. Jeff Bryant, City Attorney  
Ms. Brenda Hall, City Clerk  
Mr. Shawn O’Leary, Director of Public Works  
Mr. Jason Smith, Director of Norman Economic  
Development Coalition  
Mr. Darry Stacy, Cleveland County Commissioner  
Ms. Kathryn Walker, Assistant City Attorney II  
Ms. Leslie Tabor, ADG, Inc.

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**Item 1. Welcome and introductions.**

Chairman Thompson welcomed everyone to the meeting.

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**Item 2. Approval of the March 15, 2018, meeting minutes.**

Member Holmes moved that the minutes be approved and the filing thereof be directed, which motion was duly seconded by Member Ringus;

Items submitted for the record

1. Norman Economic Development Board minutes of March 15, 2018

and the question being upon approval of the minutes and upon the subsequent directive, a vote was taken with the following result:

YEAS:

Members Graves, Holmes, Ringus, and Chairman Thompson

NAYES:

None

Chairman Thompson declared the motion carried and the minutes approved and the filing thereof was directed.

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**Item 3. Presentation of the Kimley-Horn Parking Study (Leslie Tabor, ADG).**

Chairman Thompson said in the late 1990's, Mr. Ron Murray who owned a Bed and Breakfast in Guthrie, Oklahoma, visited Norman and opened Montford Inn and Cottages in Downtown Norman. Mr. Murray, along with other downtown business stakeholders, formed an organization called "Heart of Norman" that helped raise money to create a committee to prepare a Downtown Revitalization Study. Out of that study came a request for a parking study so Heart of Norman, in coordination with the City, sent out Request for Proposals (RFPs) and hired Carter-Burgess, who prepared the original parking study for the Heart of Norman. That study determined that the parking in Norman was in the wrong places and the result of that study the idea of the Gray Street Parking lot was born. The property for the parking lot was purchased by Core Norman Land Trust, but nothing was done with the property for years until the City bought the property. As Downtown Norman and Campus Corner redeveloped additional emphasis was placed on the redevelopment of parking and transportation tying the two together. Around that time, Cleveland County looked at redeveloping their Campus, which opened up dialogue with Campus Corner representatives leading to the City and University of Oklahoma (OU) reviewing a Center City Visioning process. During the Center City Visioning process, the business district of Campus Corner was left out of the plan and there was desire to update the Carter Burgess Study to include Campus Corner. Carter Burgess has since been bought by Jacobs Engineering Group, Inc. (Jacobs), so representatives from Downtowners Association, Campus Corner Merchant's Association, Cleveland County, and the City of Norman partnered to hire Jacobs for an updated parking study.

Chairman Thompson said approximately 18 months ago the Economic Development Advisory Board (EDAB) was presented with the results of that study, but he did not believe Jacobs was given a good scope of study and they did not produce the type of report everyone expected to receive. At the end of the Jacobs Study, EDAB felt the City had a good parking assessment, but not a true study and EDAB wanted a more detailed study of what parking was currently available, what parking is needed, and what parking would be needed in the future as redevelopment occurred. He said Cleveland County was moving forward with redevelopment of their Campus that included a parking garage and the County hired Kimley-Horn to update the Jacobs Study. In the March 2, 2017, Ms. Leslie Tabor with ADG, Inc., (ADG) spoke to EDAB regarding the possibility of the City of Norman joining the Kimley-Horn Parking Study with Cleveland County. In June 2017, City Council approved a contract between Cleveland County, ADG, and Kimley-Horn and Associates to add the City of Norman as a party to the contract, extending the term of the contract, and expanding the scope of services. He said Kimley-Horn's study would begin where the Jacobs Study left off and prepare a more detailed plan that entailed how Downtown Norman, Campus Corner, Center City, and Cleveland County could integrate a parking plan. It would also entail how the City and County could work together as an entity to create a parking authority or central economic mechanism that could make a more financially efficient way to create a parking solution. Kimley-Horn prepared parking organizational model options as well as an assessment of future transportation needs to ensure any parking structure can be used long-term even as parking demands and transportation uses change. He said ADG is managing the contract for the County and City and Kimley-Horn will provide the best options that benefit both entities and meet all the needs. He introduced Ms. Leslie Tabor with ADG who will be presenting the results of that study to EDAB.

Mr. Darry Stacy, Cleveland County Commissioner, said after the Jacobs Study was completed the County felt they needed something more tangible than the information provided in the study and since there was an obvious overlap with the County and City it was felt that Kimley-Horn could help identify how the two entities could work together. He said although it is a good idea to review the development parking and transportation together, he did not want the transportation piece to hold up moving forward with parking piece.

Ms. Tabor said, as stated by Chairman Thompson, ADG is the contract administrator for the Parking Strategic Plan (Plan) and her main role has been as liaison between the County, City, and Kimley-Horn. She said the Plan is really a guide for decision makers that hits on issues of governance, technology, enforcement, planning, and parking asset development and management. She said it was really important for all of the parties to understand what options are available; what the recommendations were from the leading parking expert; how those recommendations could be implemented in the community; as well as great customer service, economic development, etc.

Item 3, continued:

The draft report consists of eight sections that include an executive summary; planning context; existing conditions review; community engagement; recommended parking program organization structure; recommended parking management program framework; recommended parking program implementation plan; and appendices and parking management tool kit. Ms. Tabor said the planning context and existing conditions review are very important to Norman because of ongoing efforts that include the Cleveland County Complex Master Plan, Center City Visioning, NORMAN FORWARD, the redesign of James Garner Avenue, etc. She said there is a lot going on in Norman's community and in order for any plan to work these have to be taken into consideration. She said the Jacobs Study did meet its scope and provided great data for Kimley-Horn to build on.

Ms. Tabor highlighted the nine key elements a parking program needs that include a sense of purpose and direction relative to parking and transportation policy; a strong and capable program leader; establishing parking as a separate "enterprise fund"; a strong customer service orientation; a focus on "mastering the fundamentals" of parking management; investment in new technology; development of a strong parking maintenance program; development of an on-going and collaborative relationship with the University of Oklahoma (OU); and expanding the parking program's mission to adopt a broader more "mobility management" oriented perspective.

Kimley-Horn is recommending a hybrid combination of the professional services out-source management and the parking district commission models. She said a Parking Commission consisting of two County representatives, two City representatives, and one community representative would provide oversight, the Parking Director would be the staff person overseeing day-to-day activities, and a private parking management firm (being recommended for the first one to three years) would bring in all of the strength and knowledge of setting up and running a parking program. The professional services model allows for a lean-mean flexible staff that is responsive and the location of that position could be housed anywhere. Ms. Tabor said the program would begin small, but is scalable for growth so over time the program could encompass other facets the City or County might need. She said Kimley-Horn based their recommendation on the parking numbers they reviewed from the Jacobs Study, population, and other factors of surrounding communities to find the best fit for Norman. She said, currently, there is not a significant parking management expertise housed with the City or County, which led to the recommendation for a private management firm the first one to three years because that would be the cleanest, most efficient, successful solution.

Member Ringus asked who would be responsible for the financial decisions, such as setting rates, and Ms. Tabor said Kimley-Horn is suggesting that parking become consolidated for City and County needs within one fund and the program, whatever is created, will receive the revenue that will pay for maintenance and operation and possible additional enforcement Staff. She said the finances would be overseen by a Parking Commission.

Member Holmes said it seems the last proposal from Jacobs had multiple layers of oversight through a Parking Authority that consisted of representatives from the County, City, local businesses, citizens with expertise, etc., as well as an Advisory Committee who would have authority over setting rates and these entities would report to the "Commission," which was vaguely defined. He really believes that elected officials should be at the top of the pyramid, not some Advisory Committee who may meet once every six months especially when issuing debt.

Ms. Tabor said the formation of a Parking Advisory Committee would provide a mechanism for ensuring on-going community outreach, engagement and while this is a recommendation from a parking expert it is still tailorable to City and County needs. She said if the City or Council does not like this recommendation, they do not have to use it. She believes Kimley-Horn is constantly aware of the responsibilities of elected officials to not hide from criticism or accountability, but also make sure there are plenty of mechanisms available for people to give input and, for better or worse, Boards and Commissions are often the way municipalities choose to do that. She said there will be a lot of incentive to get this right just because it is such a great need for the community and this recommendation will help get there. She said a framework should be developed whereby certain "policy-level decisions" are defined as the responsibility of the Parking Commission Board and more operation level decision are made by the Parking Advisory Council and/or parking manager. If there are certain policy decisions the City Council or County Commission determines should be made only by elected officials, these policy areas should be defined up-front.

Item 3, continued:

Ms. Tabor said Kimley-Horn is very passionate about using parking as an economic development strategy as it can help catalyze additional community development.

In regards to the “how to” aspects of creating the recommended parking program organizational structure there are multiple elements recommended that include agreeing to the programs’ ultimate organizational framework; creating a Parking Commission; crafting a County/City specific parking manager position; hiring a parking manager; hiring a private parking management firm for at least three years; creating basic operational tools, manuals, procedures, forms, etc.; creating an Advisory Board to provide a mechanism for community input and act as a sounding board for recommended policy decisions and general feedback on the new services provided; establishing an enterprise fund; creating an initial program budget; and planning for the opening of the new County parking garage.

Ms. Tabor said in general, parking garages do not pay for themselves, but they do meet a need and incentivize economic development. She said it generally takes somewhere between \$150 to \$250 per space per month to pay for operations, maintenance, maintenance reserves, and debt service depending on land and project costs. It is highly unlikely these rates will be feasible in Norman; however, surface lots, on-street meters, and enforcement should all be able to be profit generators if well managed. The garage initially may be able to cover operating and maintenance costs, but not debt service or maintenance reserves. By consolidating all revenue streams into a single enterprise fund the financial performance of the program will be enhanced and ultimately could begin setting aside monies for future capital investments, such as new equipment, new surface lots, or a second parking structure.

Ms. Tabor said based off a review of several industry sources, including hundreds of completed parking structure projects of varying size, scope, and geographic location the national median construction cost for a new parking structure is approximately \$19,000 to \$20,000 per space or \$56.99 to \$59.00 per square foot. A recent parking garage project at OU came in at less than the national average and this may be the best benchmark for City/County to use assuming the basic design and general conditions are similar. It is estimated a net revenue of approximately \$257,543 and project expenses of \$395,329 for a one year net operating result of a negative \$137,786. As far as parking rates, Kimley-Horn estimates \$30 to \$50 per month depending on whether it is a covered or uncovered parking space with a two hour minimum (first hour free parking programs in garages) and a \$10 maximum for the hourly daily rate.

Ms. Tabor said one element not specifically addressed in the report is the “ownership of physical parking assets.” While Kimley-Horn recommends that all parking related revenues be placed in an enterprise fund, it is assumed that all entities would retain ownership of their individual assets (for the City this would be on-street parking and surface lots and for the County it would be the new parking garage and any other parking assets).

Member Holmes asked the definition of “entity” and asked that it include private parking identified in the Parking Strategic Plan and Ms. Tabor said, at this point, she is talking about the City, County, and potentially OU as well as big developers. Member Ringus said according to the map, three quarters of the available parking spaces are privately owned. Ms. Tabor said in terms of demand and volume, the numbers do not necessarily support a driving need for parking garages all over town; however, when looking into the future and considering population growth, need, use (game days, special events), and location the numbers work.

Chairman Thompson said the Plan is directed towards public parking that is property owned by governmental entities, not private property. He said by not having an effective governmental parking program, the City is forcing property owners to make their own parking that only they can park in and that is the destructive nature of this privately created parking. He said that was the core deliverable of the original Carter Burgess Study that said the City needs to create provisions for governmentally provided parking in the right place so that business owners do not have to provide their own separate parking.

Item 3, continued:

Mr. Stacy said it is the County's hope that once a parking strategy is provided, these private parking surface lots will be redeveloped into something that will create sales and ad valorem taxes to advance economic development goals. He said the number one complaint from people visiting the Cleveland County Campus is there is not enough parking so there is a huge need for parking for Norman citizens as well as potential economic development in the downtown area.

Ms. Tabor said next steps include finalizing the report, making a presentation to the City and County, and obtaining acknowledgement of the receipt of the final report.

Member Holmes said Appendix 10 is a white paper on the TIF, but this should never be in the final report. He does not believe it was even written for this parking study because it is so wrong and knows nothing about TIF's in Oklahoma. It does not speak to sales tax revenue, but speaks to property taxes and the City does not receive property tax while the County receives ten mills by constitutional mandate. He is not sure the person that wrote Appendix 10 wrote it for the City because it is so wrong in so many ways that the best solution is to take it out of the Plan.

Mr. Stacy said a lot of this information was obtained from other regional studies and he made it clear the white sheet should not be part of the report. He told Kimley-Horn the study should be relevant to the City and County specifically and that is why that information was taken out of the report and placed in an appendix for informational purposes only.

Member Holmes said asked if the University North Park Tax Increment Finance (UNPTIF) District used General Obligation (G.O.) Bonds and Ms. Kathryn Walker, Assistant City Attorney, said no, they used Revenue Bonds. Member Holmes said Appendix 10 does not even entertain the idea of that the City or County could use G.O. Bonds, which applies a particular structure of the organization of the Commission.

Chairman Thompson said 80% to 90% of the effort in this report went into looking at whether or not a City and County government could co-exist in a fashion that might work. He said there are fleeting references on how to finance the Plan, but there is nothing specific in the report and he is not sure Kimley-Horn was even asked to look at that information. He said that dialogue should take place in the future.

Chairman Thompson asked if Council wants a recommendation from EDAB and if so, he would suggest some type of financial information be provided. Ms. Walker said if Kimley-Horn incorporates feedback from this Board for the final presentation perhaps the Board should wait to give their recommendation after they have seen the final report.

Ms. Tabor said Kimley-Horn can make revisions and have a final draft prepared for presentation to EDAB in December prior to a presentation to Council. Chairman Thompson suggested additional comments/questions from the Board could be directed to Ms. Walker to be forwarded to ADG who will then forward those comments/questions to Kimley-Horn. He said EDAB will take no action on this item at this time.

Items submitted for the record

1. Memorandum dated November 1, 2018, from ADG, Parking Agreement Contract Administrator, to City of Norman, Economic Development Advisory Board
2. Parking Strategic Plan Draft Report prepared by Kimley-Horn dated July 2018

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**Item 4. Update on Norman Economic Development Coalition activities (Jason Smith, NEDC).**

Mr. Jason Smith, Director of Norman Economic Development Coalition (NEDC), said timing for the Strategic Economic Plan is really good because EDAB will have the final report for parking in December, which is when the Strategic Economic Plan is due to be released. He said one of the recommendations from Market Street Services will be to use the Economic Development Authority for redeveloping districts in Norman to make them more attractive to young people to live and work and help spur those activities within those districts.

Item 4, continued:

Chairman Thompson asked if EDAB could obtain a copy of the PowerPoint presentation to Council from Market Street Services and Ms. Walker said she would email that to the Board.

Mr. Smith highlighted economic activities that included working with Chasm Advance Manufacturing who will manufacturing carbon nanotubes; working with a potential client that will making application for an Americans with Disability Act (ADA) grant to build a new road; and working with a company who has made an offer for a lot in the UNPTIF. The NEDC Incubator just celebrated its one year anniversary and has a new weather tenant as well as a Professor working on software for the defense industry. He said a ribbon cutting ceremongy was held for the Geostationary Carbon Cycle Observatory (GeoCarb), a first-of-its-kind space Earth science mission. The GeoCarb will be placed on a commercial communications satellite to study Earth from more than 22,000 miles above Earth's equator, paving the way for future low-cost, commercially enabled Earth observations. He said a lot of exciting things are taking place in Norman.

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**Item 5. Miscellaneous Discussion.**

Ms. Walker said it is time to file EDAB's annual meeting schedule for 2019. She said EDAB's current meeting schedule calls for a meeting every other month on the first Thursday or EDAB can meet as needed. She asked the Board how they wanted to proceed and member stated they preferred scheduling a meeting for every other month versus as needed to have an idea of what those dates will be.

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**Item 6. Adjourn.**

The meeting adjourned at 10:20 a.m.