



CITY OF NORMAN, OK
CITY COUNCIL FINANCE COMMITTEE MEETING
Municipal Building, Executive Conference Room, 201 West Gray, Norman,
OK 73069
Thursday, October 17, 2024 at 4:00 PM

MINUTES

The City Council Finance Committee of the City of Norman, Cleveland County, State of Oklahoma, met in Regular Session in the Executive Conference Room in the Municipal Building, on Thursday, October 17, 2024 at 4:00 PM, and notice of the agenda of the meeting was posted at the Norman Municipal Building at 201 West Gray and on the City website at least 24 hours prior to the beginning of the meeting.

CALL TO ORDER

PRESENT

Mayor Larry Heikkila
Councilmember Ward 3 Bree Montoya
Councilmember Ward 4 Helen Grant
Councilmember Ward 6 Josh Hinkle

ABSENT

None

OTHERS

Councilmember Ward 5 Michael Nash
Councilmember Ward 7 Stephen Holman
Anthony Francisco, Director of Finance
Dannielle Risenhoover, Admin. Tech IV
Jacob Huckabaa, Budget Technician
Jason Olsen, Director of Parks & Recreation
Rick Knighton, Interim City Attorney
Jennifer Baker, Sooner Theatre Executive Director
James Briggs, Park Development Manager
Dan Schemm, Visit Norman Executive Director

Mayor Heikkila called the meeting to order at approximately 4:00 PM.

AGENDA ITEMS

1. DISCUSSION REGARDING CAPITAL IMPROVEMENTS FOR THE SOONER THEATRE.

Jason Olsen led the discussion. Sooner Theatre, Santa Fe Depot, Firehouse Art Center, and Moore-Lindsay Historical House Museum are all City-owned facilities and considered historical cultural centers in Norman. The Sooner Theatre, in particular, is in need of Americans with

Disabilities Act (ADA) updates. Olsen wanted the Committee aware of the ADA needs and the need for Theatre's expansion. The Theatre was constructed in 1929, prior to ADA requirements being established, and gifted to the City of Norman by citizens who fought to save the building from demolition. When the City inherited the Theatre, there were multiple code issues needing to be resolved. After the issues were resolved, the Theatre reopened and has since featured live theatre, concerts, movies, community events and other performing arts activities.

Olsen highlighted the following "function issues" that the Sooner Theatre currently faces:

- ADA accessibility
- programming and staffing has grown well beyond the space available
- periodic flooding in the basement & dressing rooms
- insufficient number of restrooms
- lack of space to build sets off-stage

Olsen also presented possible solutions to these function issues. The solutions included expansion of the Theatre with the purchase of adjacent property to the east, expanding west by closing or re-aligning Jones Street, and/or expanding into the back alley. Olsen thinks that a Master Plan dedicated to the Sooner Theatre changes would cost around \$50,000.

"They don't make buildings like this anymore. It's absolutely beautiful. It's a treasure to our community not just because it's a great performing arts area. If there's a Norman Forward II opportunity or other funding mechanism that comes available, we will have a concept in hand to see which way we need to go with this," if a Master Plan is completed Olsen said. There is the possibility for the development of future improvement Master Plans for Firehouse Art Center, Santa Fe Depot, Edwards Park, Moore-Lindsay Historical House Museum, a new Norman Art Council studio, and the former chapel on the Griffin Hospital campus.

The City provides yearly operational funding to Sooner Theatre that, this year, equated to approximately \$80,000. The City also funds a percentage of the facilities utility costs and some maintenance costs. The City does receive a yearly report and financial records from the Norman historic cultural centers.

"I definitely believe it's a major community asset and something worth investing in and I hope the theme of the Norman Forward II proposal is: reinvestment into existing facility that we have," Councilmember Holman said.

Olsen said an appropriate architect would be hired by the City who would preserve the historical feel and appearance of these facilities, if the Master Plan and improvements are funded through future budget processes.

"There are kids out there that need this. This goes further than our ADA issues," Sooner Theatre Executive Director Jennifer Baker said. "There's a hunger for it out there. Just last year we gave \$62,000 in scholarships. We will never turn away a kid because they can't afford it."

2. DISCUSSION REGARDING MONTHLY REVENUE AND EXPENDITURE REPORTS.

Anthony Francisco gave the report. Francisco reported October as being a good month for sales tax. The City's sales tax revenue increased about 1.3% over last October. October is the second largest sales tax month of the year. The Room Tax, including short-term rentals, has grown about 28% in the first quarter of fiscal year 2025 (FY25) compared to fiscal year 2024 (FY24). Norman's largest hotel property grossed seven figures in the month of September. Francisco stated that this has never happened in Norman's history. Francisco did draw the Committee's attention to the trend that the Room Tax revenues are highest in the spring - not the fall. "That's a fairly consistent pattern that we have seen over the years," Francisco said. "We'll see what happens when we get into the spring of 2025."

Dan Schemm with Visit Norman stated, "Football weekends are definitely our highest occupancy. Graduation and parents weekends you get that too but spring is much higher. The largest two (University of Oklahoma graduating) classes had double digit growth in the Freshman classes. The largest ever; so, more freshman classes mean more parents coming throughout the summer. You also have the SEC here." Schemm continued, "I have a list here of everything that's gone through, multi-pages long, of just youth sports events. They're coming, they're filling our hotels and they're shopping and eating and so I think that can also be attributed."

Councilmember Holman asked if Norman needed more hotel rooms. Schemm replied, "Occupancy has kind of stayed flat or consistent so where the growth is coming from right now is rate, but we anticipate occupancy trending up significantly over the next few years. There are a few hotels in the pipeline; we could use a few more. What we really need too is more meeting space." The City of Norman Hotel-Motel Room Tax rate increased on July 1, 2023.

Councilmember Hinkle asked how NCED Conference Center & Hotel goes into the hotel occupancy numbers. Schemm stated that he has two ways to track the occupancy. One way is through the hotel self-reporting its numbers and the other way is through Zartico tracking that recognizes credit card swipes. NCED Conference Center & Hotel is not included in Zartico reporting which Schemm feels gives a better reflection of Norman's hotel occupancy. "When the postal students stay, it helps occupancy, but they don't pay anything so it tanks our average daily rate. If you don't have the postal students here, then it tanks our occupancy as well. They (NCED) don't operate really as a private hotel would," Schemm said.

Councilmember Hinkle requested hotel Room Tax data be sought from the communities surrounding Norman. Francisco stated that the information would be requested.

Councilmember Holman asked for an update regarding the State Grocery Tax impact. Francisco stated that after contacting some retailers to remind them to reprogram their computers, the City is "pretty much seeing compliance now. It seems to be working out okay."

Councilmember Hinkle brought up exploring a guest tax on RV sites. According to Dan Schemm with Visit Norman, "Because the guest tax ordinance reads 'rooms,' a charge per room, they (City of Norman attorneys) were not interpreting an RV a 'room'; so, to add the tax to the room it would take a vote of the people to change (the ordinance)." Interim City Attorney Rick Knighton confirmed that anytime there is a taxing measure, it does have to go to a vote of the people. Councilmember Grant stated that she supports putting this on a ballot and would like it on the election calendar.

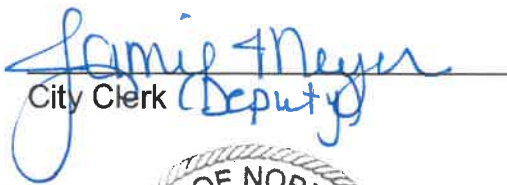
Schemm stated, "In talking to my counterpart at Visit OKC, that Tennessee weekend, he was thrilled! Their hotel numbers were up, occupancy rates, everything was up there too so we definitely see compression and they love that we've moved to the SEC and have these big games." Schemm has worked with City Employee Sara Kaplan to interpret the City's Placer

software results. This software helps track where people are spending their time. Schemm will be meeting with Visit OKC to see if it's possible to combine Visit Norman's tracking data with Visit OKC's tracking data for the past Tennessee football game to try and assess how often people visited different areas in the metro. If successful, Schemm said this data would be available to the City. "When they (visitors) come here we definitely capture a bunch of it (revenue) but they're also going to Oklahoma City and other communities which are capturing a bunch too with their entertainment districts," Schemm said.

ADJOURNMENT

Mayor Heikkila adjourned the meeting at approximately 5:20 PM.

ATTEST:


City Clerk Deputy


Mayor

