MINUTES

The City Council of the City of Norman, Cleveland County, State of Oklahoma, met in Study Session in the Executive Conference Room of the Norman Municipal Building on the 17th day of August, 2021, at 5:30 p.m., and notice and agenda of the meeting were posted at the Municipal Building at 201 West Gray Street 24 hours prior to the beginning of the meeting.

CALL TO ORDER

Mayor Clark called the Meeting to Order at 5:30 p.m.

PRESENT
Mayor Breea Clark
Councilmember Ward 1 Brandy Studley
Councilmember Ward 2 Lauren Schueler
Councilmember Ward 3 Kelly Lynn
Councilmember Ward 4 Lee Hall
Councilmember Ward 5 Rachar Tortorello
Councilmember Ward 6 Elizabeth Foreman
Councilmember Ward 7 Stephen Holman
Councilmember Ward 8 Matthew Peacock

AGENDA ITEMS

1. CONTINUED DISCUSSION REGARDING THE USE OF AMERICA RESCUE PLAN ACT (ARPA) FUNDS.

   City Manager Darrel Pyle introduced the discussion regarding the allocation of the first tranche of the American Rescue Plan Act (ARPA) funds, totaling approximately $22.4 million anticipated before the end of the fiscal year. He explained that initial allocations were drafted based on Council's prior retreat discussions, with several funding categories identified for consideration. He emphasized that ARPA funds must remain within a designated account and can be reallocated by Council until 2024. The only formal appropriation made to date was for the Emergency Operations Center (EOC) project.

   Mr. Pyle reviewed draft allocations, noting two projects with specific Council attention:
   - Emergency Operations Center (EOC): Previously appropriated funds.
   - COVID-19 Vaccine Incentive Program: $500,000 total, including $475,000 in gift cards and $25,000 in raffle prizes to encourage vaccination.

   He explained that remaining line items were preliminary and intended to facilitate discussion on Council priorities.

Item 1, continued

Councilmember Hall requested that allocations reflect known commitments to key nonprofits:

- Food and Shelter – $500,000
- Virtue Center – $500,000
- Norman Arts Council – $100,000

Councilmembers Hall and Foreman supported direct allocations to the three organizations, noting their alignment with behavioral health, homelessness, and economic recovery goals.

Finance Director Anthony Francisco noted that some of these could also qualify under affordable housing or economic recovery categories. Mr. Pyle added that Council could consider a grant-style process, similar to the Social and Voluntary Services Commission's grants, to support a wider range of nonprofits meeting ARPA criteria.

Studley emphasized that immediate food relief should be prioritized for residents directly affected by the pandemic. Staff explained that direct cash assistance mechanisms are not yet established, though existing rental and utility assistance programs remain active.

Councilmembers Studley, Foreman, and Peacock inquired about transit funding and its relation to the federal infrastructure package. Mr. Pyle confirmed that Staff expects transit to be a key component of the upcoming infrastructure funding and will bring forward updates and potential models (including Arlington's on-demand transit) for Council review in future sessions.

Councilmember Holman raised concerns about food access and neighborhood revitalization, particularly in areas such as 12th Avenue SE and Lindsey Street, now lacking a grocery store. He suggested considering incentives for grocers to fill vacant retail space in food desert areas.

City staff responded that such initiatives could fall under affordable housing or community development categories within ARPA funding. Mr. Pyle and Staff discussed potential housing initiatives including acquiring properties on Reed Avenue to expand Section 8 housing availability and exploring the Emerald Greens Apartments as a rehabilitation opportunity to restore affordable units.

Councilmember Hall supported pursuing both permanent and transitional housing solutions, highlighting a possible collaboration with the University of Oklahoma Construction Science Department to design and construct modular housing units (estimated cost: $500,000 for 12 units). She emphasized creative and flexible approaches to addressing homelessness and substandard housing. Staff and Council agreed that ARPA presents a unique and flexible opportunity to address housing needs beyond traditional Community Development Block Grant (CDBG) limitations.

Councilmember Foreman cautioned against assigning dollar amounts before receiving results from upcoming homelessness and affordable housing studies, both expected in fall 2021. Mr. Pyle agreed that Staff could begin groundwork for "low-hanging fruit" projects while awaiting data-driven recommendations. Mr. Francisco confirmed that the City currently holds $11.2 million (half of the total allocation) and expects the second tranche of funds in May 2022.

Councilmember Peacock advocated allocating ARPA funds to support pattern zoning and housing diversity as part of the affordable housing strategy, encouraging mixed-use and "missing middle" housing types to balance the current market. Planning Staff confirmed that this approach could align with ARPA's goals and may be addressed in the forthcoming affordable housing study.

Councilmember Hall followed up on the topic of pattern zoning, noting that discussions were already underway with the Planning Department. She recommended including pattern zoning as consideration under ongoing planning initiatives and suggested funding a consultant to explore how it could be applied to Norman. She expressed full support for allocating $1 million toward entrepreneur grants. She suggested exploring whether funds should support incubator space, startup grants, or a hybrid approach.

Councilmember Hall recommended engaging the Economic Development Advisory Board (EDAB) for input from the business community and for development of strategies to bring back to Council. Mr. Pyle agreed that EDAB would be an appropriate venue to initiate discussions on entrepreneurial grants and incubator opportunities. He confirmed that the Staff could agendize the topic for EDAB and explore potential investments to support local entrepreneurship.

City Manager Pyle reported that the City anticipates taking ownership of 718 North Porter in the coming weeks as the hospital relocates functions currently occupying the space. He explained that the facility could potentially serve the homeless population depending on recommendations from the upcoming HomeBase report (expected in October). He noted potential remodeling costs ($100–$200 per square foot) and the possibility of using ARPA funds for improvements. Mr. Pyle stated the need to wait for HomeBase recommendations before advancing to architectural design. He mentioned potential collaboration with the Cleveland County Sheriff's Office for a sobering center, which could reduce security and operational costs.

Councilmember Hall supported reserving funding for 718 North Porter until the HomeBase report is complete. She anticipated that Norman's needs will likely include a night shelter and a day resource center, aligning with early HomeBase findings.

FUNDING REQUESTS FOR COMMUNITY ORGANIZATIONS

Food and Shelter

Council discussed a $500,000 funding request from Food and Shelter to support their planned expansion and resource center. City Manager Pyle confirmed that Food and Shelter must complete planning applications and a PUD amendment before proceeding.

The $500,000 proposed for Food and Shelter's Food Resource Center capital campaign. The project leverages an additional $1 million in private donor funding. The facility will consolidate multiple services under one roof (food pantry, benefits application, case management), improving efficiency and client access.

Virtue Center

Council inquired about the timeline for the Virtue Center project, noting a planned groundbreaking on September 1st. Mr. Pyle reported that the Virtue Center continues to work on its matching campaign and that its site plan is expected to go before the Planning Commission on September 12.

Norman Arts Council

Executive Director Erinn Gavaghan requested $100,000 in ARPA funding to restore arts grants reduced due to decreased hotel/motel tax revenue. She explained that 25 arts organizations would be affected, receiving approximately 60% of previous funding levels. She emphasized the economic impact of arts programs on tourism and local recovery.

The Council supported allocating $100,000 to the Norman Arts Council as part of COVID-19 recovery for tourism and local events. Funds will replace shortfalls in hotel/motel tax revenue caused by the pandemic and will be distributed through the Council's long-standing grant process to 25 local arts organizations (e.g., Norman Music Festival, Jazz in June, Medieval Fair). The economic impact data indicates the arts sector contributes over $4 million annually in local tax revenue.

Councilmembers discussed a $1 million nonprofit support allocation, primarily designated for the Virtue Center (behavioral health expansion), Food and Shelter (food resource center), and Norman Arts Council.

Some Councilmembers urged creating a competitive application process for additional nonprofits to access funds, emphasizing transparency and fairness. Others noted these specific projects align directly with ARPA priorities (public health, housing insecurity, economic recovery).

AFFORDABLE HOUSING

Councilmember Hall clarified that the $4.5 million affordable housing allocation is not exclusively for homelessness but addresses broader housing insecurity. She cited data indicating Norman needs approximately 9,000 units of affordable housing, primarily for working families. She stated that investment in affordable housing helps retain residents, stabilize families, and stimulate the local economy.

Lisa Krieg, CDBG and Grants Manager, explained that affordable housing targets residents earning 80% of area median income, roughly $50,000 per year for a family of four. She emphasized that high housing costs reduce local spending and, consequently, City sales tax revenue and argued that affordable housing is a long-term economic development driver.

Councilmember Studley noted that ARPA funds are pandemic relief funds meant to assist those most affected economically. She emphasized that many low-income and working-class families in Ward 1 face housing insecurity and are at risk of eviction.

Councilmember Holman supported investment in affordable housing as a preventative measure against homelessness, not solely a remedial effort. He highlighted redevelopment trends eliminating affordable units and raising rents and reiterated the importance of completing the EOC project to improve citywide response capacity.

City Manager Pyle stated that formal allocation discussions for affordable housing projects (e.g., Reed Avenue acquisitions) would follow Council consensus. He estimated that roughly 10 properties could be affected, two owner-occupied and several rentals, built circa 1945. He noted relocation and federal compliance costs may increase total project expense.

Councilmember Tortorello urged use of public-private partnerships (PPP) to stretch affordable housing funds and leverage external investment. He recommended that future infrastructure funds be used for job creation and long-term economic growth. He supported ensuring affordable housing investments are tied to employment opportunities and upward mobility.

Councilmember Schueler stressed that low-income residents are also taxpayers and should benefit from public reinvestment of ARPA funds.

Councilmember Hall clarified that rental and utility assistance programs are already funded through CARES and Emergency Solutions Grants and emphasized that the $4.5 million ARPA allocation should focus on building or rehabilitating affordable housing, not short-term aid.

Councilmembers discussed leveraging PPP as a mechanism to expand affordable housing opportunities. It was noted that PPPs could help reduce long-term subsidy dependency by enabling residents to purchase homes, become taxpayers, and participate in the broader economy. Councilmembers agreed that there is strong public will to address both homelessness and affordable housing, viewing these efforts as foundational to the City's economic recovery and revitalization.

Item 1, continued

Staff explained that across the country, cities often use city funds to buy down project costs for developers specializing in affordable housing. Examples of city contributions may include covering utility connection fees (sewer/water), permit and plan-check fee waivers, and one-time rent buy-down investments.

It was suggested that the City could issue a Request for Proposals (RFP) to invite developers with proven track records in affordable housing to submit project ideas.

Staff clarified that the City is waiting for results from ongoing housing studies before finalizing next steps. The RFP for the housing study is expected to be released soon. Council acknowledged this process would move forward gradually as data becomes available.

Councilmember Holman emphasized a mixed strategy, potentially combining rehabilitation or acquisition of existing properties (e.g., Emerald Greens apartments), redevelopment of older homes (e.g., on Reed Avenue) and encouraging affordable housing development through developer incentives within the Center City Form-Based Code area.

Staff provided a cost comparison from prior projects:
Lot cost: approx. $30,000 per lot
Construction cost: approx. $160,000 per unit
Total: around $200,000 per home

Councilmember Schueler introduced "SocialWise," a potential program modeled after Tulsa's "A Better Way," which would fund short-term work opportunities for residents while building digital résumés. She proposed a $250,000 allocation toward the pilot project and suggested further discussion with program leaders.

Councilmember Hall supported integrating job and skills training to help residents transition from homelessness or poverty into long-term stability. There was interest in partnerships with Moore Norman Technology Center (MNTC) and other training programs to expand workforce development scholarships. City Manager Pyle was tasked with engaging relevant stakeholders to explore collaboration opportunities.

It was clarified that "private" partners in PPPs may include nonprofit organizations such as Habitat for Humanity, which is considering multifamily housing projects beyond its traditional single-family model.

Councilmembers noted that even the city's most affordable housing units remain out of reach for some residents, with rents exceeding $800–$900 per month. There was consensus that future projects must prioritize deeper affordability.

Council consensus to prioritize construction and rehabilitation projects over rental aid.

Item 1, continued

PUBLIC HEALTH AND COVID-19 TESTING
Council discussed possible funding to support COVID-19 testing as Norman Regional resumes operations. Staff confirmed that past testing costs were covered by the State of Oklahoma, not the City. Staff will confirm whether the Cleveland County Health Department should continue to manage testing with state or county funds.

STORMWATER INFRASTRUCTURE PROJECTS
The Council discussed maintaining approximately $3–4 million for stormwater improvements within ARPA allocations. Mr. Shawn O'Leary, Public Works Director, confirmed projects are included in the City's Stormwater Master Plan, though not all are fully "shovel-ready." Councilmembers debated reallocating a portion of stormwater funds to nonprofit or community-based initiatives but agreed stormwater remains an eligible and essential infrastructure use. Staff will bring stormwater projects list to the Community Planning and Transportation Committee for review.

SMALL BUSINESS RECOVERY AND ENTREPRENEUR GRANTS
Councilmember Peacock advocated renewed small business recovery grants for existing businesses still struggling post-pandemic, modeled on previous CARES programs. Staff confirmed approximately $400,000–$500,000 in unspent CARES Act funds may be available for reallocation. Council discussion included reviewing and improving the previous application process for clarity and equity. Entrepreneur grants were noted as separate, intended to support new business startups and local innovation.

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ADJOURNMENT

The meeting was adjourned at 6:15 p.m.

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ATTEST:

Brenda Hall

City Clerk

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OKLAHOMA

Mayor