



CITY OF NORMAN, OK CITY COUNCIL CONFERENCE

Municipal Building, Executive Conference Room, 201 West Gray, Norman,
OK 73069

Tuesday, January 24, 2023 at 5:30 PM

MINUTES

Meeting of the City Council, Norman Utilities Authority, Norman Municipal Authority, and Norman Tax Increment Finance Authority

It is the policy of the City of Norman that no person or groups of persons shall on the grounds of race, color, religion, ancestry, national origin, age, place of birth, sex, sexual orientation, gender identity or expression, familial status, marital status, including marriage to a person of the same sex, disability, retaliation, or genetic information, be excluded from participation in, be denied the benefits of, or otherwise subjected to discrimination in employment activities or in all programs, services, or activities administered by the City, its recipients, sub-recipients, and contractors. In the event of any comments, complaints, modifications, accommodations, alternative formats, and auxiliary aids and services regarding accessibility or inclusion, please contact the ADA Technician at 405-366-5424, Relay Service: 711. To better serve you, five (5) business days' advance notice is preferred.

CALL TO ORDER

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

PRESENT

Mayor Larry Heikkila
Councilmember Ward 2 Lauren Schueler
Councilmember Ward 3 Kelly Lynn
Councilmember Ward 4 Helen Grant
Councilmember Ward 5 Rarchar Tortorello
Councilmember Ward 7 Stephen Holman
Councilmember Ward 8 Matthew Peacock

ABSENT

Councilmember Ward 6 Elizabeth Foreman

AGENDA ITEMS

1. PRESENTATION FROM DAN SCHEMM, VISIT NORMAN, REGARDING A PROPOSED INCREASE IN THE CITY'S GUEST TAX.

Mr. Dan Schemm, Director of Visit Norman, said he has been trying to fund a Sports Commission since 2015, when Norman voters approved several NORMAN FORWARD Projects that include new or renovated sports venues, such as soccer fields, baseball

fields, football field, and the Young Family Athletic Center (YFAC). He said these venues are coming to fruition. The State recently published new numbers on the economic impact of travel, which hit bottom during the pandemic; however, the numbers are almost exceeding pre-pandemic levels. In 2021, there was \$10.1 billion spent in direct visitors' travel spending that was 3.2% over 2019. State and local tax revenues include \$748 million, (\$485 per household revenues), \$2.6 billion direct earnings from the travel industry, and over 96,800 jobs. He said tourism is the third largest industry in the State.

Mr. Schemm highlighted economic impact of travel for Cleveland County (FYE 2020) that includes \$359.6 million in spending; \$101.5 million in earnings; 4,340 jobs; \$12.4 million in local taxes; and \$13.8 million in State taxes.

Economic impacts to House Districts (FYE 2020) include \$165 million in spending; \$61 million in earnings; 2,800 jobs; \$6.2 million in local taxes; and \$8 million in State taxes. Mr. Schemm said \$100 of visitor spending generates \$11.40 in local tax revenue, which equals \$390 in local tax and \$480 in State tax.

Mr. Schemm said the current visitor tax is 5% (increased from 4% ten years ago) with a total projected revenue for FYE 2023 of \$1.65 million, which is split with Visit Norman (\$825,000); Norman Arts Council (\$412,500); and Norman Parks and Recreation (\$412,500). The proposed visitor tax increase is 3% for a total of 8% with a total projected revenue of \$1.05 million in FYE 2023, which will be split with Visit Norman (\$787,500) and Norman Arts Council (\$262,500) to fund a Sports Commission. He said a portion of the Sports Commission Budget would be distributed towards NORMAN FORWARD Facilities enhancement to include maintenance and operations as well as bleachers, etc. Councilmember Holman asked if the Parks and Recreation Department supports the new proposed distribution and Mr. Schemm said yes.

Currently, the visitor tax is 5% and Norman is near the bottom of the Oklahoma Visitor Tax Comps and the proposed increase would raise Norman closer to the top of the list on visitor tax, i.e., Tulsa is 8.5%, Oklahoma City is 5.5%, Stillwater is 7%, and Eufaula is the highest at 9%. Mr. Schemm said the visitor tax only applies to non-residents (visitors). He said the visitor tax combined with sales tax would increase Norman's State Visitor Tax Comps from 13.625% to 16.625%.

Mr. Schemm said Norman has visitors year round, but the six football home games bring in more visitors who stay at local hotels and eat at local restaurants. Looking at the Big 12, four new schools have been added that include Provo, Utah; Orlando, Florida; Cincinnati, Ohio, and Houston, Texas. He said many towns have visitor taxes of 5% to 7%; however, Texas rates run from 15% to 17%. He said 8% is relatively low compared to other places and it is not an "apples to apples" comparison because Provo has a 1% restaurant tax and 1% alcohol tax that funds tourism while Lawrence, Kansas, and Manhattan, Kansas, have a 10% alcohol tax to fund tourism. He said Visit Norman would never recommend a restaurant or liquor tax to fund tourism because it would affect citizens as well as visitors.

Mr. Schemm said a Norman Sports Commission would have focus areas that include the following:

- Organizational Structure
 - Structure blended Sports Commission under Visit Norman's umbrella
 - Staffing Director and Backpack/Special Events Coordinator
 - Shared marketing services, i.e., social media, videography, etc.
- Community Managing and Marketing
 - Expand communications with stakeholders, local media, and hospitality community
 - Broadcast success through press releases and social media to include economic impact data
 - Create educational forums including the importance of sports
- Targeted National Outreach
 - Industry Conferences
 - Conduct sales trips and include program local leaders and elected officials
- Local Engagement
 - Expand partnerships with the University of Oklahoma Athletics Program, Parks and Recreation Programs, and other community stakeholders
- Events
 - Creating special events with dedicated personnel for concerts and festivals
 - Creating owned events, i.e., marathons
- Venue Enhancement
 - Enhance and upgrade facilities in the community, i.e., bleachers, field lighting, shade structures, etc.
 - Delivering compact footprint for championship level events

Total estimated NORMAN FORWARD economic impact is \$65.2 million that includes \$8.9 million in tax collected, 74,800 room nights, and 122,600 total visitors.

Councilmembers thanked Mr. Schemm for the presentation and supported moving forward on the proposed Guest Tax in February for a May ballot.

Items submitted for the record

1. PowerPoint presentation entitled, "Norman Visitor Tax Discussion," dated January 24, 2023

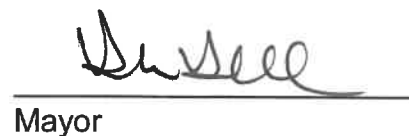
ADJOURNMENT

The meeting was adjourned at 6:17 p.m.

ATTEST:


Deputy City Clerk




Mayor