



**CITY OF NORMAN, OK
UNIVERSITY NORTH PARK
ENTERTAINMENT DISTRICT PROJECT
STATUTORY REVIEW COMMITTEE**

**Municipal Building, Executive Conference Room
201 West Gray, Norman, OK 73069
Thursday, May 16, 2024 at 8:30 AM**

MINUTES

The University North Park Entertainment District Project, Statutory Review Committee, met in the Municipal Complex located at 201 West Gray Street on May 16, 2024, at 8:30 a.m. and notice and agenda of the meeting were duly posted at least 24 hours prior to the beginning of the meeting.

ROLL CALL

PRESENT

Mayor Larry Heikkila (Chair)
Cameron Brewer, Planning Commission
Doug Warr, Cleveland County
Dr. Nick Migliorino, Norman Public Schools
Jackie Kanak, Cleveland County Health Department
Andy Sherrer, Moore-Norman Technology Center
Lisa Wells, Pioneer Library System
Shelley Cox, At-Large
Chuck Thompson, At-Large
Dr. Vytautas Ringus, At-Large

ABSENT

(none)

STAFF PRESENT

Darrel Pyle, City Manager
Kathryn Walker, City Attorney
Anthony Francisco, Director of Finance
AshLynn Wilkerson, Assistant City Attorney
Sarah Encinias, Legal Admin Tech

OTHERS PRESENT

Emily Pomeroy, Center for Economic Development Law
Jeff Sabin, Center for Economic Development Law
Danny Lovell, Rainier Companies
Keith Peters, OU Foundation
Sean Rieger, Representative, OU Foundation
Bret Cabbiness, Garver Engineering

MINUTES

1. APPROVAL OF THE MINUTES OF THE MAY 13, 2024, REGULAR MEETING

Upon calling the meeting to order, the Chair presented the Minutes of the May 13, 2024, Meeting for approval. Motion was made by Mr. Thompson to approve Minutes and the motion was duly seconded by Ms. Cox. A vote was taken with the following results: all approved and none opposed. The Minutes for May 13, 2024, were approved by unanimous vote.

ACTION ITEMS

2. PRESENTATION AND DISCUSSION REGARDING THE PROPOSED ROCK CREEK ENTERTAINMENT DISTRICT PROJECT PLAN

Ms. Walker began with a review of the role of the Statutory Review Committee as set forth in the Local Development Act. Mr. Sabin provided an overview of the proposed Project Plan, emphasizing components related to the Statutory Review Committee's role pursuant to the Local Development Act. The Plan would create two separate increment districts. The creation of TIF 4 will consist of a sales tax increment that activates May 1, 2025. The creation of TIF 5 will consist of ad valorem increment that activates December 21, 2026, when property taxes are first assessed against the newly built properties in the area. The proposed district is eligible for tax increment financing because of its status as a designated enterprise zone by the Oklahoma Department of Commerce. The cap on increment collections is 25 years of collections of 100% of the ad valorem increment and 100% of the non-dedicated sales tax (3%) increment or \$600 million, whichever is less.

Mayor Heikkila expressed reservations about setting a cap as high as \$600 million. Dr. Ringus asked who requested the City pay \$600 million. Mr. Lovell said this is the amount asked for by the OU Foundation and Rainier Companies to finance \$230 million in arena and parking garage costs based on their financing projections. The interest rates for the financing cannot be locked until the project is approved so the actual amount needed is unknown. It is thought that \$600 million will provide some flexibility if the interest rate is higher than hoped. Under the proposal, \$600 million is the maximum amount of project cost for this project; if the financing is more advantageous, the project costs will be lower. They will not exceed the amount needed to finance \$230 million. Mr. Sabin pointed out that revenue collections in excess of the amount needed for the Developer's payment schedule will be placed in reserve as required by the financing and used to pay down principal. Additionally, any State Leverage Act matching payments will be used to pay down principal.

Mr. Sabin reviewed specific impacts to each taxing jurisdiction. Dr. Migliorino shared that the projected school enrollment numbers after year 10 of the Project could force a redistricting of Truman, Adams and Roosevelt Elementary at the low end of the

projections, and force the need for a new school at the middle and higher end of the projections.

Mr. Brewer asked whether a transfer adjustment would be included as it was in the original University North Park TIF to protect against retail cannibalization. Ms. Walker reviewed how the transfer adjustment was applied for the University North Park TIF and stated that the City was aware of the concern. Mr. Lovell described how the entertainment district differed from other retail areas in Norman, in terms of rent and targeted tenants (smaller stores, 60% projected to be food and beverage entities).

Mr. Brewer asked about access and accessibility in the District in terms of transportation improvements, such as completion of an interchange at Rock Creek Road and I-35. Mr. Lovell indicated the development team had spoken to the Oklahoma Department of Transportation, who essentially said they would consider the request once the project was approved. Mr. Cabiness noted that the City's AIM initiative to update its land use plan and transportation plan is underway and this area was being examined related to that effort. Finally, it was noted that Rainier Properties, as the largest property owner in the District, is exploring the initiation of a business improvement district that could help with some maintenance costs.

3. CONSIDERATION AND POSSIBLE ADOPTION, REJECTION, AND/OR AMENDMENT OF A RESOLUTION MAKING STATUTORY FINDINGS AND A RECOMMENDATION FOR THE ROCK CREEK ENTERTAINMENT DISTRICT PROJECT PLAN AND RELATED INCREMENT DISTRICTS TO THE NORMAN CITY COUNCIL

Ms. Walker said this item would appear on every Review Committee agenda from now until the committee makes their formal recommendation to City Council. This is a changeable draft document that will be adjusted to reflect the decision made by the committee. Once finalized, the resolution will be forwarded to City Council and the first of two public hearings will be scheduled.

MISCELLANEOUS COMMENTS

Members were reminded of the next meeting scheduled for May 23, 2024, at 8:30 a.m. Mr. Thompson will be unable to attend this meeting.

ADJOURNMENT

The meeting was adjourned at 9:49 a.m.