



CITY OF NORMAN, OK DEVELOPMENT OVERSIGHT COMMITTEE FOR TIF DISTRICT NO. 2 MEETING

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

Tuesday, September 17, 2024 at 1:30 PM

MINUTES

The Development Oversight Committee for TIF District No. 2 of the City of Norman, Cleveland County, State of Oklahoma, met in Regular Session in the Executive Conference Room, on the 17th day of September, 2024, at 1:30 p.m., and notice of the agenda of the meeting was posted at the Norman Municipal Building at 201 West Gray, Development Center at least 24 hours prior to the beginning of the meeting.

ROLL CALL

PRESENT

Committee Member Greg Burge
Committee Member Kaimee Kellis
Committee Member Kurt Lee
Committee Member Rob Norman
Committee Member Paul Wilson
Committee Member Steven McDaniel

ABSENT

Committee Member William Wilson
Committee Member Nick Migliorino
Alternate Committee Member Tyler Jones

OTHERS

Anthony Francisco, Director of Finance
Clint Mercer, Chief Accountant
Dannielle Risenhoover, Admin. Tech IV
Rick Knighton, Interim City Attorney
Sara Kaplan, Business & Community Relations
Trey Bates, Co-owner of HeyDay Entertainment
Tracey Bates, Co-owner of HeyDay Entertainment

MINUTES

1. CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT AND/OR POSTPONEMENT OF MINUTES FROM AUGUST 20, 2024

Chair Burge called for approval of the minutes of the meeting of August 20, 2024 as amended to include "There was also extensive discussion about whether the retail developer would qualify for the incentive funds under the 'retail stores' criteria" and to withdraw the terminology "bigger

and better” when referring to the Main Event. The Committee voted unanimously to approve the minutes as amended.

REPORTS

2. CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT AND/OR POSTPONEMENT OF MONTHLY FINANCIAL REPORT

Anthony Francisco gave the report stating that there is \$5,466,000 available in the Retail Incentive Fund. “When we have made payments out of funds that have been invested, the interest made, was included in those payments going out,” Francisco said. The Committee showed concern with the revised Project Plan allocating \$5 million for incentive funds, but a developer receiving \$5 million *plus* interest. City Attorney Rick Knighton stated, “When I have talked to Darrel about this issue, we have talked about whatever the incentive is, capping it at that as opposed to the interest.” Chair Burge asked if there were discussion or plans for the \$466,000 in interest. “I would think that you could use it for any other authorized TIF project,” Francisco said. Francisco did advise the Committee that in the future, they could make a recommendation about the use of interest on authorized projects.

Member Lee made a motion to approve the Financial Report which was duly seconded by Member Norman. The motion passed unanimously.

Items submitted for the record:
Financial Report

DISCUSSION & ACTION ITEMS

3. CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT, POSTPONEMENT AND/OR DISCUSSION OF ONGOING PROJECTS

Anthony Francisco gave the report. Francisco stated that it has become a widely circulated rumor that Hobby Lobby and Mardel would be moving from their current locations to the Lifestyle Center area. “To my knowledge, that’s all it is – is a rumor,” Francisco said. “We know that the developer did not apply for any incentives toward those retailers moving in to the Lifestyle Center area. Those rumors are out there; to my knowledge there has been no building permit applied for.”

A) STATUS OF TOWN CENTER INCENTIVE RECOMMENDATION

The Development Oversight Committee for TIF District 2 (UNP TIF) recommendation was issued to the City Manager and to the UNP TIF Developer. The Developer is pushing for the payment of the retail incentive funds. The Interim City Attorney, Rick Knighton, has been in communication with the City Manager regarding these funds; however, no direction has yet been given to the City’s Finance Department on dispersing any or all of these funds. The developer’s request does include the \$5 million of incentive funds plus interest.

Chair Burge recognized Mr. and Mrs. Bates, co-owners of HeyDay Entertainment, to speak on behalf of the UNP TIF incentive funds and the addition of the Main Event to the TIF District.

“New businesses come in all the time and you’ve got to be able to compete. We’re excited about the way we’ve been able to position HeyDay in our community to compete when and if they (Main Event) come. I think the concern was that they would receive incentives to come. That seemed counter to what the TIF agreement was clearly laying out,” Trey Bates said. “Because we weren’t given an opportunity to tell you what HeyDay was about; we feel like all the facts weren’t there.” Trey and Tracey Bates provided an informational packet about HeyDay to the Committee Members. Their packet also included Section IX.A.4 from the amended, November 29, 1019 UNP TIF Project Plan that outlined the qualifications for incentive funds.

“I think it’s important to notice that the dollar per square foot was explicitly eliminated from the developer’s offer because what it was intended to be was a new offering, a unique offering, to Norman,” Trey Bates said. “I think in any objective analysis, they (the developer) did not meet that threshold.”

Bates went on to say, “You have three restaurant offerings that do qualify under the letter of the \$400 per square foot, but that is not what is setting the character of that (Main Event) project. What is setting the character of the project and what you guys reviewed in your last month meeting was all about Main Event and what it’s bringing; so, to the extent that there is some discretion, the amount of the incentive that should actually be awarded – based upon three strip center restaurants compared to the overall project, is something that I hope you guys would keep an eye on and I know the Manager is going to do the right thing. I believe that as it relates to how much of that incentive actually gets released.”

Tracey Bates added, “With economic incentives, the developer is able to bring them (Main Event) here. That now eliminates UNP as an option for us. So, when they get an economic incentive to move in because “they’re new”, we would not qualify - if I understand things correctly - for an economic incentive, yet we’re being torn down by the turnpike.”

“If the rules say there shouldn’t be economic incentives for a business that is already, literally, exactly like the one we have in Norman, then at least don’t incentivize it so we have an even playing field as we work forward,” Trey Bates said.

MISCELLANEOUS COMMENTS

Member Norman stated, “This is a lesson in unintended consequences to local businesses if we’re not extremely careful about what we do with development.”

Anthony Francisco extended a thank you to the Committee for their work.

ADJOURNMENT

Member Paul Wilson moved to adjourn the meeting which was duly seconded by Member Kellis. The motion passed unanimously and the meeting adjourned at 2:25 PM.



Greg Burge, Chair
Development Oversight Committee for TIF District 2

