CITY OF NORMAN, OK
CITY COUNCIL SPECIAL MEETING

Municipal Building, Council Chambers, 201 West Gray, Norman, OK 73069
Tuesday, September 17, 2024 at 6:30 PM

AMENDED AGENDA

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, relation, 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 call 405-366-5424, Relay Service: 711. To better serve you, five (5) business days' advance notice is preferred.

CITY COUNCIL, NORMAN UTILITIES AUTHORITY, NORMAN MUNICIPAL AUTHORITY, AND NORMAN TAX INCREMENT FINANCE AUTHORITY

You are required to sign up in advance of the meeting on the City's webpage, by calling the City Clerk's Office (405-366-5406), or at the Council Chambers prior to the start of the meeting with your name, ward, and item you wish to speak to. When the time comes for public comments, the Clerk will call your name and you can make your way to the podium. Comments may be limited on items of higher interest, if so, the Mayor will announce that at the beginning of the meeting. Participants may speak one time only up to 3 minutes per person per item. There will be no yielding of time to another person. Sign up does not guarantee you will get to speak if the allotted time for that item has already been exhausted. If there is time remaining after those registered to speak have spoken, persons not previously signed up may have the opportunity to speak. Comments received must be limited to the motion on the floor only.

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

PUBLIC HEARING

1. CONDUCTING AND CLOSING THE SECOND PUBLIC HEARING FOR CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF THE ROCK CREEK ENTERTAINMENT DISTRICT PROJECT PLAN AND ITS PROPOSED INCREMENT DISTRICT NO. 4, CITY OF NORMAN, A SALES TAX INCREMENT DISTRICT, AND INCREMENT DISTRICT NO. 5, CITY OF NORMAN, AN AD VALOREM INCREMENT DISTRICT.

NON-CONSENT ITEMS

2. CONSIDERATION OF ADOPTION, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF ORDINANCE O-2425-2 UPON SECOND AND FINAL READING: AN ORDINANCE OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, APPROVING AND ADOPTING THE ROCK CREEK ENTERTAINMENT DISTRICT PROJECT PLAN; DESIGNATING AND ADOPTING PROJECT AREA AND INCREMENT DISTRICT BOUNDARIES; SETTING EFFECTIVE DATES FOR THE INCREMENT DISTRICTS; ADOPTING CERTAIN FINDINGS; AUTHORIZING THE CITY OF NORMAN AND THE NORMAN TAX INCREMENT FINANCE AUTHORITY TO CARRY OUT AND ADMINISTER THE PROJECT PLAN; RATIFYING AND CONFIRMING THE ACTIONS, RECOMMENDATIONS AND FINDINGS OF THE REVIEW COMMITTEE AND THE NORMAN PLANNING COMMISSION; AND PROVIDING FOR THE SEVERABILITY THEREOF.

3. CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT AND/OR POSTPONEMENT OF CONTRACT K-2425-55: BY AND BETWEEN THE CITY OF NORMAN; THE NORMAN TAX INCREMENT FINANCE AUTHORITY; UNP NORTH, L.L.C.; AND THE CLEVELAND COUNTY RECREATIONAL AND ENTERTAINMENT FACILITIES AUTHORITY FOR AN ECONOMIC DEVELOPMENT AGREEMENT FOR THE ROCK CREEK ENTERTAINMENT DISTRICT.

4. CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF ORDINANCE O-2324-35 UPON SECOND AND FINAL READING: AN ORDINANCE OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, AMENDING SECTION 36-201 OF THE CODE OF THE CITY OF NORMAN SO AS TO REMOVE THE PART OF THE EAST HALF (E/2) OF SECTION FOURTEEN (14), TOWNSHIP NINE (9) NORTH, RANGE THREE (3) WEST OF THE INDIAN MERIDIAN, TO NORMAN, CLEVELAND COUNTY, OKLAHOMA, FROM THE PUD, PLANNED UNIT DEVELOPMENT DISTRICT, AND PLACE SAME IN THE PUD, PLANNED UNIT DEVELOPMENT DISTRICT; AND PROVIDING FOR THE SEVERABILITY THEREOF. (GENERALLY LOCATED EAST OF I-35 BETWEEN CORPORATE CENTRE DRIVE AND ROCK CREEK ROAD)

5. CONSIDERATION OF AWARDING, ACCEPTANCE, APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF PP-2324-12 PRELIMINARY PLAT FOR THE UNIVERSITY NORTH PARK ENTERTAINMENT DISTRICT, A PLANNED UNIT DEVELOPMENT (LOCATED AT THE NORTHWEST CORNER OF THE INTERSECTION OF 24TH AVENUE NW AND WEST ROCK CREEK ROAD).

ADJOURNMENT

CITY OF NORMAN, OK

STAFF REPORT

MEETING DATE: 09/17/2024

REQUESTER: City of Norman

PRESENTER: Anthony Francisco, Director of Finance

ITEM TITLE: CONDUCTING AND CLOSING THE SECOND PUBLIC HEARING FOR CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF THE ROCK CREEK ENTERTAINMENT DISTRICT PROJECT PLAN AND ITS PROPOSED INCREMENT DISTRICT NO. 4, CITY OF NORMAN, A SALES TAX INCREMENT DISTRICT, AND INCREMENT DISTRICT NO. 5, CITY OF NORMAN, AN AD VALOREM INCREMENT DISTRICT.

NOTICE TO THE PUBLIC OF TWO PUBLIC HEARINGS REGARDING THE PROPOSED ROCK CREEK ENTERTAINMENT DISTRICT PROJECT PLAN

Pursuant to the Oklahoma Local Development Act, 62 O.S. § 850, *et seq.* ("Act"), notice is hereby given to all interested persons that the City of Norman City Council will hold two public hearings regarding the Rock Creek Entertainment District Project Plan ("Project Plan") and its proposed Increment District No. 4, City of Norman ("Increment District No. 4"), a sales tax increment district, and Increment District No. 5, City of Norman ("Increment District No. 5"), an ad valorem increment district (Increment District No. 4 and Increment District No. 5, collectively, "Increment Districts").

Both public meetings will be held in the City Council Chambers at Norman City Hall, 201 W. Gray St., Norman, OK 73069. The first public hearing will be at 6:30 PM on September 3, 2024, and will be for the purpose of providing information, including an analysis of potential positive or negative impacts, and answering questions regarding the proposed Project Plan and Increment Districts. The second public hearing will be held at 6:30 p.m. on September 17, 2024, and will be for the purpose of giving members of the public an opportunity to be heard prior to any vote on the proposed Project Plan and Increment Districts

The Project Plan establishes the Increment Districts in support of a project by the City of Norman to provide an economic structure and funding mechanism authorized by the Act for the local public investment and improvements necessary to stimulate private investment of a $1.1 billion mixed-use entertainment district immediately east of Interstate 35 in between Rock Creek Road and Tecumseh Avenue, which will be anchored by a multipurpose arena, but including significant hotel, office, residential, and retail components, and all oriented toward a festival plaza street. Public funding will be generated by the implementation of the Increment Districts and provision of assistance in development financing to the project. No new or increased taxes are involved.

A copy of this notice, as well as a draft of the proposed Project Plan, which includes an analysis of the project's eligibility and financial impacts, along with all other project documentation related to the project, may be reviewed by any person interested, at Norman City Hall, 201 W. Gray St., Norman, OK 73069, during normal business hours from 8:00 a.m. to 5:00 p.m., Monday through Friday, or on the City of Norman's website at https://www.normanok.gov/information-proposed-entertainment-district.

The Project Area is the area in which Project activities will take place and Project expenditures may be made and can be generally described as the area between Interstate 35 on the west, the western edge of the Westheimer Airport on the east, Tecumseh Road on the north, and just south of Rock Creek Road on the south. The Increment Districts are coterminous with the Project Area. A map illustrating the boundaries of the Project Area and Increment Districts, as well as a legal description of the same, follows:

Legal Description

A tract of land beginning in the West quarter of Section 13, and the East Half of Section 14, and the Northwest Quarter of Section 24, and the Northeast Quarter of Section 23, all in Township 9 North, Range 3 West of Indian Meridian, Norman, Cleveland County, Oklahoma, and being more particularly described as follows:

Beginning at the northeast corner of Thedford Addition, Norman, Cleveland County, Oklahoma;

Thence south 639.11’;

Thence west 660’, said point being the northeast addition corner of University North Park XVII Addition;

Thence south 503.88’;

Thence south 89 degrees west 596.33’;

Thence south 3182’ along the east right-of-way line of Interstate 35;

Thence east 190’;

Thence south 81 degrees east 495’;

Thence south 84 degrees east 65‘;

Thence south 180’ to a point on north right-of-way line of Rock Creek Road;

Thence south 32 degrees east 73.54’

Thence south 250’;

Thence west 159.49’;

Thence south 23 degrees west 54.45’;

Thence west 162.29;

Thence south 86.29’;

Thence south 67 degrees east 401’;

Thence north 22 degrees east 141.19’;

Thence north 42.18’, to a point being southwest corner of lot 1A Block 1, University North Park Section VI;

Thence east 433.4’;

Thence north 14 degrees east 14.89’;

Thence south 76 degrees east 184.16’;

Thence east 41.09’;

Thence north 65’, said point being northwest corner lot 6A block 1 University North Park section VI;

Thence south 87 degrees east 430’ to a point on east right-of-way line NW 24th Ave;

Thence on a non-tangent curve to the right R=1965.41’ cord bearing south 14 degrees west 750’ to a point being the southwest corner of lot 1 block 3 of University North Park Section XXI;

Thence south 87 degrees east 333.87’;

Thence south 70 degrees east 234.39’;

Thence north 1 degree east 842.87’;

Thence south 89 degrees east 539.59’;

Thence north 1635.98’;

Thence west 559.68’;

Thence north 7 degrees east 489.83’;

Thence east 496.47’;

Thence north 00 degrees, 38 minutes west 1741.56’;

Thence west 470’;

Thence north along a curve to the east, having a radius of 936.15’ a distance of 600.12';

Thence north 260’;

Thence east 233’;

Thence north 158.45’;

Thence west 233’;

Thence north 173.29’;

Thence west 1330’, to the point of beginning.

AND

A tract of land lying in the northwest corner of Section 13, and the Northeast Quarter of Section 14, all in Township 9 North, Range 3 West of Indian Meridian, Norman, Cleveland County, Oklahoma, and being more particularly described as follows:

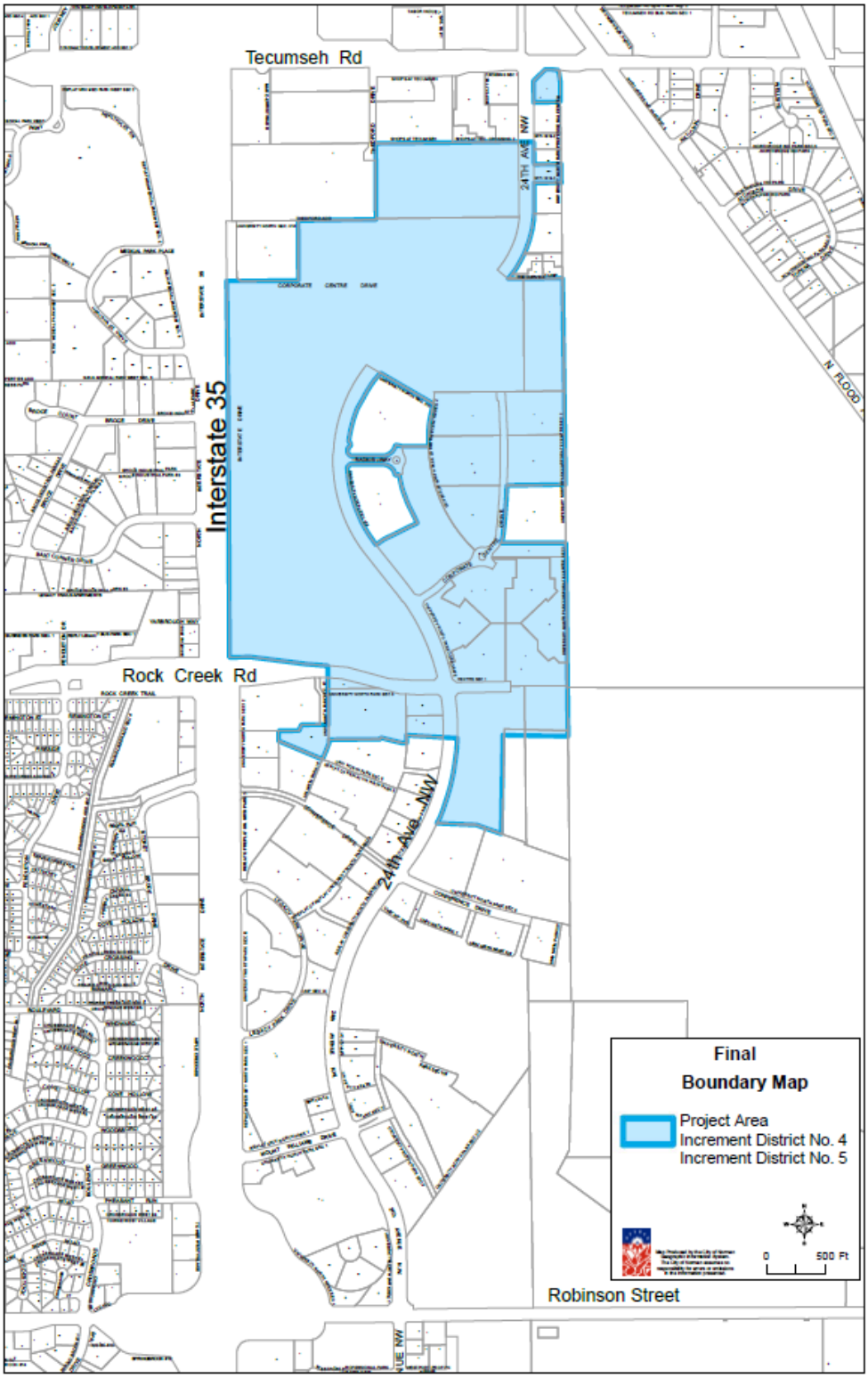
University North Park Professional Center Lot 1 Block 1

LESS AND EXCEPT

Two tracts of land lying in the East half of Section 14, in Township 9 North, Range 3 West of Indian Meridian, Norman, Cleveland County, Oklahoma, and being more particularly described as follows:

University North Park Section XIV Lot 1 Block 1 and University North Park Section XVI Lot 1 Block 1

Final Boundary Map



ROCK CREEK

ENTERTAINMENT DISTRICT PROJECT PLAN

PREPARED BY:

THE CITY OF NORMAN, OKLAHOMA

Approved by the Statutory Review Committee, May 23, 2024
Approved by the Norman Planning Commission, June 13, 2024

I. DESCRIPTION OF PROJECT

The Rock Creek Entertainment District Project Plan is a project plan as defined under the Oklahoma Local Development Act, 62 O.S. § 850, *et seq.* ("Act"), and is referred to here as the "Project Plan." The Project is being undertaken by the City of Norman, Oklahoma ("City") to develop an area of town that has remained largely undeveloped. By developing the property with uses including office, retail, hotel, and residential, anchored by a multi-purpose arena and public plaza ("Project"), the City's hope is to incentivize private investment in this area of the City, which abuts Interstate 35. The development will help achieve some of the City's development objectives, improve the quality of life for its citizens, stimulate private investment, and enhance the tax base. The Project includes the development of a multi-purpose arena to be used by the University Oklahoma basketball and gymnastics teams and as the venue for high school and other sports activities as well as concerts and other performances. The development also includes commercial and retail uses with restaurants and bars and a public festival plaza street, a public parking garage, as well as over 1000 residential units.

In 2006, the City approved a project plan and created an increment district for an area that includes the property where the Project is contemplated, as well as property immediately to the south (respectively, "Original UNP Project Plan" and "Original UNP Project" or "TIF No. 2"). The Original UNP Project resulted in a large retail development, one that generates more visits than any other retail center in central Oklahoma and $13,400,000 in estimated annual sales tax revenue. Certain components of the Original UNP Project were left unrealized. In 2018, the City explored an amendment to the Original UNP Project to provide public financial assistance towards an arena and entertainment district. That amendment did not move forward; the proposal was tabled. At that time, the City, by approval of Ordinance O-1920-24, also terminated the apportionment of new incremental tax revenues for TIF No. 2, which was created in the adoption of the Original UNP Project Plan and amended the authorized projects for which incremental tax revenues could be used.[1]

The opportunity for an arena and entertainment district has presented itself again, along with significant residential development. The City is positioned to pursue its development objectives, capitalize on the retail development immediately adjacent, and complete the development of the area through the approval and implementation of the Project.

This Project Plan is a critical element in fostering public-private partnerships to make the Project happen and can be achieved by means of the financing tools available under the Act, including the establishment of an increment district. An increment district provides funding for public sector costs to stimulate the development and provide public improvements to the area. The Project will be financed from a combination of public and private sources.

II. BOUNDARIES OF PROJECT AREA AND INCREMENT DISTRICTS

The Project Area is the area in which Project activities will take place and Project expenditures may be made and can be generally described as the area between Interstate 35 on the west, the western edge of the Westheimer Airport on the east, Tecumseh Road on the north, and just south of Rock Creek Road on the south.

[1] As of the date of this Project Plan, there remain unexpended incremental tax revenues from TIF No. 2 that may still be used for eligible project costs described in the Original UNP Project Plan.

The increment districts are the area in which incremental tax revenues will be collected. Increment District No. 4 is a sales tax increment district and will become effective on May 1, 2025. Increment District No. 5 is an ad valorem increment district and will become effective on December 31, 2026. The boundaries of Increment District No. 4 and Increment District No. 5 are coextensive with the boundaries of the Project Area.

The legal description of the Project Area, Increment District No. 4, and Increment District No. 5 is provided in Exhibit A and boundaries are depicted on Exhibit A-1.

III. ELIGIBILITY OF PROJECT AREA

In order to establish a tax increment district, Section 856(B)(4)(a) of the Act requires the City to find that the proposed Project Area or Increment Districts meets one of the following criteria:

(1) Is a reinvestment area,

(2) Is a historic preservation area,

(3) Is an enterprise area, or

(4) Is a combination of the areas specified in divisions (1), (2) and (3) of this subparagraph.

All of Increment District No. 4, Increment District No. 5, and the Project Area lie within a state-designated enterprise zone, and therefore qualifies as an enterprise area. A map showing the enterprise zone boundaries is attached as Exhibit B.

IV. OBJECTIVES

The principal objectives of the Project are:

A. To retain or expand employment, to attract major investment in the area, and reverse economic stagnation.

B. To preserve and enhance the tax base and make possible investment, development, and economic growth that would otherwise be difficult without the Project and the apportionment of incremental tax revenues.

C. To stimulate private commitments to invest and reinvest in the area.

V. STATEMENT OF PRINCIPAL ACTIONS

Implementation actions for the Project, including all necessary, appropriate, and supportive steps, will consist principally of providing financial assistance toward the following:

A. Project planning, design, and approval.

B. Construction of public improvements, streets, streetscapes, utilities and other public infrastructure and facilities serving the Project Area, including appropriate landscape improvements, a public festival plaza, lighting, signage, and sidewalks serving the area.

C. Support of the Project, which redevelops and activates vacant property.

VI. ESTABLISHMENT OF INCREMENT DISTRICTS

A. This Project Plan establishes Increment District No. 4, a sales tax increment district, which will become effective on May 1, 2025. The increment of the City's sales and use taxes generated by Increment District No. 4 is a portion of the City's non-dedicated and capital improvements sales tax attributable to investment and development within Increment District No. 4. The sales tax increment shall be 3% of the gross proceeds or gross receipts derived from all sales in Increment District No. 4 that are taxable under the sales tax code of Oklahoma (including any and all amendments thereto and revisions thereof), to be collected only from the non-dedicated (General Fund) and Capital Improvements portions of the City's sales taxes. The sales tax increment shall also include 3% of the gross proceeds or gross receipts generated by investment, construction, and development that is taxable under the sales tax code of Oklahoma, that takes place in Increment District No. 4 pursuant to a development agreement under which development financing assistance is provided from sales tax ("Economic Development Agreement") and which obligates the developer to provide periodic reporting of sales and use taxes paid in connection with construction projects within Increment District No. 4 (increment sales tax from taxable sales and from construction activity, collectively, "Sales Tax Increment"). The Sales Tax Increment may be used to pay Project Costs authorized pursuant to Section IX of this Project Plan, for a period not to exceed 25 fiscal years from the effective date of Increment District No. 4, or the period required for payment of the Project Costs authorized pursuant to Section IX of this Plan, whichever is less. The Sales Tax Increment may be supplemented by state local government matching payments pursuant to the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act, 62 O.S. § 840, *et seq.* ("Leverage Act").

B. This Project Plan establishes Increment District No. 5, an ad valorem increment district. Increment District No. 5 will become effective on December 31, 2026.

C. The increment of ad valorem taxes from Increment District No. 5 in excess of the base assessed values of Increment District No. 5 ("Ad Valorem Increment") shall be apportioned to pay Project Costs authorized pursuant to Section IX of this Project Plan for a period not to exceed 25 fiscal years from the effective date of Increment District No. 5, or the period required for the payment of the Project Costs authorized pursuant to Section IX of this Project Plan, whichever is less.

D. During the period of apportionment, the apportionment fund (1) shall be available to pay Project Costs under Section IX, (2) shall constitute special funds of the Norman Tax Increment Finance Authority ("Authority"), and (3) shall not be subject to annual appropriation as a part of the General Fund of the City.

VII. OVERSIGHT AND APPROVAL OF INCREMENTAL TAX REVENUES FOR PROJECT COSTS

A. Oversight Procedures.

Prior to expenditure of funds from the Increment Districts established under this Project Plan, the proposed development and budgetary allocation of increment shall be considered and approved in accordance with the procedures contained in this Section VII.

B. Initiation of the Consideration and Approval Process.

Initiation of the consideration and approval process for expenditures within the Project Area shall be undertaken by City staff, acting under such procedures as the City may prescribe from time to time.

C. City and Authority Approval.

All budgetary allocations and expenditures of funds from the Increment Districts established under this Project Plan shall be approved by the City Council or, subject to legally sufficient delegation by City Council, the board of trustees of the Authority.

VIII. PROJECT AND INCREMENT DISTRICTS AUTHORIZATIONS

A. The City of Norman is designated and authorized as the principal public entity to carry out and administer the provisions of this Project Plan and to exercise all powers necessary or appropriate thereto as provided in the Act, 62 O.S. § 854.

B. The Authority is authorized and designated to carry out those provisions of the Project Plan related to issuance of bonds or notes as provided in Section 863 of the Act, subject to approval of the governing body of the City of any specific notes or bonds. The Authority is authorized to assist in carrying out this Project Plan and to exercise all powers necessary or appropriate thereto pursuant to Section 854 of the Act, except for approval of this Project Plan and those powers enumerated in paragraphs 1, 2, 3, 4, 7, 13 and 16 of Section 854, which are reserved by the City. As a public entity designated by the City, the Authority is authorized to: (1) issue tax apportionment bonds or notes, or both; (2) incur Project Costs, pursuant to Section IX of this Project Plan; (3) provide funds to or reimburse the City for the payment of Project Costs; (4) incur the cost of issuance of bonds for payment of such costs and to accumulate appropriate reserves, if any, in connection with them; and (5) enter into an Economic Development Agreement with the Project's developer for the provision of Assistance in Development Financing. Project Costs shall mean (a) the public costs authorized to be paid by apportioned tax increments pursuant to Section IX of this Project Plan, and (b) costs necessary or appropriate to implement this Project Plan other than costs authorized by Section IX, which may be authorized without amendment to this Project Plan.

C. Darrel Pyle, City Manager, or his successor in office, or his designee shall be the person in charge of implementation of the Project Plan in accordance with the provisions, authorizations, and respective delegations of responsibilities contained in this Project Plan. The City Manager or his designee is authorized to empower one or more designees to exercise responsibilities in connection with Project implementation.

IX. BUDGET OF ESTIMATED PROJECT COSTS TO BE FINANCED BY TAXES APPORTIONED FROM THE INCREMENT DISTRICTS

A. The Project Costs that will be financed by the apportionment of incremental tax revenues from Increment District No. 4 and Increment District No. 5 are:

1. Generally.

The costs to incur or to be incurred by the City and the Authority in implementing and administering this Project Plan, including, but not limited to, payment and/or reimbursement of costs advanced in connection with the preparation and approval of this Project Plan, administrative costs, organizational costs, professional services costs, and financing costs and fees.

2. Authorized Project Cost Limits.

Authorized Project Costs include Assistance in Development Financing and Administration/Implementation. The amount of Assistance in Development Financing shall not exceed $600,000,000. The amount of Administration/Implementation shall not exceed $200,000 annually and $5,000,000 total. The amount of total authorized collections and expenditures are $600,000,000. The Maximum Authorized Collections/Expenditures and the amounts authorized for each individual Project Cost Budget category are based on the maximum amount of Assistance in Development Financing to be authorized by an Economic Development Agreement between the Authority and the Project's developer, which will provide for the Project's developer and its development partners to shoulder the full cost and financing risk toward the Project's construction, development, and operations, and will provide such Assistance in Development Financing solely as a pay-as-you-go contractual obligation from generated incremental tax revenues and supplemental funds from the State of Oklahoma, as more specifically outlined in subparagraph 3 below.

3. Assistance in Development Financing.

Assistance in Development Financing consists of amounts paid to the Project's developer to incentivize the Project and shall be limited to an amount equal to 100% of the Ad Valorem Increment less an amount equal to the lesser of (i) 2% of the Ad Valorem Increment, or (ii) $200,000, per year, which shall be retained by the Authority for Administrative/Implementation costs described in subparagraph 2 until the maximum level of Administration/Implementation costs described in subparagraph 2 has been reached, and 100% of the Sales Tax Increment, all of which shall not exceed the lesser of (a) the maximum amount of Assistance in Development Financing listed in subparagraph 2 above or (b) the amount necessary, in combination with 100% of any potential state local government matching payments received from the State of Oklahoma pursuant to the Leverage Act ("Leverage Act Payments"), for the Project's developer and its development partners to finance $230,000,000 in private development and public infrastructure costs. Leverage Act Payments will be supplemental and in addition to the maximum amount listed in authorized Project Cost limits in subparagraph 2 above, but will be applied to the private financing assistance cap described in (b) of this subparagraph. Any amounts of Assistance in Development Financing and Leverage Act Payments that are paid to the Project's developer in excess of the amounts necessary to make the Project's developer's financing payments annually are anticipated to be paid toward the outstanding principal on such financing, and any accumulated funds in any required reserve account remaining unexpended toward such financing when such financing is retired will either be applied toward the costs of paying off such financing or else will be returned to the Authority for distribution to the affected taxing entities as specific revenue source payments in proportion to the sales and ad valorem levies that contributed to the payments.

4. Administration/Implementation.

Authorized administration and implementation costs consist of direct administrative costs (including reasonable charges for time spent by City and Authority employees in connection with this Project Plan), organizational costs, and other incidental costs involved with creating and publicizing the consideration of this Project Plan, Increment District No. 4, and Increment District No. 5. Administration and implementation costs shall be limited to the lesser of (i) 2% of the Ad Valorem Increment, or (ii)

$200,000, per year, which shall be retained by the Authority for Administrative/Implementation costs described in subparagraph 2.

B. The incremental tax revenues expected to be generated from the Increment Districts and authorized for payment of Project Costs within the Project Area are as follows:

Increment District No. 4	$151,000,000
Increment District No. 5	$389,000,000

The amounts set forth above in this Section IX(B) are estimated collections and not limits on increment collections from Increment District No. 4 or Increment District No. 5. Increment collections will be limited only to such amounts as needed to pay all project costs described in Section IX.A.2.

Incremental tax revenues are anticipated to be supplemented by up to $151,000,000 or more in potential Leverage Act Payments.

C. Additional costs necessary or appropriate to implement this Project Plan that are to be financed by other than apportioned Ad Valorem Increment and Sales Tax Increment may be approved by the City at any time. The provisions of this Section IX are not a limitation on Project Costs to be financed by other than apportioned Ad Valorem Increment and Sales Tax Increment.

X. FINANCING PLAN AND REVENUE SOURCES

A. Financing Plan.

The proposed private development is projected to generate tax increments necessary to pay authorized public costs of the Project. The financing of the projected private development in the area will be provided by private equity and debt financed by the Project's developer and its development partners and secured by the private development. It is anticipated that incremental tax revenues will be paid as Assistance in Development Financing once increments are generated by the Project. Such Assistance in Development Financing shall be paid in accordance with an Economic Development Agreement and are intended to provide up to $230,000,000 in present value toward construction of an arena and a parking garage serving the arena and toward the costs of infrastructure to be dedicated to the public, which is anticipated to be comprised of approximately $190,000,000 in present value toward construction of an arena and a parking garage serving the arena, both of which will be components of the Project, and approximately $40,000,000 in present value toward the costs of infrastructure to be dedicated to the public. The Assistance in Development Financing is anticipated to be provided through a contractual obligation that provides such assistance on a pay-as-you-go basis. Neither the City nor the Authority intend to authorize or issue any public debt to finance any of the costs of the Project.

B. Financing Authorizations.

The implementation of the Project Plan shall be financed in accordance with financial authorizations, including both fund and asset transfers, as may be authorized from time to time by the City.

C. Financing Revenue Sources.

The revenue sources expected to finance Project Costs authorized by Section IX are the portion of the incremental tax revenue attributable to investment and development within Increment District No. 4 and Increment District No. 5. Project Costs will be paid by the City and/or the Authority.

D. Financial Reports and Audits.

The redevelopment activities undertaken by the City, pursuant to this Project Plan, shall be accounted for and reported by the appropriate and necessary annual fiscal year audits and reports.

E. Other Necessary and Supporting Costs.

The Authority is authorized to issue bonds and notes and to apply for and obtain grants from other sources for costs incurred or to be incurred in connection with the Project and the construction of improvements therein in addition to Project Costs to be financed pursuant to Section IX.

XI. ESTIMATED PRIVATE AND PUBLIC INVESTMENTS STIMULATED BY THE PROJECT, ASSOCIATED IMPACTS ON BUSINESS ACTIVITIES, AND FINANCIAL IMPACTS ON TAXING JURISDICTIONS

A. Estimated Private and Public Investment.

The total estimated investment in the Project is over $1 billion, including the estimated public investment described in Section IX above. Private investment in the area is expected to consist of the Project and its various new residential, retail, office, commercial, arena, parking garage, and hotel development, along with necessary adjacent public improvements. The Project will be financed by the developer and the developer's partners. Public investment will include Assistance in Development Financing to contribute to the construction of the Project, including the arena, parking garage, infrastructure improvements, landscaping, and streetscape improvements.

B. Estimated Public Revenue.

The incremental tax revenues, which will serve as the revenue source for financing the Project Costs authorized by Section IX, is the public revenue directly attributable to the Project defined by establishment of Increment District No. 4 and Increment District No. 5. The City, the State, and other taxing entities should anticipate experiencing increases in tax revenues that are not a part of the incremental tax revenues. Incremental tax revenues are anticipated to be supplemented by potential Leverage Act Payments.

Incremental tax revenues anticipated to be collected and apportioned pursuant to this Project Plan are estimated to average $30,000,000 annually upon build out. The public revenue anticipated includes increased tax revenue both inside and outside Increment District No. 4 and Increment District No. 5, as well as the potential Leverage Act Payments. The economic benefits of the Project Plan indicate positive financial impacts for the community as a whole. The aggregate impacts on the City from implementation of the Project Plan are positive and include the achievement of the objectives set forth in Section IV.

C. Impacts on Business Activities.

The Project is anticipated to increase business activity within the Increment Districts and Project Area by adding new businesses and residences. Measuring the specific impacts of the Project on business activities and the greater community is more difficult. An economic analysis commissioned by the Norman Economic Development Coalition and conducted by the Oklahoma Department of Commerce indicates that the Project will generate over 4,600 jobs and contribute over $350 million per year to the state's Gross Domestic Product ("GDP") once the Project has been completed, and those figures would increase to upwards of 6,600 jobs and $454 million in annual GDP during peak construction years. The Department of Commerce report indicates that job growth and GDP effects will not be limited to the City and will be seen in surrounding communities and the state as a whole. A copy of the Department of Commerce's report is attached to this Project Plan as Exhibit E.

Another report commissioned by the Cleveland County Industrial Development Authority and performed by Hunden Partners includes an analysis of the Project's market demand, feasibility, and economic impacts. Hunden Partners' report estimates a little over 1,000 direct jobs and approximately 800 additional indirectly-generated or induced jobs, all of which bring with it approximately $1.8 billion in net new earnings over a 25-year period. In addition to employment impacts and related earnings, the Hunden Report also looked at net new consumer spending that the Project might generate, and concluded that direct, indirect, and induced new spending from the Project in Cleveland County as a whole would total over $4.5 billion over 25 years. Hunden estimates that 17% of the direct on-site sales on the Project would be net new in Cleveland County, and most of that will be from recaptured spending that currently occurs in Oklahoma County. Hunden also estimates that 78% of new office tenants and 14% of the new prospective residents who will lease the residences proposed as part of the Project will be new to the County. A copy of the Hunden Partners report is attached to this Project Plan as Exhibit F.

D. Financial Impacts on Taxing Jurisdictions.

1. Norman Public Schools.

Norman Public Schools may experience growth in enrollment as a result of the Project's employment, new residences, and the ancillary economic impacts from the Project. The financial impacts of this enrollment growth may be mitigated by the fact that only 14% of the proposed residents in the residential components of the Project will be new to Cleveland County (according to the Hunden report). Depending on from where in Cleveland County the other 86% of the new residents will be relocating, the overall growth levels may be minimal or significant. The table below shows estimated scenarios for new enrollment and corresponding new/increased State School Aid in Year 10 of the Project (i.e., upon Project buildout and stabilization), based on how many new residents may relocate to the Project from within or outside of Norman Public Schools' jurisdiction:[2]

[2] Assumptions: (a) residential units would add residents at the average household size for the City of Norman per U.S. Census (2.4 persons per household) and those residents would include a percentage population under age 18 equal to the City of Norman's demographics according to the U.S. Census; (b) state appropriations for State Aid would start at 2023-2024 levels and increase 2% annually; (c) post-stabilization occupancy rate will be 93% listed in Hunden Partners Report.

Year 10:	14% Residents New to NPS[3]	25% Residents New to NPS[4]	40% Residents New to NPS[5]
– *New Enrollment*	95	171	273

Norman Public Schools should anticipate an increase in non-sinking fund ad valorem tax revenue of approximately $7,900,000 annually upon termination of Increment District No. 5. Assuming no major changes in the Oklahoma State School Aid formula and no major shifts in Norman Public Schools' ratio of ad valorem valuation to student population at that time, the State Aid formula will offset approximately 79% of that new non-sinking fund ad valorem tax revenue, resulting in a net increase of non-sinking fund revenue to the school district of approximately $1,680,000 annually.

2. Cleveland County.

A demand for increased services from Cleveland County is anticipated to result from the Project. Projections show new ad valorem tax revenue to the County upon completion of the Project and expiration of Increment District No. 5 of approximately $1,900,000 annually. Additional ad valorem and sales tax revenues for the County may be generated by increased consumer spending and GDP growth anticipated to be observed within Cleveland County due to the Project.

3. Cleveland County Health Department.

Demand for increased services from the Cleveland County Health Department ("CCHD") anticipated to result from the Project are not quantifiable at present, but some may be anticipated. Projections show that CCHD should anticipate receiving additional operational ad valorem revenue annually approximating $495,000 upon termination of Increment District No. 5, not including any ad valorem tax revenue growth from new residential and commercial construction that will occur outside of the Project but within CCHD's jurisdiction as a result of increased GDP experienced in the County.

4. Moore Norman Technology Center.

Demand for increased services from Moore Norman Technology Center ("MNTC") anticipated to result from the Project are not quantifiable at present, but some may be anticipated. Opportunities for complementary job training programs (including, but not limited to construction-related trades) may be utilized through the public and private construction projects anticipated. In addition, MNTC should anticipate receiving approximately $2,900,000 in non-sinking fund ad valorem tax revenue annually upon Increment District No. 5's termination, not including any ad valorem revenue growth from new residential and commercial construction that will occur outside of the Project as a result of increased GDP experienced in MNTC's jurisdiction.

[3] Minimum number of new residents, based on number of residents anticipated to be new to Cleveland County in Hunden Partners report.

[4] Includes minimum number of residents new to Cleveland County from the Hunden Partners report, plus an additional 11% of new residents moving to the Project from outside of Norman Public Schools jurisdiction.

[5] Includes minimum number of residents new to Cleveland County from the Hunden Partners report, plus an additional 26% of new residents moving to the Project from outside of Norman Public Schools jurisdiction.

5. Pioneer Multi-County Library System.

Demand for increased services from Pioneer Multi-County Library System ("Pioneer Library") anticipated to result from the Project are not quantifiable at present, but some may be anticipated. Pioneer Library should anticipate receiving approximately $1,100,000 in non-sinking fund ad valorem tax revenue annually upon Increment District No. 5's termination, not including any ad valorem revenue growth from new residential and commercial construction that will occur outside of the Project as a result of increased GDP experienced in Pioneer Library's jurisdiction.

6. City of Norman.

The Project likely has the largest impacts on the City. As stated in Section VI(B) herein, the Sales Tax Increment is 3% of the City's sales tax revenue, which includes only the non-dedicated (General Fund) and Capital Improvement portions of the City's sales tax rate. The City's sales tax projections show over $32 million in City sales taxes generated over the life of Increment District No. 4 that will not be increment—$23.2 million each to the City's Public Safety fund, $3.3 million to Norman Forward funds,[6] and $5.8 million to the City's Public Transit fund. The hotel component of the Project is also anticipated to generate $8 million in hotel occupancy taxes to the City over the 25-year life of Increment District No. 4, which will not be apportioned as increment.

The Hunden Partners report indicates that 17% of the retail anticipated to be generated by the Project will be net new to Cleveland County. It is unknown at this time how much additional retail activity will result from activity new to the City from other locations within Cleveland County, though it is worth noting that, aside from the retail sales from the Lloyd Noble Center that would take place instead at the new arena, the concept provided for the Project indicates that nearly all of the retail is anticipated to be small-scale stores and entertainment businesses, not major retail outlets. The Project's developer or its affiliate also owns a significant portion of the University North Park shopping center immediately to the south of the Project and has a strong incentive to avoid cannibalization from or relocation of existing retailers.

It is anticipated that additional sales tax revenues outside of the Project Area will be generated because of the Project due to the increased gross domestic product, consumer spending, and local earnings from the Project. The Hunden Partners report and the Department of Commerce report do not quantify those indirect impacts, however. The Hunden Partners report indicates that the Project will generate $608 million in City of Norman taxes over 25 years.

Upon completion, the City will become responsible for maintenance of all new public infrastructure and improvements anticipated to be constructed by the Project, in addition to providing police, fire, parks, and other general municipal services to serve the Project. It is anticipated that the arena will operate independently of the City, with no direct revenue or expense impacts on City operational funds. Additionally, a portion of the costs associated with the maintenance of certain infrastructure, improvements, and transportation may be borne by an improvement district created under the Oklahoma Improvement District Act, 11 O.S. § 39-101, *et seq.*, covering the Project Area, or by a property owners' association or other mechanism.

[6] Norman Forward is set to sunset in 2030. If the voters elect to reenact or renew it beyond that date, additional revenues will be available.

XII. LAND USE

Existing uses and conditions of real property in the Project Area are shown on the map attached as Exhibit C. The proposed improvements to and the proposed uses of the real property in the Project Area are shown on Exhibit D.

XIII. MISCELLANEOUS PROVISIONS

An amendment to the existing Planned Unit Development (Ordinance O-2122-21) is necessary to accommodate this Project, and an application to amend is pending as of the date of this Project Plan. Property owners are responsible for all required zoning changes necessary to accommodate the Project. This Project Plan complies with the objectives and priorities of the Norman 2025 Plan, the City's Comprehensive Plan.

EXHIBIT A

Project Area, Increment District No. 4, and Increment District No. 5
Legal Description

A tract of land beginning in the West quarter of Section 13, and the East Half of Section 14, and the Northwest Quarter of Section 24, and the Northeast Quarter of Section 23, all in Township 9 North, Range 3 West of Indian Meridian, Norman, Cleveland County, Oklahoma, and being more particularly described as follows:

Beginning at the northeast corner of Thedford Addition, Norman, Cleveland County, Oklahoma;

Thence south 639.11’;

Thence west 660’, said point being the northeast addition corner of University North Park XVII Addition;

Thence south 503.88’;

Thence south 89 degrees west 596.33’;

Thence south 3182’ along the east right-of-way line of Interstate 35;

Thence east 190’;

Thence south 81 degrees east 495’;

Thence south 84 degrees east 65‘;

Thence south 180’ to a point on north right-of-way line of Rock Creek Road;

Thence south 32 degrees east 73.54’

Thence south 250’;

Thence west 159.49’;

Thence south 23 degrees west 54.45’;

Thence west 162.29;

Thence south 86.29’;

Thence south 67 degrees east 401’;

Thence north 22 degrees east 141.19’;

Thence north 42.18’, to a point being southwest corner of lot 1A Block 1, University North Park Section VI;

Thence east 433.4’;

Thence north 14 degrees east 14.89’;

Thence south 76 degrees east 184.16’;

Thence east 41.09’;

Thence north 65’, said point being northwest corner lot 6A block 1 University North Park section VI;

Thence south 87degrees east 430’ to a point on east right-of-way line NW 24th Ave;

Thence on a non-tangent curve to the right R=1965.41’ cord bearing south 14 degrees west 750’ to a point being the southwest corner of lot 1 block 3 of University North Park Section XXI;

Thence south 87 degrees east 333.87’;

Thence south 70 degrees east 234.39’;

Thence north 1 degree east 842.87’;

Thence south 89 degrees east 539.59’;

Thence north 1635.98’;

Thence west 559.68’;

Thence north 7 degrees east 489.83’;

Thence east 496.47’;

Thence north 00 degrees, 38 minutes west 1741.56’;

Thence west 470’;

Thence north along a curve to the east, having a radius of 936.15’ a distance of 600.12';

Thence north 260’;

Thence east 233’;

Thence north 158.45’;

Thence west 233’;

Thence north 173.29’;

Thence west 1330’, to the point of beginning.

AND

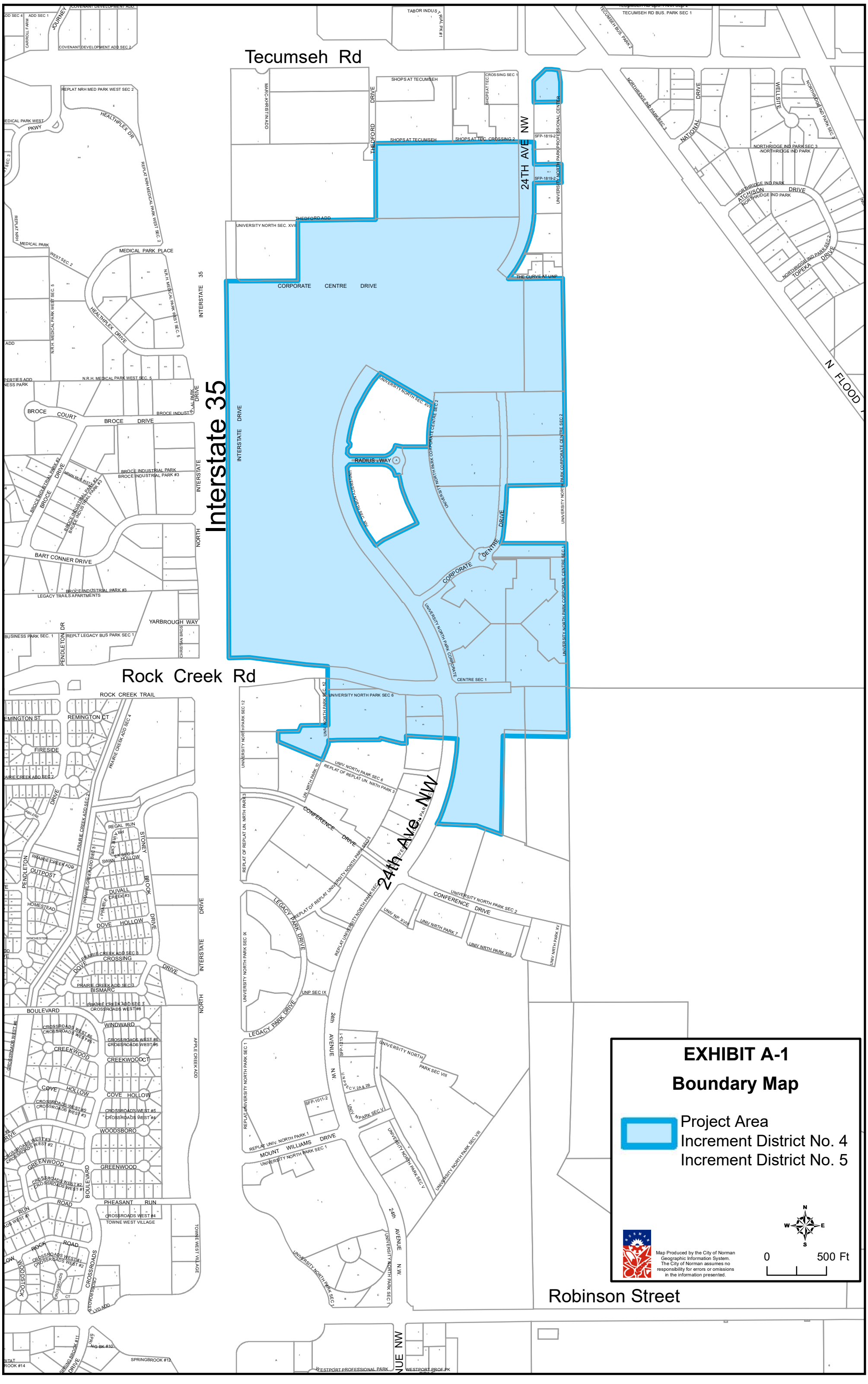
A tract of land lying in the northwest corner of Section 13, and the Northeast Quarter of Section 14, all in Township 9 North, Range 3 West of Indian Meridian, Norman, Cleveland County, Oklahoma, and being more particularly described as follows:

University North Park Professional Center Lot 1 Block 1

LESS AND EXCEPT

Two tracts of land lying in the East half of Section 14, in Township 9 North, Range 3 West of Indian Meridian, Norman, Cleveland County, Oklahoma, and being more particularly described as follows:

University North Park Section XIV Lot 1 Block 1 and University North Park Section XVI Lot 1 Block 1


Tecumseh Rd
Rock Creek Rd
Robinson Street
Interstate 35
24th Ave NW
EXHIBIT A-1
Boundary Map
Project Area
Increment District No. 4
Increment District No. 5
Map Produced by the City of Norman Geographic Information System. The City of Norman assumes no responsibility for errors or omissions in the information presented.
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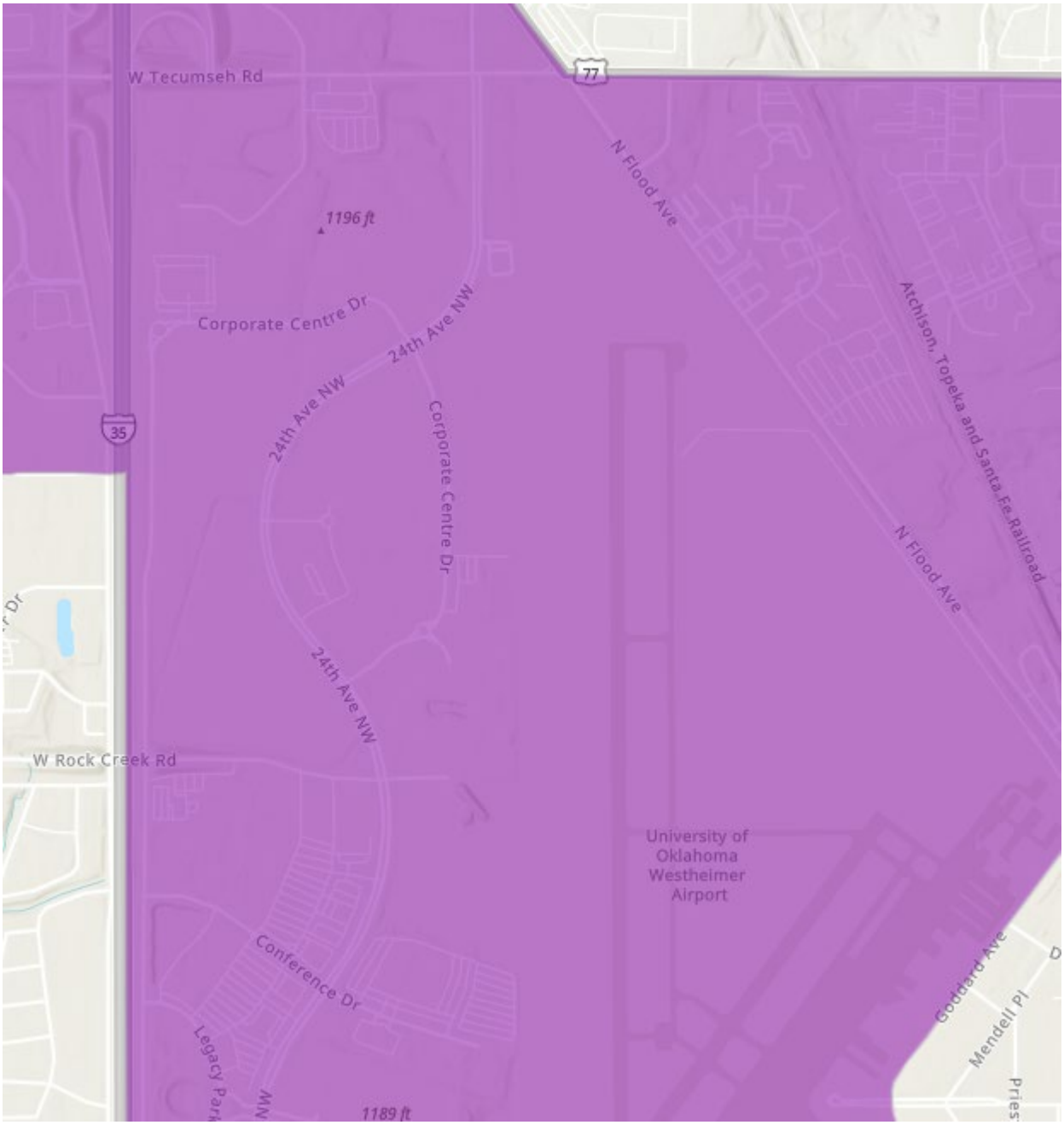
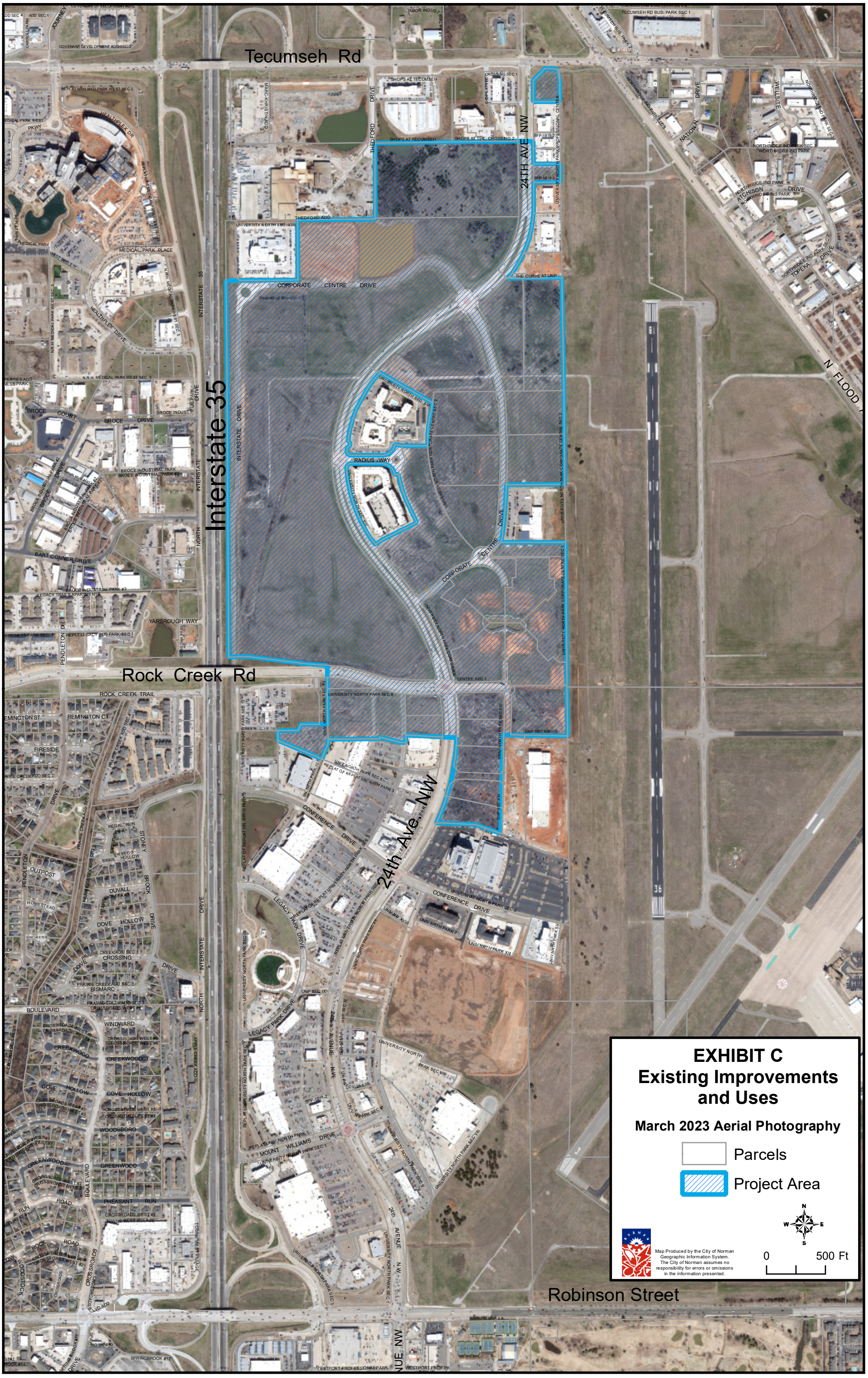
CORPORATE CENTRE DRIVE
UNIVERSITY NORTH PARK CORPORATE CENTRE SEC 1
UNIVERSITY NORTH PARK SEC 6
UNIV NORTH PARK SEC 6
REPLAT OF REPLAT UN. NRTH PARK 3
CONFERENCE DRIVE
UNIVERSITY NORTH PARK SEC 2
LEGACY PARK DRIVE
UNIVERSITY NORTH PARK SEC 1
UNIVERSITY NORTH PARK SEC V
UNIVERSITY NORTH PARK SEC VIII
THEDFORD ADD
UNIVERSITY NORTH SEC. XVII
SHOPS AT TECUMSEH
SHOPS AT TEC. CROSSING 2
CROSSING SEC 1
MARC-KHRISTIN ADD
THEDFORD DRIVE
24TH AVE NW
UNIVERSITY NORTH PARK PROFESSIONAL CENTER
THE CURVE AT UNP
RADIUS WAY
UNIVERSITY NORTH SEC. XIV
UNIVERSITY NORTH PARK CORPORATE CENTRE SEC 2
UNIVERSITY NORTH PARK CORPORATE CENTRE SEC 1
TABOR INDUS TRIAL PK #1
TECUMSEH RD BUS. PARK SEC 1
TECUMSEH BUS. PARK 2
NORTHRIDGE IND PARK SEC 3
NATIONAL DRIVE
WELLSITE
NORTHRIDGE IND PARK SEC 3
NORTHRIDGE IND PARK
ATCHISON DRIVE
NORTHRIDGE IND PARK SEC 2
TOPEKA DRIVE
N FLOOD
REPLAT NRH MED PARK WEST SEC 2
HEALTHPLEX DR
REPLAT NRH MEDICAL PARK WEST SEC 2
MEDICAL PARK PLACE
N.R.H. MEDICAL PARK WEST SEC 5
HEALTHPLEX DRIVE
N.R.H. MEDICAL PARK WEST SEC. 5
BROCE COURT
BROCE DRIVE
BROCE INDUSTRIAL PARK #3
BART CONNER DRIVE
LEGACY TRAILS APARTMENTS
YARBROUGH WAY
PENDLETON DR
REPLT LEGACY BUS PARK SEC 1
BUSINESS PARK SEC. 1
ROCK CREEK TRAIL
REMINGTON CT
FIRESIDE
PRAIRIE CREEK ADD SEC 4
PRAIRIE CREEK ADD SEC 2
PRAIRIE CREEK ADD SEC 3
PRAIRIE CREEK ADD SEC 8
PRAIRIE CREEK ADD SEC 3 CROSSROADS WEST #6
PRAIRIE CREEK ADD SEC 3 CROSSROADS WEST #5
PRAIRIE CREEK ADD SEC 3 CROSSROADS WEST #4
PRAIRIE CREEK ADD SEC 3 CROSSROADS WEST #3
PRAIRIE CREEK ADD SEC 3 CROSSROADS WEST #2
PRAIRIE CREEK ADD SEC 3 CROSSROADS WEST #1
PRAIRIE CREEK ADD
OUTPOST
HOMESTEAD
DUVALL CREEK #3
DOVE HOLLOW
BISMARC
BOULEVARD
WINDWARD
CREEKWOOD
CREEKWOOD CT
COVE HOLLOW
WOODSBORO
GREENWOOD
PHEASANT RUN
TOWNE WEST VILLAGE
ROCK ROAD
CROSSROADS BLVD ADD
APPLE CREEK ADD
SPRINGBROOK #12
WESTPORT PROFESSIONAL PARK
WESTPORT PROF PK
UNIVERSITY NORTH PARK SEC IX
UNP SEC IX
UNIV NRTH PARK 7
UNIV NRTH PARK XIII
UNIV NRTH PARK XV
UNIV NP XVIII
UNIVERSITY NORTH PARK SEC 2
UNIVERSITY NORTH PARK SEC 1
UNIVERSITY NORTH PARK SEC VIII
UNIVERSITY NORTH PARK SEC V
MOUNT WILLIAMS DRIVE
REPLAT UNIV. NORTH PARK 1
SFP-1011-2
SFP-1819-2
SFP-1819-1
SFP-1113-1
UNIV NORTH PARK SEC 12
UNIV NORTH PARK SEC 13
UNIV NORTH PARK 10
REPLAT OF REPLAT UNIVERSITY NORTH PARK SEC 3
REPLAT UNIVERSITY NORTH PARK SEC 1
UNIVERSITY NORTH PARK SEC 1
24th AVENUE N.W.
UNIVERSITY NORTH PARK SEC 1
UNIVERSITY NORTH PARK SEC V
UNIVERSITY NORTH PARK SEC VIII
UNIVERSITY NORTH PARK SEC 1
UNIVERSITY NORTH PARK SEC 1
UNIVERSITY NORTH PARK SEC 1

EXHIBIT B

ENTERPRISE ZONE BOUNDARY MAP




Tecumseh Rd
Rock Creek Rd
Robinson Street
Interstate 35
24th Ave NW
EXHIBIT C
Existing Improvements and Uses
March 2023 Aerial Photography
Parcels
Project Area
Map Produced by the City of Norman Geographic Information System. The City of Norman assumes no responsibility for errors or omissions in the information presented.
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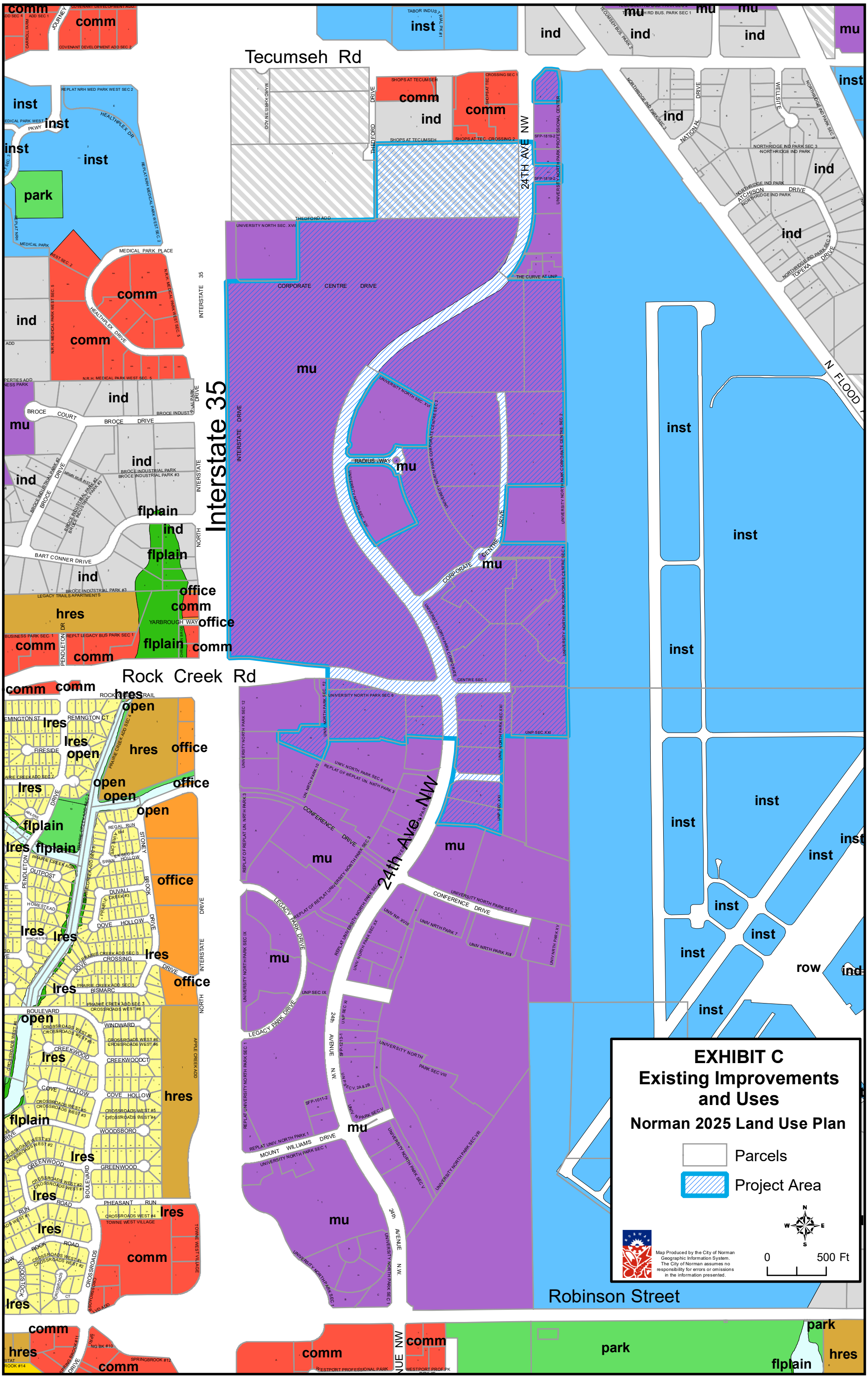
EXHIBIT C
Existing Improvements and Uses
Norman 2025 Land Use Plan
Parcels
Project Area
Map Produced by the City of Norman Geographic Information System. The City of Norman assumes no responsibility for errors or omissions in the information presented.
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Tecumseh Rd
Rock Creek Rd
Robinson Street
Interstate 35
24th Ave NW
24th AVENUE N.W.
N FLOOD
CORPORATE CENTRE DRIVE
CONFERENCE DRIVE
LEGACY PARK DRIVE
MOUNT WILLIAMS DRIVE
THE CURVE AT UNP
RADIUS WAY
MEDICAL PARK PLACE
HEALTHPLEX DRIVE
BROCE COURT
BROCE DRIVE
BART CONNER DRIVE
YARBROUGH WAY
PENDLETON DR
THEDFORD DRIVE
SHOPS AT TECUMSEH
SHOPS AT TEC. CROSSING 2
NATIONAL DRIVE
WELLSITE
ATCHISON DRIVE
TOPEKA DRIVE
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hres
lres
office
flplain
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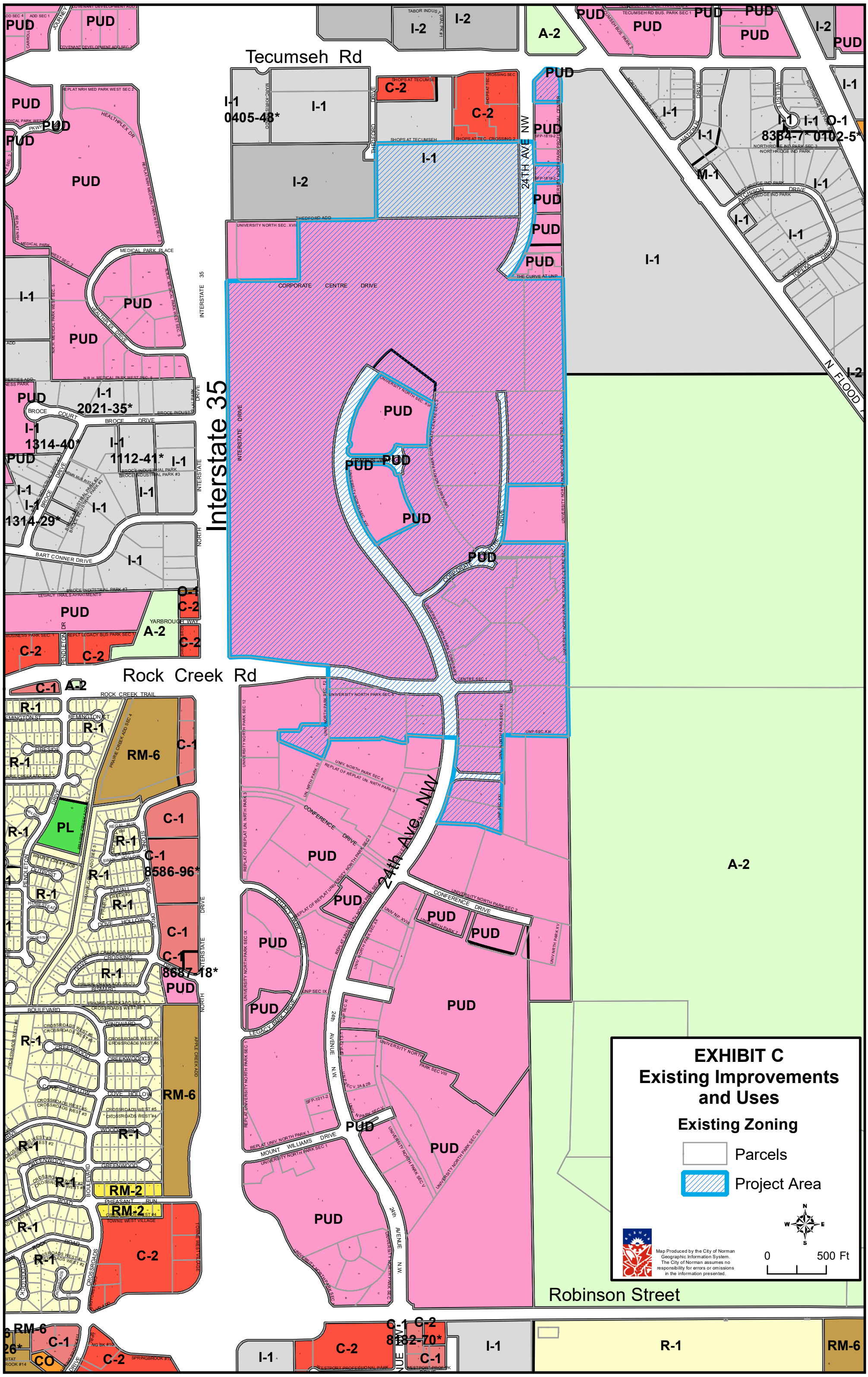
EXHIBIT C
Existing Improvements and Uses
Existing Zoning
Parcels
Project Area
Map Produced by the City of Norman Geographic Information System. The City of Norman assumes no responsibility for errors or omissions in the information presented.
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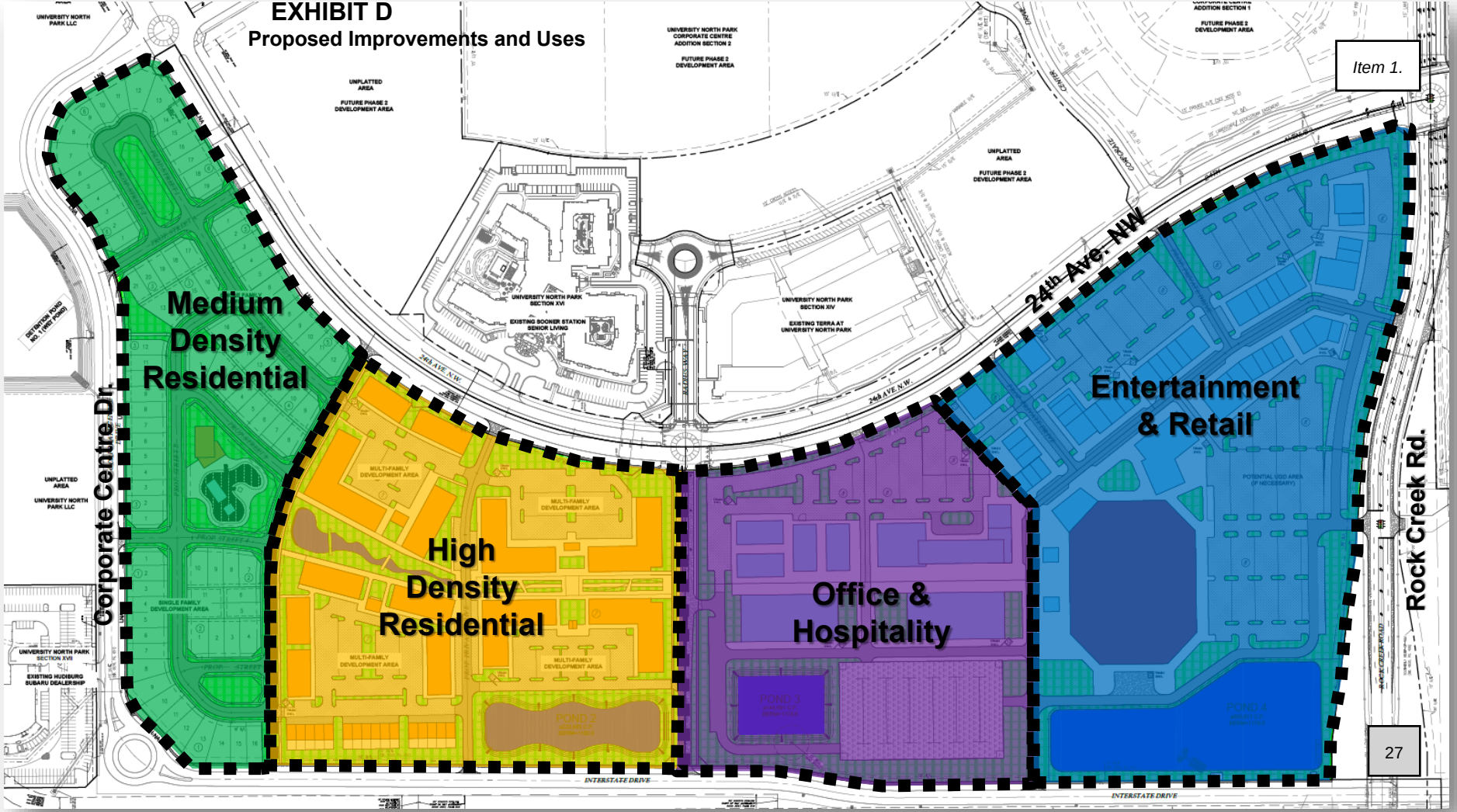
Tecumseh Rd
Rock Creek Rd
Robinson Street
Interstate 35
24th Ave NW
PUD
I-1
I-2
A-2
C-2
C-1
O-1
M-1
R-1
RM-6
RM-2
PL
CO
I-1 0405-48*
I-1 2021-35*
I-1 1314-40*
I-1 1112-41*
I-1 1314-29*
C-1 8586-96*
C-1 8687-18*
C-1 C-2 8182-70*
O-1 8364-7* 0102-5*

EXHIBIT D
Proposed Improvements and Uses



Oklahoma Department of Commerce

Economic Impact of Norman TIF District

Research and Economic Analysis Division

Aldwyn Sappleton and Jon Chiappe
4-3-2024

Economic Impact Methodology Summary

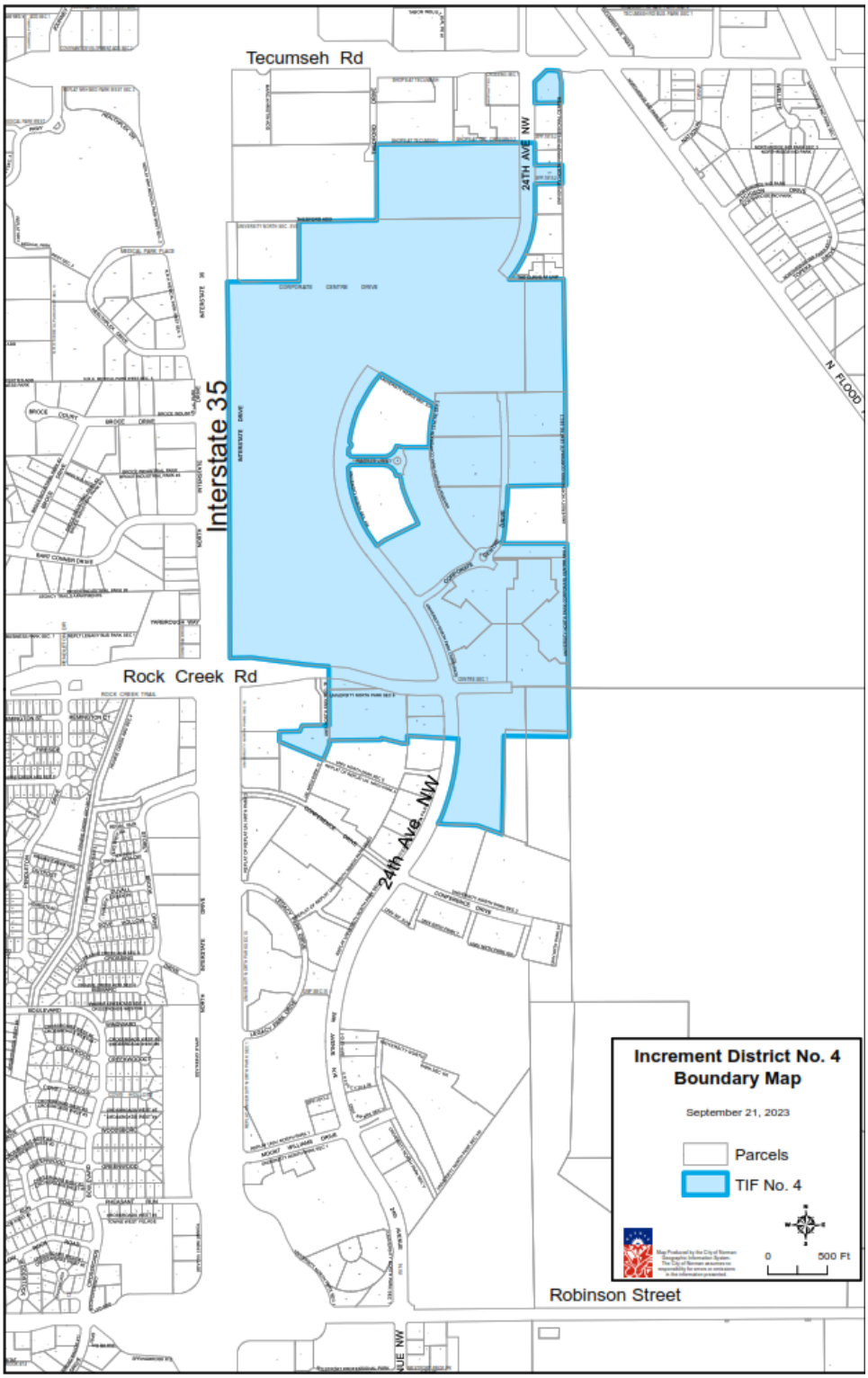
This report is based on estimates from key stakeholders that have provided building and operations costs of facilities included in the OU Foundation plan (See Appendix 2), along with proposed Norman Economic Development Coalition (NEDC) developments that have provided some level of commitment should the tax increment finance (TIF) area (see appendix 1) and arena be approved. The NEDC development primarily consist of a restaurant, a recreational/entertainment facility and a Weather Museum. The impact result reflects how each development has a staggered timeline that may not span the full life of the TIF. The National Weather Museum is a great example of an operation that was estimated to only capture 13 to 15 years of payments during the TIF. However, the impacts do span further outside timeline of the TIF. The estimate on the operations involved significant planning and adjustments to primarily include projects or operations that have a strong chance of meeting the proposed timelines in the development. Some operations did not have sales estimates but did have property tax calculations due to lack of scaling details. In this report there were no additional estimates on likely personal property that should be purchased to furnish and facilitate business operations within the proposed operations. Property values are estimated to increase 3% each year but are heavily offset by a depreciation schedule plus NPV discount rates to factor the time-value of money or cost of capital. A similar 3% growth was assumed for sales tax in the larger sales scenarios, but the discount rate fully covers that increase with an additional dampening effect evident in the net present value calculations.

The key figures for employment and GDP were generated using the REMI PI+ economic impact modeling tool. This tool is a dynamic policy model that takes into consideration cannibalization, business cycle, inflation and other regional and national factors. The GDP dollars communicated are in 2012 chained dollars, but inputs were pegged to 2022 dollar value. This economic impact report also considers the construction activities proposed in the overall TIF development (see appendix 1). Construction impacts are temporary in nature and will fade away shortly after construction activities have ended and workers move on to other geographies and/or projects. This report will look at employment, wages and GDP sales generated by the construction, and ongoing operation of businesses proposed by OU Foundation developers and the three NEDC prospects. Economic impacts are primarily influenced by three categories: direct, induced and indirect impacts. An analysis of the construction activities and ongoing operations of the University North Park developments (TIF area) yielded strong economic results. The results communicate the combined impacts from direct, indirect and induced activities. The direct impacts are measured by the direct jobs and investment listed by the developers. Those workers directly employed by proposed businesses earn wages that they in turn spend in the local economy (induced impacts from employee wages) to pay for food entertainment, housing and such. Indirect impacts occur when the proposed businesses spend significant dollars at local suppliers like Target, Crest, Home Depot, Lowes and others, on supplies to support their day-to-day operations. The impact results communicate the combined direct, indirect and induced impacts as a result of the proposed operations in the TIF.

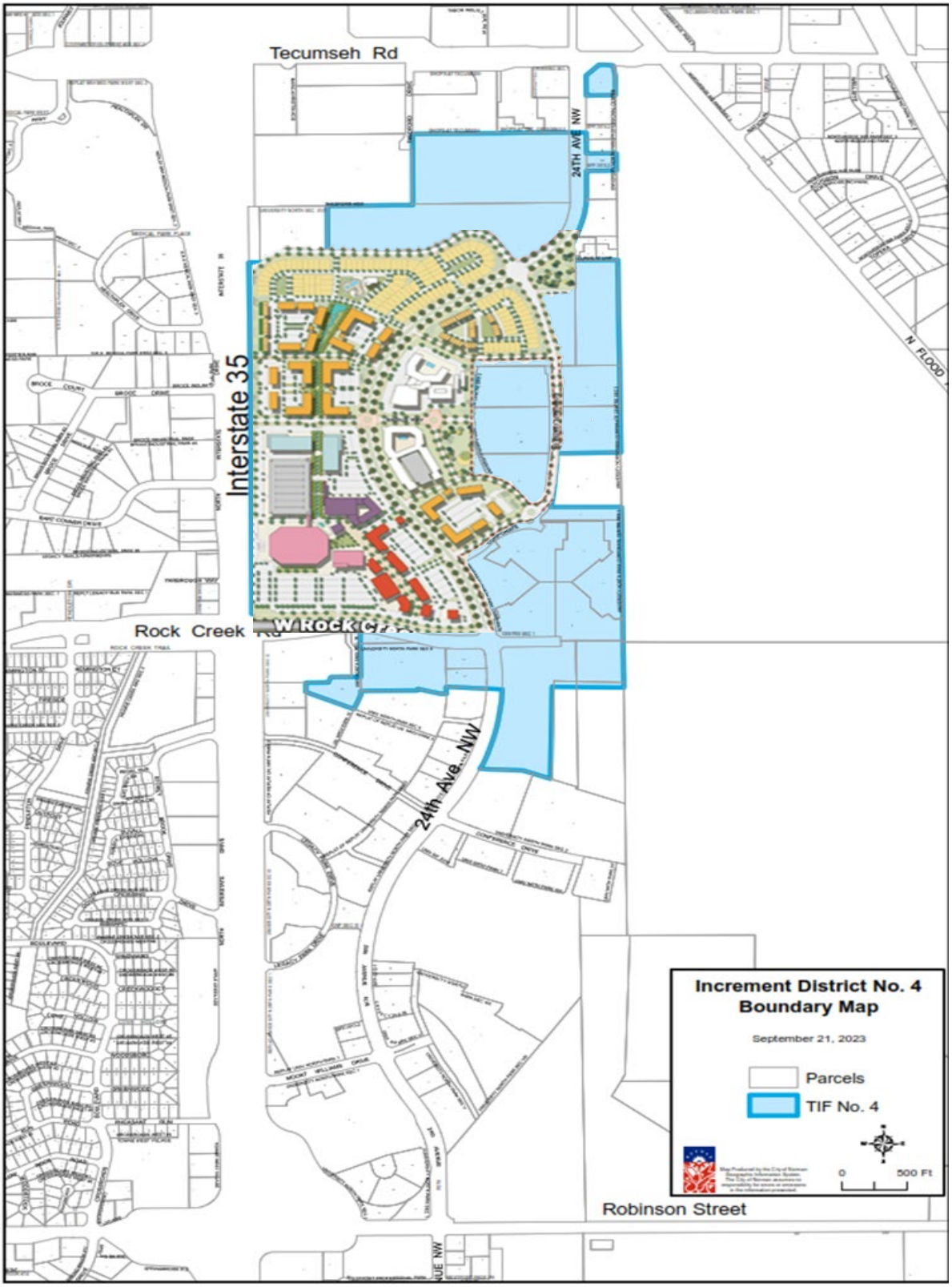
The estimates for property taxes and sales taxes are based on the direct estimates of sales or items subjected to sales tax during construction and operations of the facilities proposed to be located in the TIF. Additional developments outside the planned and measured impacts would yield higher results. Also, if the developments do not occur then estimated tax revenue and development costs would be reduced somewhat proportionally depending on the type of business operation. The exclusion of an Arena would have an outsized negative impact on the overall viability of the development.

The maps in Appendices 1 and 2 cover the proposed Project Area, but the current economic impact estimates are focused on planned developments within the Project Area.

Appendix 1: Map of proposed TIF District 4.



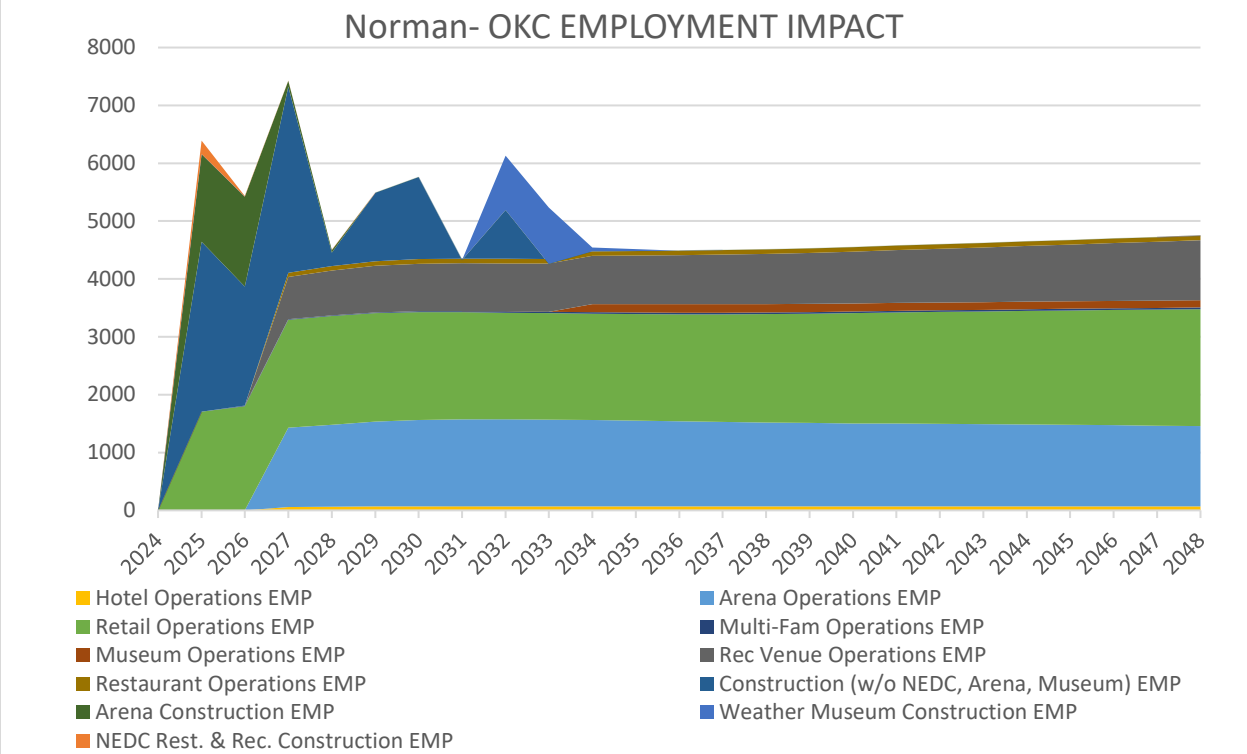
Appendix 2: Map of the OU Foundation Property overlayed onto TIF District 4.



Employment Impacts

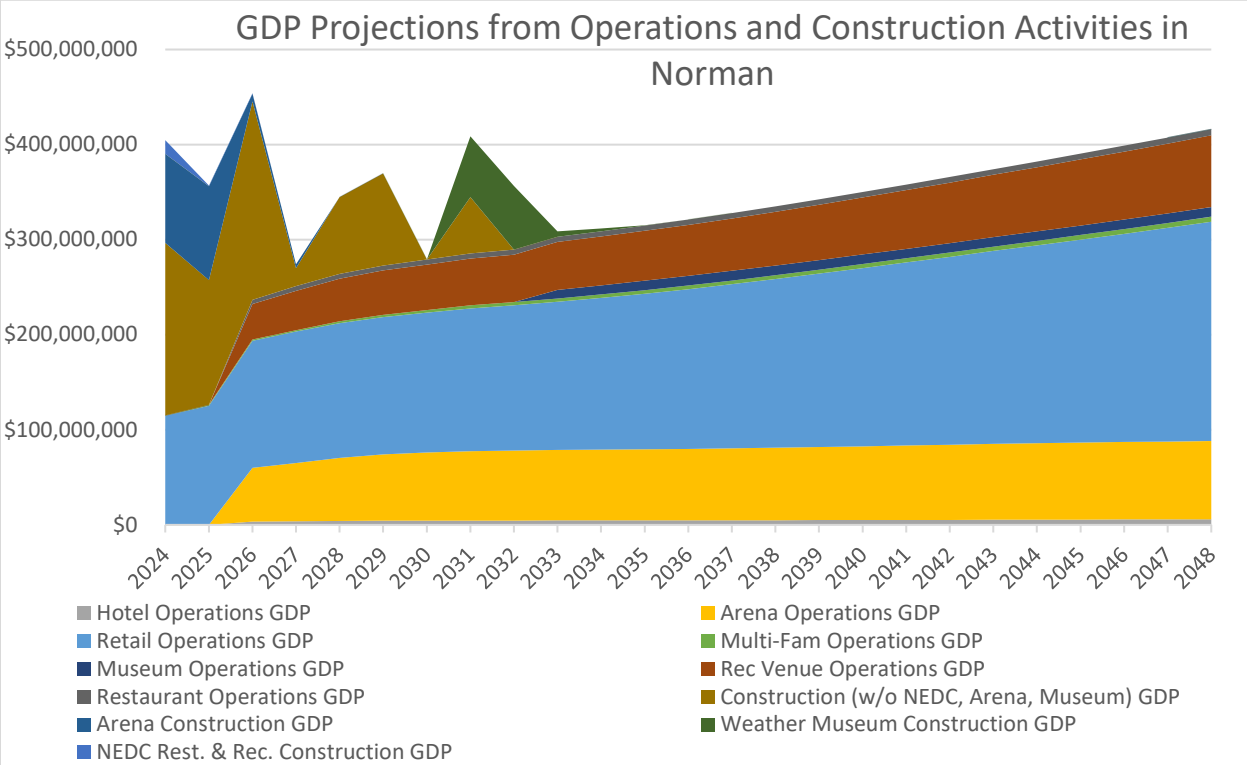
Employment impacts are estimated to top well over 7,400 jobs during peak construction periods. Construction without the NEDC projects would reduce the overall jobs impact to over 6,600 jobs. As illustrated in the chart below, those construction activities are temporary in nature and will fade over time, leaving sustained impacts that occur from the day-to-day operations of the proposed businesses in the TIF area. The construction employment increases roughly 8 to 10 years into the TIF based on estimated construction of the weather museum. After temporary construction activities have faded, the jobs impact from the current development plan is estimated to average over 4,600 jobs.

The full scale of jobs growth projected in this impact report will not be limited to Norman; surrounding communities and the state of Oklahoma are poised to be impact with net new overall job growth.



Gross Domestic Product (GDP)

The proposed NEDC and OU Foundation developments are estimated to add significant dollars in the local economy through construction activities and then the on-going operations of the businesses located in the TIF district. As with employment, construction activities are temporary in nature and contribute to significant spikes in the first half of the TIF – as construction fades, the longer-term effects from the day-to-day business will remain. Peak construction shows a high $454M in GDP added to the local economy. In post construction years that addition to GDP averages over $350M per year from normal operations.



The impact without the NEDC projects would be roughly $411M at peak construction and an average of $285M in GDP in the post construction years of the TIF.

FISCAL IMPACT

Ad Valorem

Total Potential Property Tax

Based on the initial value of the infrastructure planned by OU, NEDC and other developers the estimated property tax on those facilities are expressed in the chart below. The chart is reflective of lower property taxes over time due to depreciated property values. Personal property like machinery and equipment unique to business operations were not included with this analysis.

OU Foundation Valuations

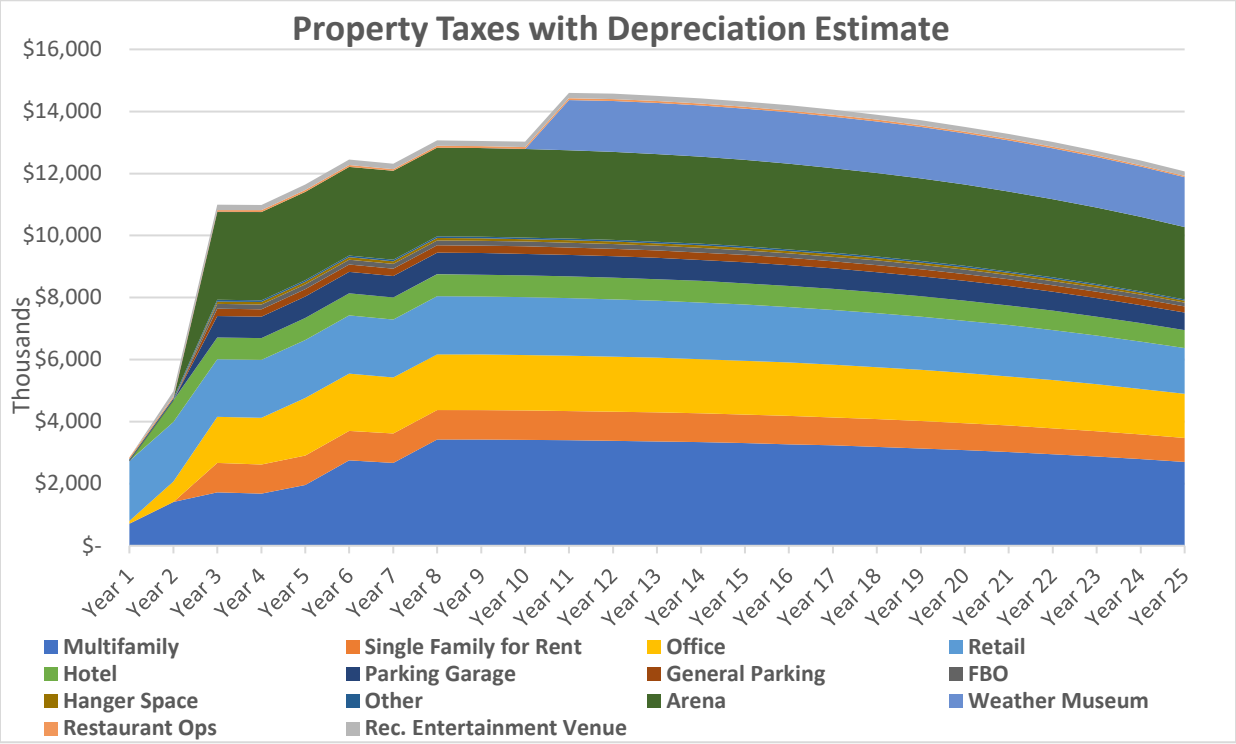
Over the life of the TIF, over $277 milion is estimated to be generated from property taxes alone. Without depreciation, that total potential tax would be much higher at $425 million.

- Total Potential Property Tax $425,213,366 (arena pays taxes thru a PILOT)
- Total with Depreciation $280,593,521
- **Total NPV (5%) with Depreciation** **$169,264,657**

With NEDC Properties Valuations

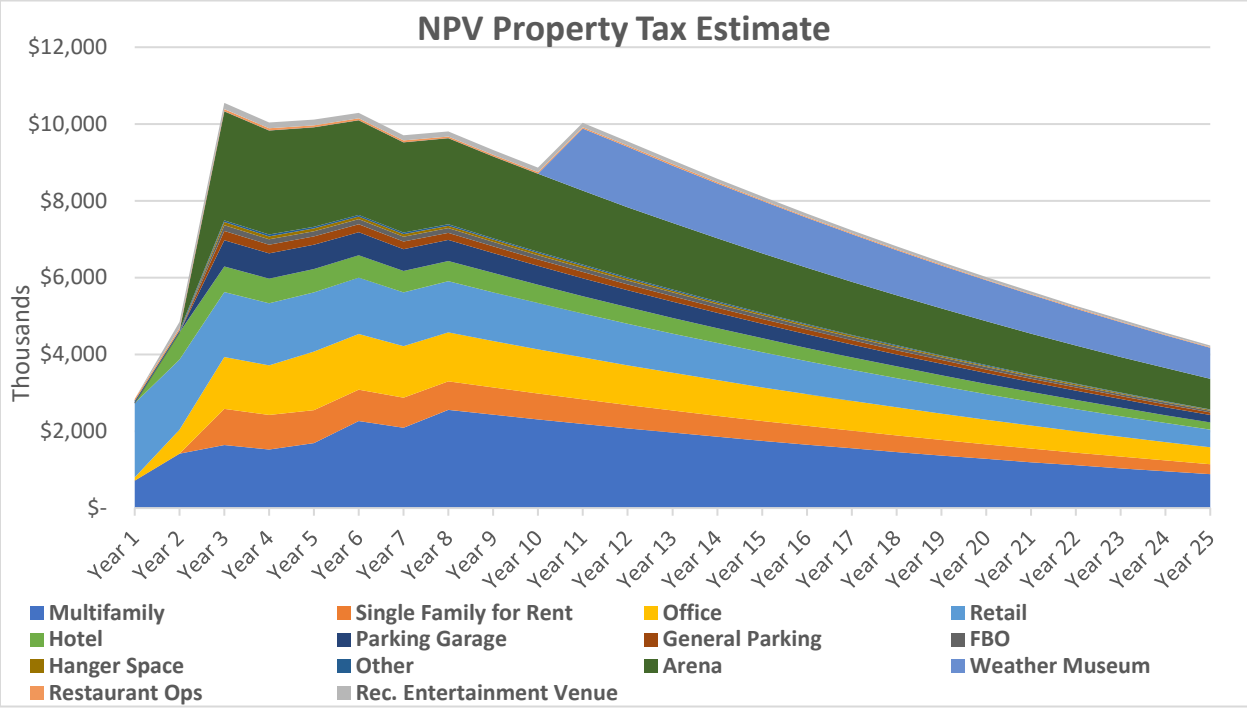
Over the life of the TIF, over $310 milion is estimated to be generated from property taxes alone. Without depreciation, that total potential tax would be much higher at $455 million.

- Total Potential Property Tax $463,145,932 (arena pays taxes thru a PILOT)
- Total with Depreciation $310,621,784
- **Total NPV (5%) with Depreciation** **$190,506,418**



Net Present Value (NPV) of Direct Property Taxes

The Net Present Value of Property Taxes factoring depreciation over the life of the TIF would lead to a relatively smaller return on taxes over time, mainly due to the time-value of money. The chart below shows peak taxes generated over the life of the TIF when projects come online. The overall NPV is over $169M for the original OU Foundation plan and over $190 million in property taxes with NEDC projects added.



- Total Potential Property Tax $425,213,366 (arena pays taxes thru a PILOT)
- Total with Depreciation $280,593,521
- **Total NPV (5%) with Depreciation** **$169,264,657**

With National Weather Experience Museum $115M facility

- Total Potential Property Tax $30,073,439 (15 Years of TIF start 2033)
- Total with Depreciation $24,646,488
- **Total NPV (5%) with Depreciation** **$17,922,737**

With NEDC Tecumseh Restaurant – Email commitment from large restaurant group

- Total Potential Property Tax $2,050,527 (23 Years of TIF)
- Total with Depreciation $1,416,866
- **Total NPV (5%) with Depreciation** **$889,661**

With NEDC Recreational Entertainment Venue – LOI received

- Total Potential Property Tax $5,808,599 (23 Years of TIF)
- Total with Depreciation $3,964,910
- **Total NPV (5%) with Depreciation** **$2,429,363**

Summary of Property Taxes- NEDC

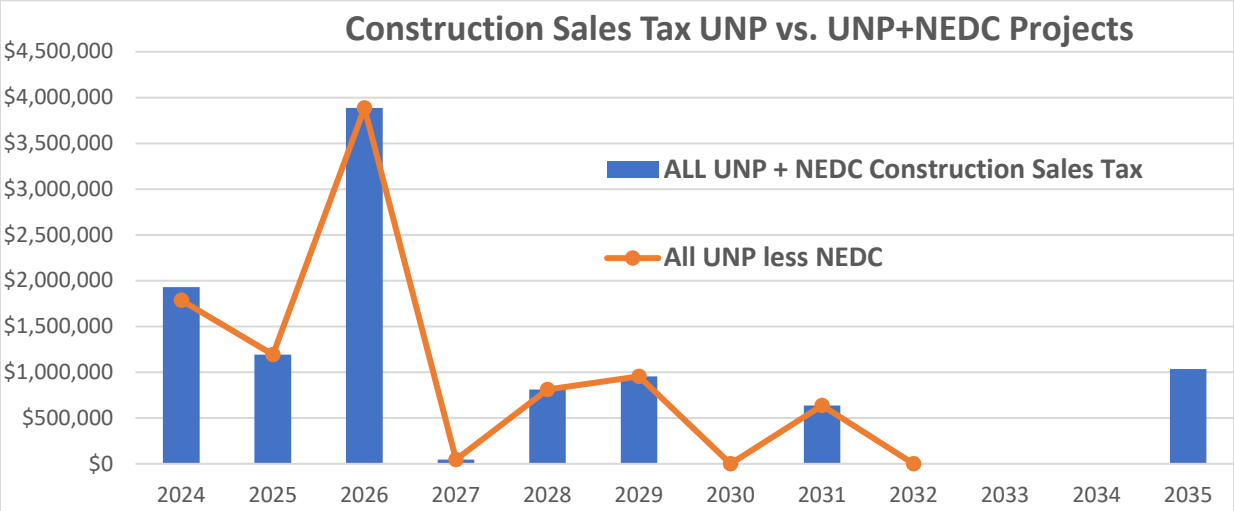
- Total Potential Property Tax $37,932,566 (Museum et al- All Private Ownership and/or pays taxes thru a PILOT)
- Total with Depreciation $30,028,263
- **Total NPV (5%) with Depreciation** **$21,241,761**

Grand Total Property Tax Estimate

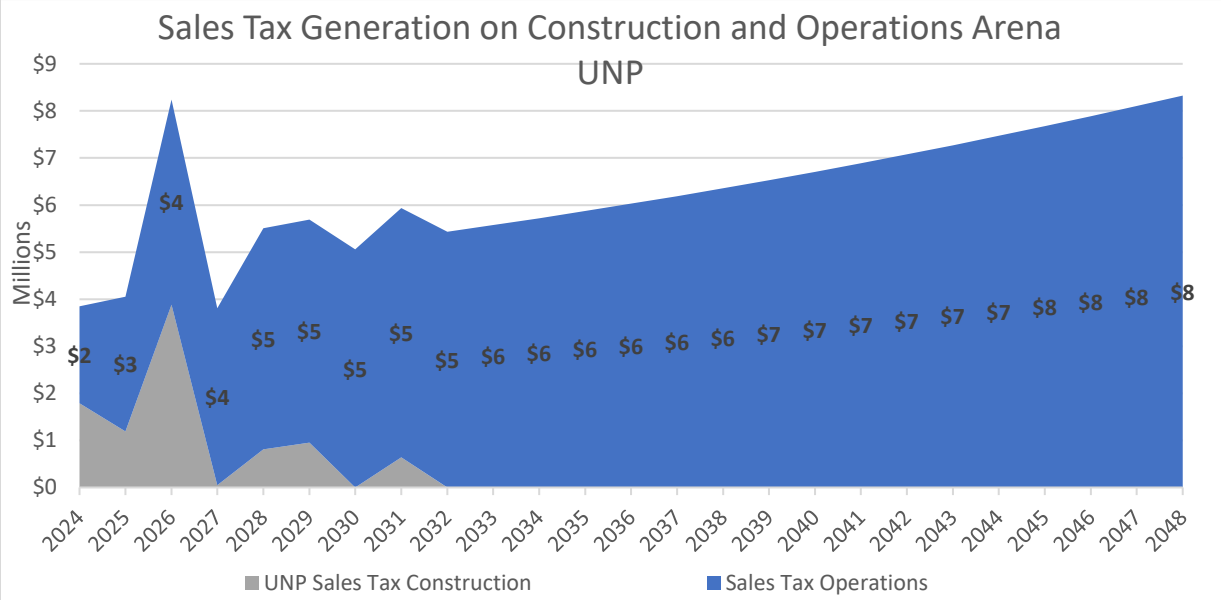
- Total Potential Property Tax $463,145,932 (arena pays taxes thru a PILOT)
- Total with Depreciation $310,621,784
- **Total NPV (5%) with Depreciation** **$190,506,418**

Sales Tax Estimates

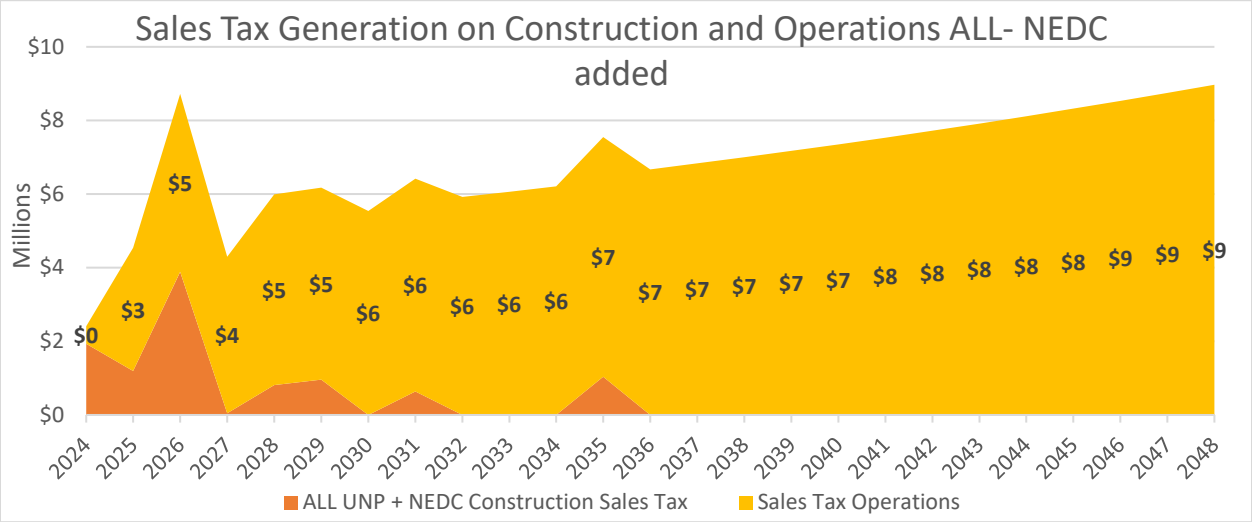
With a preliminary look at only construction sales taxes so far, we are estimating that just under $9 to $10.5 million in local sales taxes will be generated from construction activities through the proposed developments. This estimate assumes roughly 30-35% of the construction costs are spent in the TIF district on building materials that are subject to sales taxes. Other sources such as RSMeans show materials cost at over 45% for multifamily production as an example. The chart below shows construction sales tax with and without the NEDC projects based on a conservative material cost ratio.



Should Norman apply and get approval for programs such as the Leverage Act, the full amount of construction sales tax could potentially be leveraged and matched by the state. Additionally, sales taxes from operations over the life of the TIF is estimated to be a steady number. When considering all sales subjected to sales taxes, roughly $148M is estimated to be generated from the Arena and other projects in the OU Foundation plan for the University North Park area (see chart below).



With NEDC properties and the Weather Center Museum, roughly $12M in net new sales taxes are estimated to be generated over the life of the TIF. The total sales tax from operations is estimated to be over $160M over the life of the TIF. When the construction sales taxes are added, the grand total sales tax is estimated to be over $157M without the NEDC projects and over $170M in sales tax with all UNP, Arena and NEDC projects combined (see chart below).



Again, based on performance, those funds could be leveraged to maximize matching state funds.

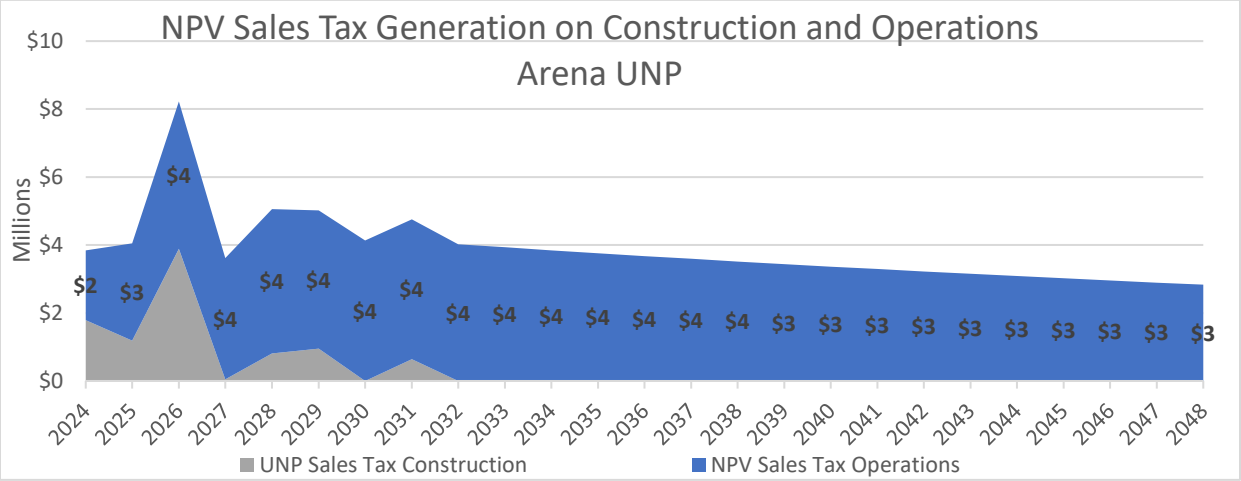
Summary estimate of overall sales tax generation through the life of the TIF

- UNP OU Foundation developments including the Arena
  - **$148M** in operations sales tax
  - **$157M** in construction and operations sales tax

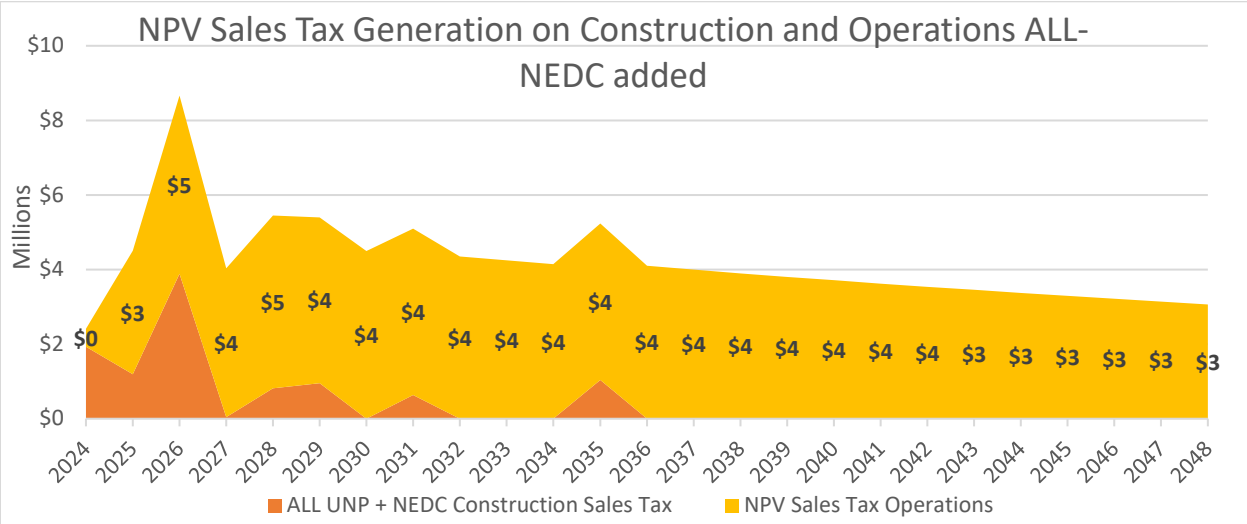
- All NEDC developments and OU Foundation development projections
  - **$160M** in operations sales tax
  - **$170M** in construction and operations sales tax

NPV Sales Tax Breakdown

When considering the net present value of those sales tax dollars estimated to be generated over the life of TIF, the sales tax revenue for the Arena plus the original UNP developments reduces to $87M. When construction sales tax revenues are added in the total, NPV rises to $96M total for operations and constructions sales tax.



With the addition of the NEDC projects, including the Museum, Rec facility and restaurant, the total NPV estimate tax revenue will increase over the life of the TIF to $94M without construction sales tax and $104M with construction sales taxes added in.



Summary estimate of overall NPV sales tax generation through the life of the TIF

- **NPV** Arena plus UNP original developments
  - **$87M** in operations sales tax
  - **$96M** in construction and operations sales tax
- **NPV** All NEDC developments along with Arena and UNP projections
  - **$94M** in operations sales tax
  - **$104M** in construction and operations sales tax

Summary of Property and Sales Tax generation estimate

- UNP original developments plus Arena
  - **$280M** in property taxes
  - **$157M** in construction and operations sales tax
    - **$148M** in operations sales tax
  - **$438M Total Sales and Property Taxes**

- All NEDC developments along with Arena and UNP projections
  - **$310M** in property tax
  - **$170M** in construction and operations sales tax
    - **$160M** in operations sales tax
  - **$481M Total Sales and Property Taxes**

NPV Summary of Property and Sales Tax generation estimate

- **NPV** Arena plus UNP original developments
  - $169M in property taxes
  - **$96M** in construction and operations sales tax
    - **$87M** in operations sales tax
  - **$266M Total Sales and Property Taxes**

- **NPV** All NEDC developments along with Arena and UNP projections
  - **$190M** in property taxes
  - **$104M** in construction and operations sales tax
    - **$94M** in operations sales tax
  - **$295M Total Sales and Property Taxes**

EXHIBIT F

hunden partners

Cleveland County Multi-Purpose Event Venue

Market Demand, Financial Feasibility & Impact Study

May 3, 2024

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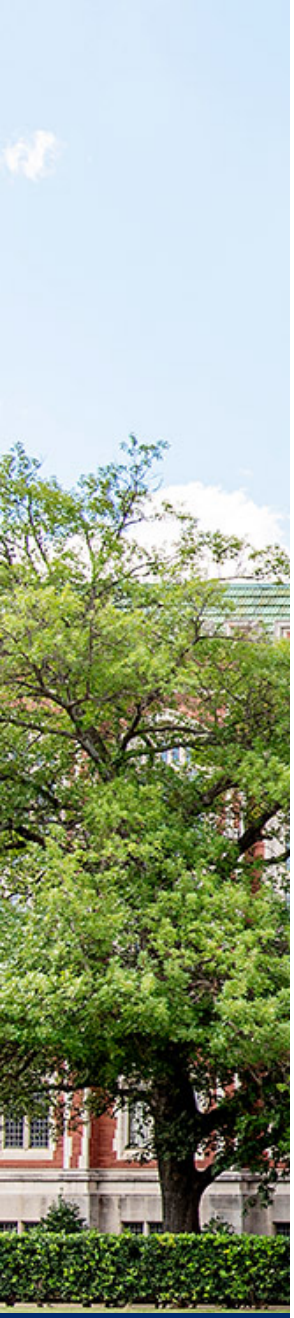

Introduction

The Cleveland County Industrial Development Authority engaged Hunden Partners to provide a financial feasibility and economic and fiscal impact study related to a proposed event venue and mixed-use entertainment district (Project) in Cleveland County, Oklahoma. This report includes a cost-benefit analysis of the Project, followed by recommendations for the mixed-use entertainment district immediately adjacent to the performance venue based on market conditions and best practices. The following highlights the key goals of the study:

- **Analyze** the destination and real estate metrics, including marketing and visitor metrics, current market performance statistics, and product offerings.
- **Review** existing research, development plans and other planning documents.
- **Identify** relevant local and national trends and comparable developments focusing on the best practices for arena anchored mixed-use districts.
- **Prepare Projections** for the economic, fiscal and employment impacts of the Project.

Executive Summary

Key Questions

- **Will the Project generate a net increase in out-of-town visitors to Cleveland County?**
- **Will net new, or recaptured, spending be generated in Cleveland County from the Project?**
- **What impact, if any, will financing the event venue have on the local taxpayer?**
- **Will there be cannibalization of spending in the surrounding retail stores, restaurants, hotels and entertainment venues?**
- **Are there concerts, family shows, and other events that could be held at the event venue that are currently not being accommodated in the market and if so, how many?**
- **Are there other comparable projects across the country that are successful and if so, what makes them successful?**

Project Overview

Executive Summary

Item 1.

The Project is located adjacent to I-35 and it includes the entirety of the approximately 269-acre proposed Rock Creek Entertainment District TIF #4, which includes about 121 acres of OU Foundation land, approximately 60 acres of land controlled by NEDC, and about 88 acres owned by others.

Hunden's analysis assesses the OU Foundation Development Program provided by Team Norman and the potential development that would likely occur on the additional land within the Rock Creek Entertainment District TIF #4.

Executive Summary

Project Assumptions

This report assesses the financial feasibility and economic impact of a performance arena and event venue anchoring a compelling mixed-use entertainment district. Hunden was provided the OU Foundation Development Program from Team Norman, which is designated as the "Original Development."

In addition, Hunden made market-based projections of development that would occur on the additional land surrounding the development program proposed for the OU Foundation land. This additional development would increase the property and sales tax revenue for the Rock Creek Entertainment District TIF #4.

The table to the top right shows the OU Foundation Development Program and the program recommended by Hunden for the additional land, together forming Rock Creek Entertainment District TIF #4.

Cleveland County Development Program Summary (All Phases, 10-Year Build Out)
Rock Creek TIF #4 Entertainment District

Use	Original Development* 121 Acres	Additional Development within TIF#4 148 Acres	Rock Creek TIF#4 District Full Buildout 269 Acres	Unit
Performance Arena	10,500	-	10,500	Capacity
Retail & Restaurant	275,500	55,000	330,500	Square Feet
Hotel	150	120	270	Rooms
Multifamily	1,424	220	1,644	Units
Single Family For Rent	177	-	177	Units
Office	564,322	-	564,322	Square Feet
FBO	48,000			
Hangar Space	60,000	-	60,000	Square Feet
National Weather Experience	-	100,000	100,000	Square Feet
Central Community Plaza	38,000	-	38,000	Square Feet
Parking (Structured & Surface)	4,665	Parking Analysis Req.	-	Spaces

*Development program provided by OU Foundation & Team Norman
Source: Hunden Partners, OU Foundation, Team Norman

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Executive Summary

Economic Impact Summary

Hunden's analysis assessed economic impact in two ways. First, Hunden assessed the conceptual net new economic impact the Project would generate for Cleveland County. Second, Hunden assessed the on-site fiscal impact which would contribute directly to the revenue streams of the Rock Creek Entertainment District TIF #4.

Conceptual Net New Impact to Cleveland County

- The conceptual net new impact from the Project shows the net new direct, indirect and induced spending, earnings and FTE jobs generated by the Project over a 25-year timeframe.
- The conceptual net new impact projections take into account cannibalized and recaptured spending that would likely occur.
- Hunden utilized the IMPLAN input-output multiplier model, which determines the level of additional activity in the Cleveland County economy due to the Project.

On-Site Fiscal Impact

- The on-site fiscal impact includes the tax generation that would occur from the development within the Rock Creek Entertainment District TIF#4. Hunden assumed that these include the ad valorem generated from commercial development within the district as well as the sales tax generated from on-site spending.

Conceptual Net New Impact to Cleveland County

25-Year Impact Summary

Over a 25-year period, the mixed-use entertainment district is expected to generate the impacts summarized in the table to the right for Cleveland County. These impacts are net new to the County and account for cannibalization and recaptured spending.

Hunden estimates that the OU Foundation Development Program will generate $3.7 billion in net new spending, $1.6 million in net new earnings, 1,513 FTE jobs, $2.9 million in county taxes, $546 million in City of Norman taxes, and $6,7 million of City of Moore taxes in the overall economy over a 25-year timespan.

Based on Hunden's market assessment for the additional development for the Project located in the Rock Creek Entertainment District TIF #4, the Project has the potential to generate an estimated $4.5 billion in net new spending, $1.8 billion in new earnings, 1,804 FTE jobs, $3.6 million in county taxes, $608 million in City of Norman taxes and $8.3 million in City of Moore taxes.

Construction impacts of the original development program would be robust. The Project is estimated to support 1,988 construction jobs within the county.

Construction Impacts - Original Development

Development Cost - Estimated	(milli
Labor (60%)	$71
Materials (40%)	$482
Total	$1,205
% Labor in Cleveland County	22%
% Materials In Cleveland County	11%
Construction Jobs in Years In-County	1,988
Taxes Generated	(millions)
State Sales Tax (4.5%)	$19.5
State Income Tax (wtd. 4.7%)	$33.3
Local Sales Tax (4.25%)	$2.3
Total	$55.1

*Total development cost was provided by OU Foundation and is based on Fair Market Value upon full-build out of the development

Source: Hunden Partners

Item 1.

25-Year Impact Summary | Cleveland County

	Original	Additional Development	Full Buildout TIF#4
Net New Spending	(millions)	(millions)	(millions)
Direct	$2,328	$516	$2,844
Indirect	$835	$164	$998
Induced	$534	$142	$677
Total	$3,697	$822	$4,520
Net New Earnings	(millions)	(millions)	(millions)
From Direct	$996	$136	$1,133
From Indirect	$328	$60	$389
From Induced	$253	$55	$307
Total	$1,577	$252	$1,829
Net New FTE Jobs	Average	Average	Average
From Direct	922	166	1,088
From Indirect	363	68	431
From Induced	227	58	285
Total	1,513	291	1,804
Net New Taxes	(millions)	(millions)	(millions)
Cleveland County			
Sales Tax (0.125%)	$2.9	$0.6	$3.6
Norman			
City Sales Tax (4.25%)	$92	$20	$112
City Hotel Tax (8%)	$8	$6	$13
Property Tax	$446	$36	$482
Total	$546	$62	$608
Moore			
City Sales Tax (3.875%)	$6.3	$1.4	$7.7
City Hotel Tax (5%)	$0.4	$0.3	$0.6
Total	$6.7	$1.7	$8.3

Source: Hunden Partners

On-Site Tax Impacts

25-Year On-Site Tax Impacts

The Rock Creek Entertainment District TIF #4 would utilize the on-site incremental property tax and and sales tax impact generated by the uses within the district.

The OU Foundation Development Program is estimated to generate $446 million in on-site property taxes and $116 million in sales tax revenue over a 25-year timeframe.

Additional development within the TIF is expected to occur on non-OU Foundation land. When accounting for this, the total on-site property taxes generated increase to an estimated $482 million and sales tax revenues increase to and estimated $138 million.

Hunden also showed the estimated on-site hotel occupancy tax revenue for the entire Project over a 25-year timeframe which totals $31 million for the City of Norman.

Hunden acknowledges that there would be a loss to the City of Norman general fund from the sales tax that will no longer be generated at Lloyd Noble. The sales tax generated at the new performance venue/arena will contribute to the Rock Creek TIF #4. However, Hunden expects this will be negated by positive benefits shown in the 25-Year Conceptual Impacts, which shows the estimated level of net new spending within the greater Cleveland County economy.

The Rock Creek Entertainment District TIF #4

25-Year On-Site Tax Impacts

	Original Development	Additional Development	Full Buildout TIF#4
TIF Capturable Taxes	(millions)	(millions)	(millions)
Property Tax	$446	$37	$482
Sales Tax	$116	$22	$138
Total Onsite Tax Impact	$561	$58	$620
	(millions)	(millions)	(millions)
City On-Site HOT Tax	$20	$11	$31

Source: Hunden Partners

The 25-year on-site tax impacts have not discounted back to present value and therefor do not represent the actual value of capital available for the construction of components of the Project. The local sales tax rate capturable within the TIF is 3% (Norman General Fund & City Capital Projects)

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Headlines

1. **Market supported residential and commercial uses.** Market demand supports residential and commercial development within the Project.

2. **Market Need for a mid-sized event venue in the OKC metropolitan area.** Nationally, medium-sized venues with a capacity of between 2,500 to 10,000 seats are in demand. Promoters said that acts that want to play the OKC market but can't sell out the Paycom Center are forced to either perform in a venue that is too small to profitably meet demand for the entertainment act or alternatively avoid the market completely. Further, modern event venues which feature the closure of upper concourse levels to create a more intimate concert atmosphere have found success in routing many more shows through their doors.

3. **Impact of Concerts.** Privately managed collegiate venues that fill the calendar with entertainment acts have been shown to induce substantially more visitors to each market assessed, generating spending that 'but for' these performances, would not have occurred.

4. **Destination Hub.** Norman is lacking a central 'hub' of activity, or a destination for visitors and residents. There is a genuine opportunity for this Project to be that central hub.

5. **Catalyst for additional development.** The Project has the potential to be a catalyst for additional development within Norman and Cleveland County.

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Executive Summary

Answers to the Key Questions

- **Will the Project generate a net increase in out-of-town visitors to Cleveland County? Yes, largely driven by the increase in promoted concerts, family shows, and other events and overall destination draw.**
- **Will net new, or recaptured, spending be generated in Cleveland County from the Project? Yes.**
- **What impact, if any, will financing the Event Venue have an on the local taxpayer? Based on the development program provided by the OU Foundation, Hunden expects that there is a strong opportunity for the Project to have no impact to the local taxpayer.**
- **Will there be cannibalization of spending in the surrounding retail stores, restaurants, hotels and entertainment venues? Yes, Hunden accounted for the cannibalization of spending but believes the Project will recapture a comparable amount of spending that currently leaves Norman and goes to OKC.**
- **Are there concerts, family shows, and other events that could be held at the Event Venue that are currently not being accommodated in the market and if so, how many? Based on Hunden's market assessment the venue is projected to host 25 concerts, family shows and comedy acts upon stabilization.**
- **Are there other comparable projects across the country that are successful and if so, what makes them successful? Yes, typically the success is driven by strong management and a flexible design that accommodates a variety of event types.**

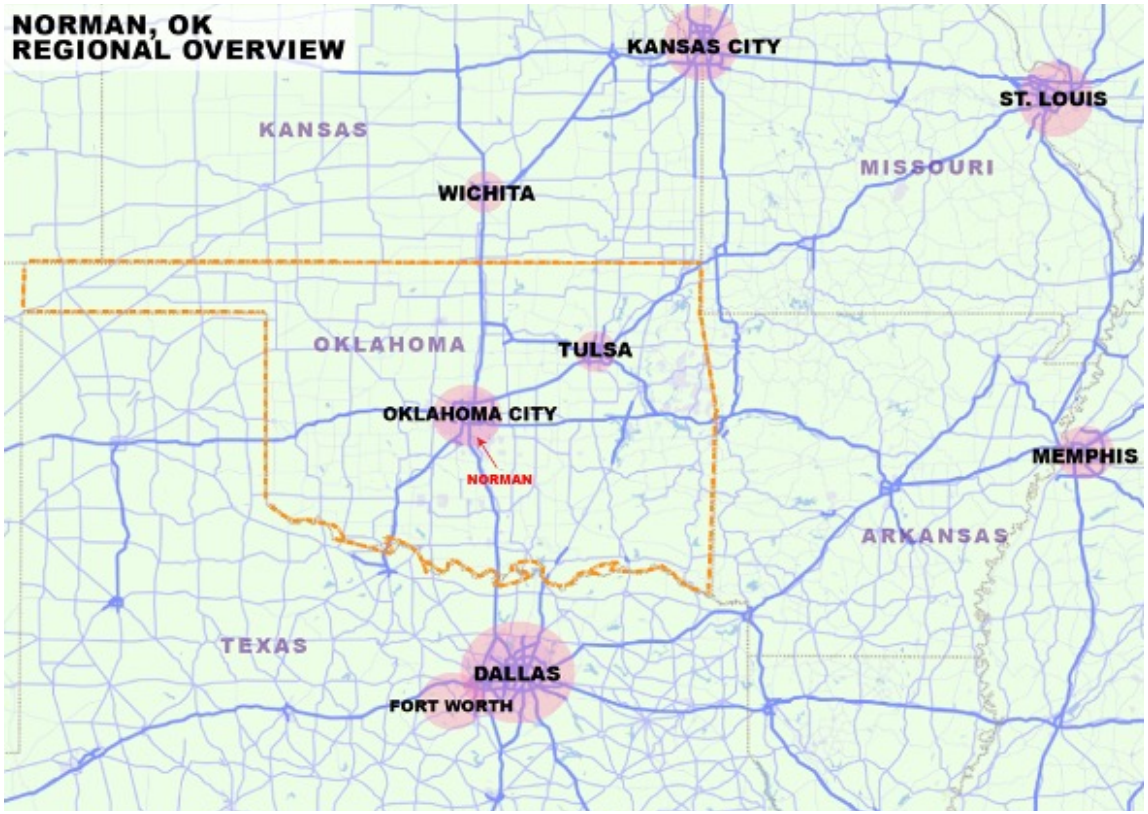
Economic, Demographic & Tourism

Item 1.

FOCUS

Evaluate the Project site area and Norman's position as a center of economic activity, related to resident population and business location growth, accessibility, and as a destination for visitors.

- Located in central Oklahoma, approximately 20 miles south of Oklahoma City, Norman has emerged as Oklahoma's third largest city.
- The project site is located in a prime location, offering easy access to major transportation routes such as Interstate 35, U.S. Highway 77 and State Highway 9.
- The population reaches nearly 1.5 million within a one-hour drive time of Norman and nearly 11 million with a three-hour drive time. The three-hour drive time captures markets such as Tulsa, Dallas, Texas, and Wichita, Kansas.
- Traffic counts are robust along the I-35 corridor with an average of 69,000 cars per day traveling both north and southbound.



Population & Growth

Population growth across the Oklahoma City MSA significantly outperformed the US and state of Oklahoma average from 2010 to 2023.

University of Oklahoma

The University of Oklahoma brings in significant activity to Cleveland County and the city of Norman, offering the area the potential to grow its tourism assets. The area has a variety of offerings that cater to a variety of markets, including young families and adults.

Leakage

Norman residents and visitors will travel to Oklahoma City for additional entertainment and dining options due to the lack of supply within the City of Norman.

The average distance of an entertainment venue from the project site is approximately 18 miles away.

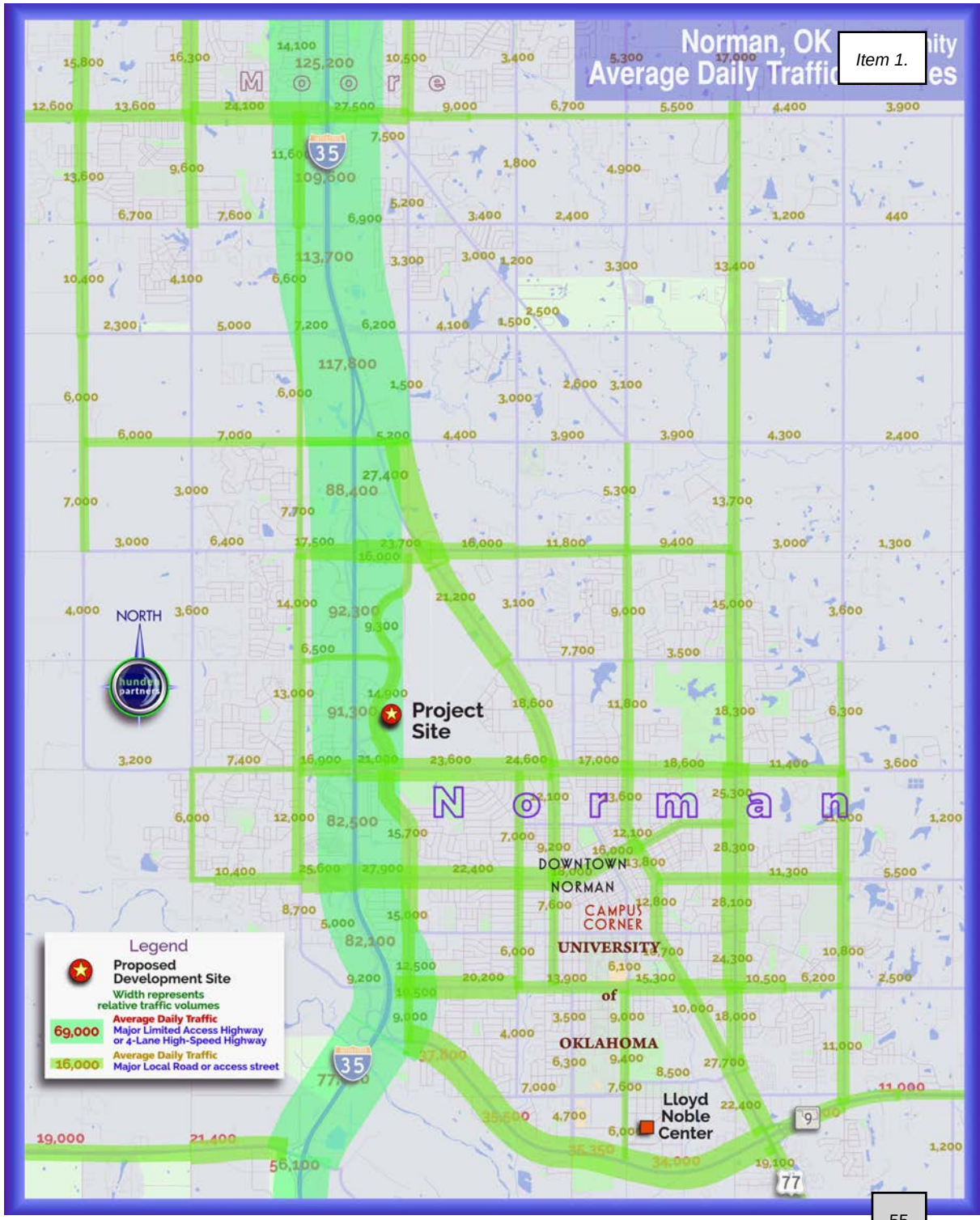
Education & Skills

The educational attainment level for bachelor's and master's degrees in Norman are higher than the US, state and county averages. Areas with higher educational attainment levels often comprise of higher-paying careers and stronger public schools, which help to attract more affluent families and individuals.

Local Traffic Counts

I-35 will remain one of the busiest thoroughfares in the entire southern side of the metro area and south of downtown OKC. The development and event venue will be seen easily by the area's travelers and commuters.

- Traffic counts bolster the strength of the site as a location for a large event venue.
- Even with the new toll turnpikes being built near and around Norman's east side, those new highways will never have nearly the traffic volumes and visibility that I-35 has currently. The south end of the metro-area highway loop should help traffic from the west and east sides get to an event venue in Norman, once built.
- The site is better than the current Lloyd Noble Center for travelers going to games, although college kids will no longer have an on-campus event venue to go to, and it may lack some of the college campus vibe.
- Norman's event venue will be able to get mid-sized shows that the entire central Oklahoma market can easily get to.



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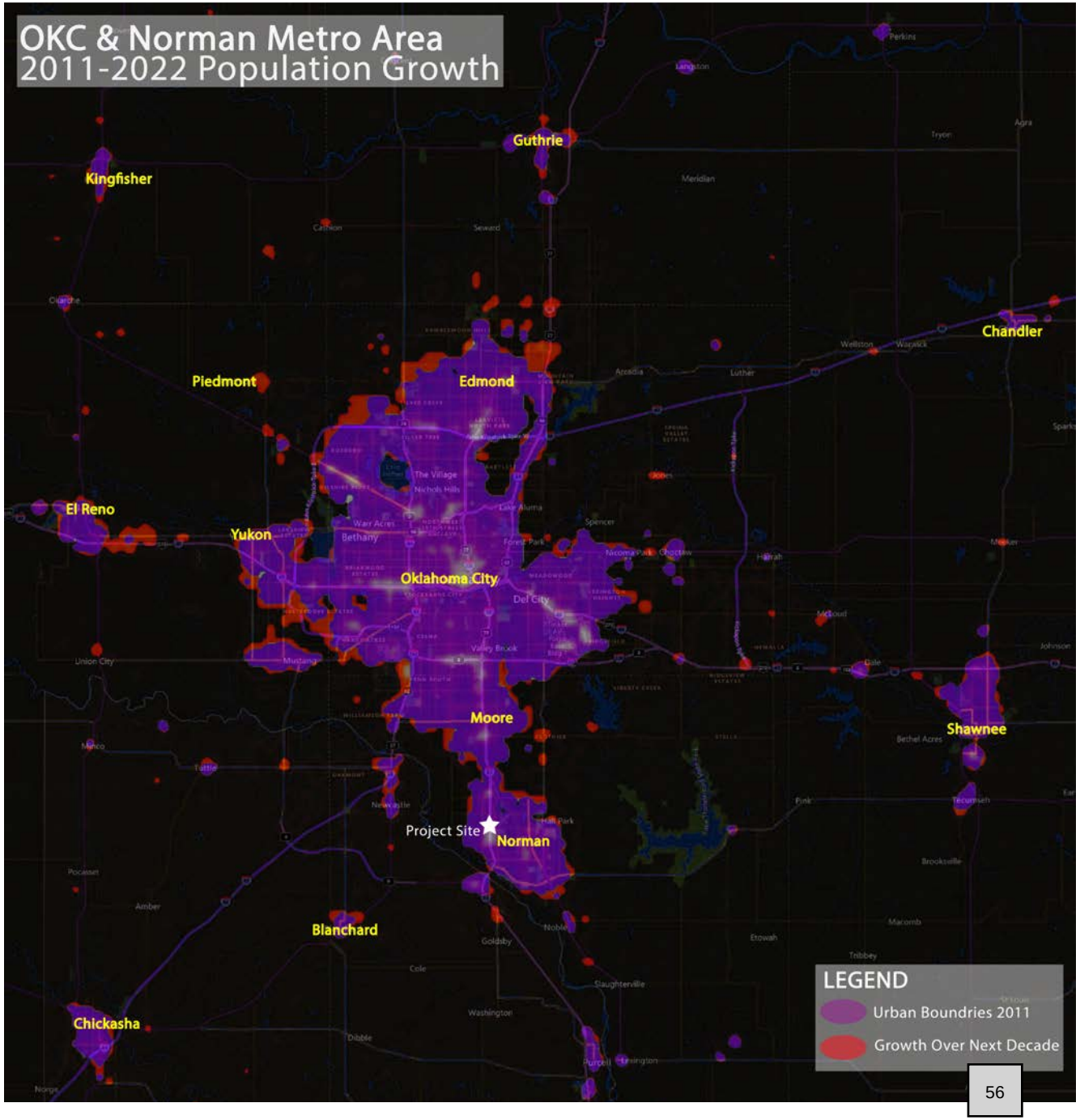
Regional Area Growth

Over the past 11 years the OKC & Norman metro area has grown significantly, which is a good sign for an arena development's future stability.

- Residential growth is occurring at the greatest rate on the north and west sides of Oklahoma City (in and around Edmond).
- The south side is also experiencing expansion, notably in the spaces between Norman and Moore, and on Norman's east periphery.
- Overall, an event venue's marketplace is the entire media broadcast marketplace, not a specific submarket or side of town, and the events will attract its audience from anyplace within that market, as long as it is familiar and easily accessible from a major highway.
- This location's high visibility potential enhances the venue's prospects of attracting touring shows because of the logistical needs of funneling a large number of vehicles to and from the Site, as well as for loading trucks required to transport touring acts.



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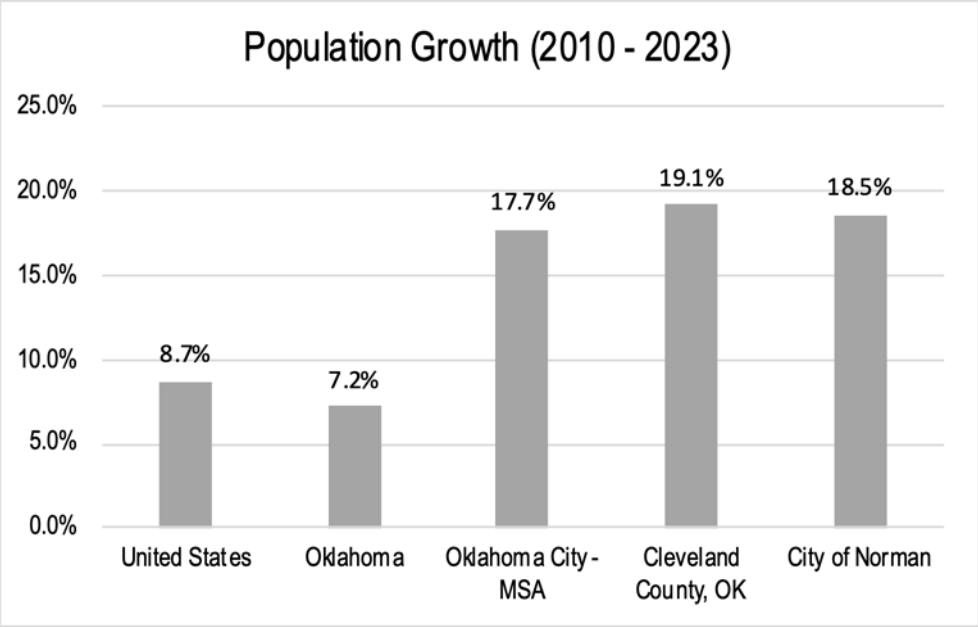
Economic, Demographic & Tourism

Item 1.

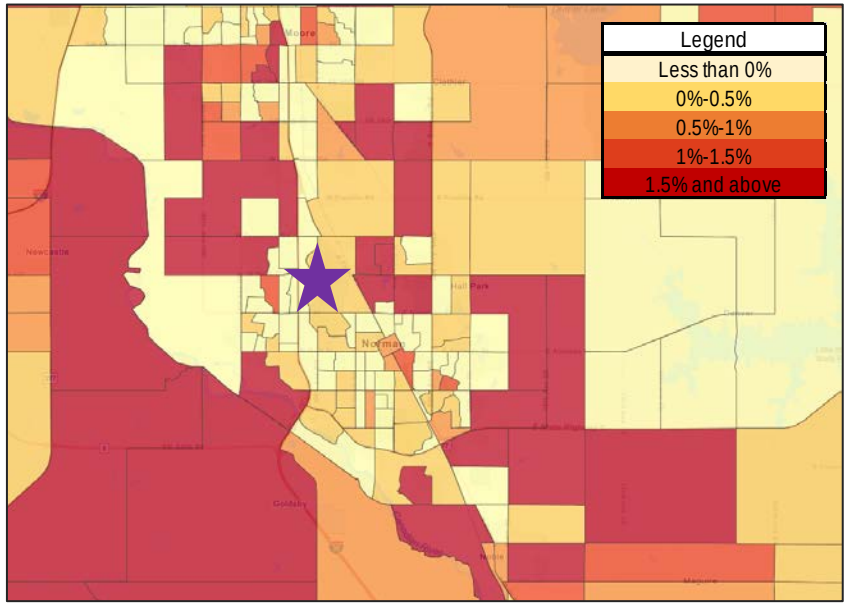
Population & Growth

- Although downtown Norman sees minimal population growth and a lower median household income than surrounding areas, cities such as Goldsby, Hall Park and Newcastle are seeing significant population growth and median household incomes above $89,000. Several of these areas can help generate consistent activity for the project.
- In comparison to the state of Oklahoma, Norman has higher median household incomes. Paired with its educational attainment levels, this data indicates that Norman and Cleveland County are home to several affluent neighborhoods. With higher levels of disposable income, households are more likely to spend money on entertainment and events related to the Project.

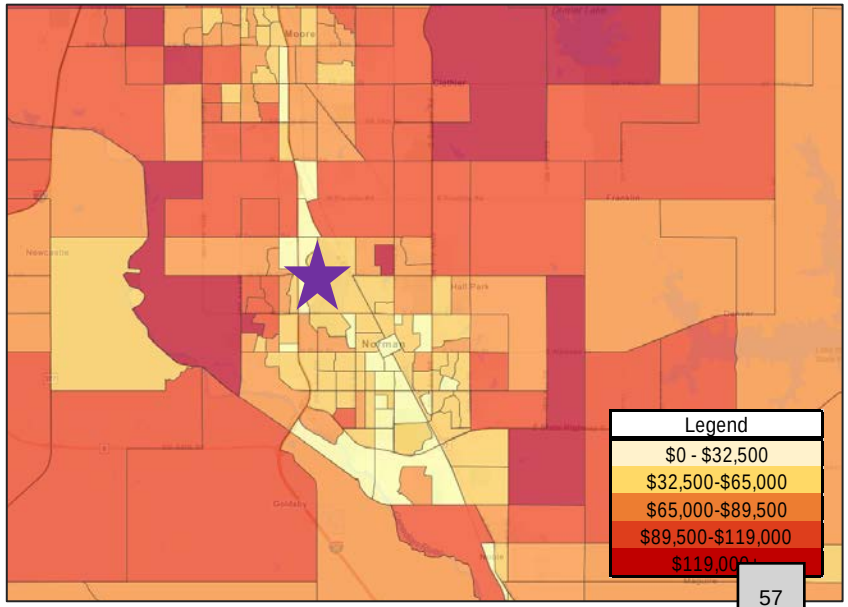


Population Growth Projection

2023 - 2028



Median Household Income 2023



University of Oklahoma

Year Founded: 1890

Current Enrollment: 32,676

Highest Degree: Doctorate

Core Campus Acreage: 3,326 acres

University of Oklahoma (OU) is a public research university, located on three campuses in Norman, Oklahoma. It has the largest enrollment within the state of Oklahoma.

- **In State Tuition**: $36,412
- **Out of State Tuition:** $53,482
- **Athletic Conference:** Big 12 Conference, SEC (2024)

OU has seen an increase in total enrollment since 2020, with more than a three percent increase from 2022 to 2023 in the fall semester. Total enrollment for fall 2023 was approximately 32,676 students and approximately 29,920 students in the spring. The City of Norman, like many college towns, face challenges with seasonality of student populations.

As of 2024, OU has joined the Southeastern Conference (SEC) which is expected to significantly impact the athletics environment.

Lloyd Noble Center Visitation Analysis

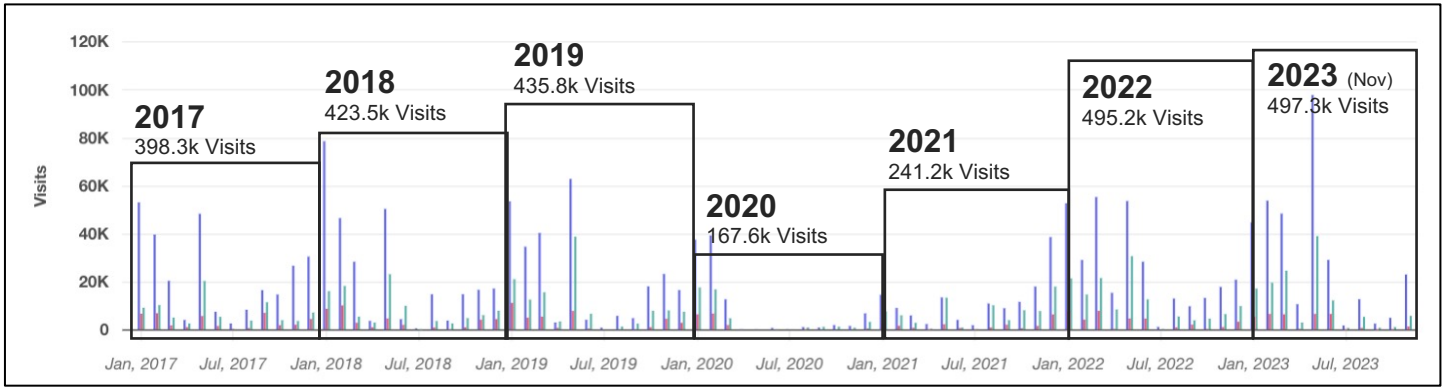
Hunden utilizes Placer.ai which is a geofencing platform that monitors selected points of interest (POIs). The following points highlight key headlines from the geofencing analysis of the Lloyd Noble Center in 2022:

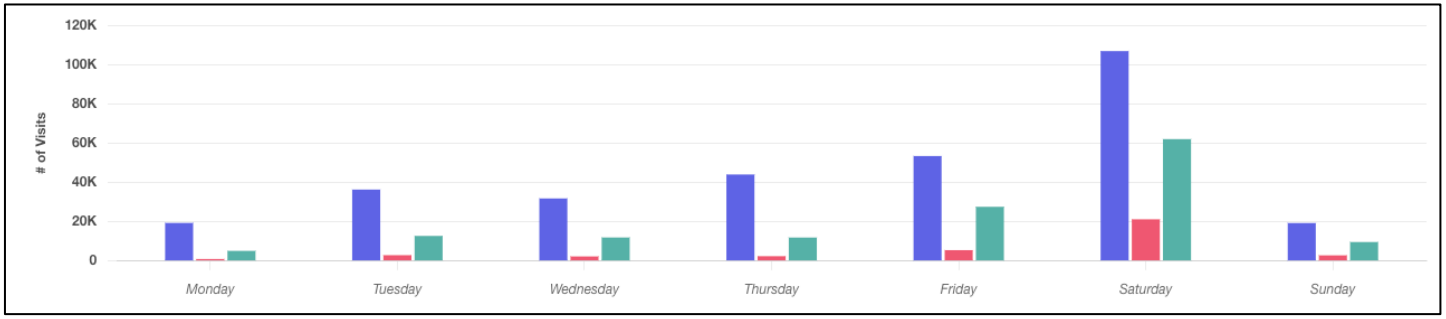
Nearly 64 percent, or 311,258, of total visits to the Lloyd Noble Center came from within 50 miles. Long distance visitation from over 100 miles encompassed nearly 29 percent of total visits, with 141,047 total visits.

Lloyd Noble Center - Total Visitation
January 1st, 2022- December 31st, 2022

Visitor Origins by Distance from Site (Colors correspond to charts & maps)	Total Visits: Est. Number of Visits	Total Visits: Percent of Total Visits	Total Unique Customers: Est. Number of Customers	Total Unique Customers: Percent of Total Customers	Avg. Visits per Customer
Locals - Within 50 miles	311,258	63.5%	162,061	57.8%	1.92
Regional Distance - Over 50 miles & Less Than 100 miles	38,241	7.8%	26,995	9.6%	1.42
Long Distance only - Over 100+ miles	141,047	28.8%	91,529	32.6%	1.54
Total Visits	490,546	100.0%	280,585	100.0%	1.75

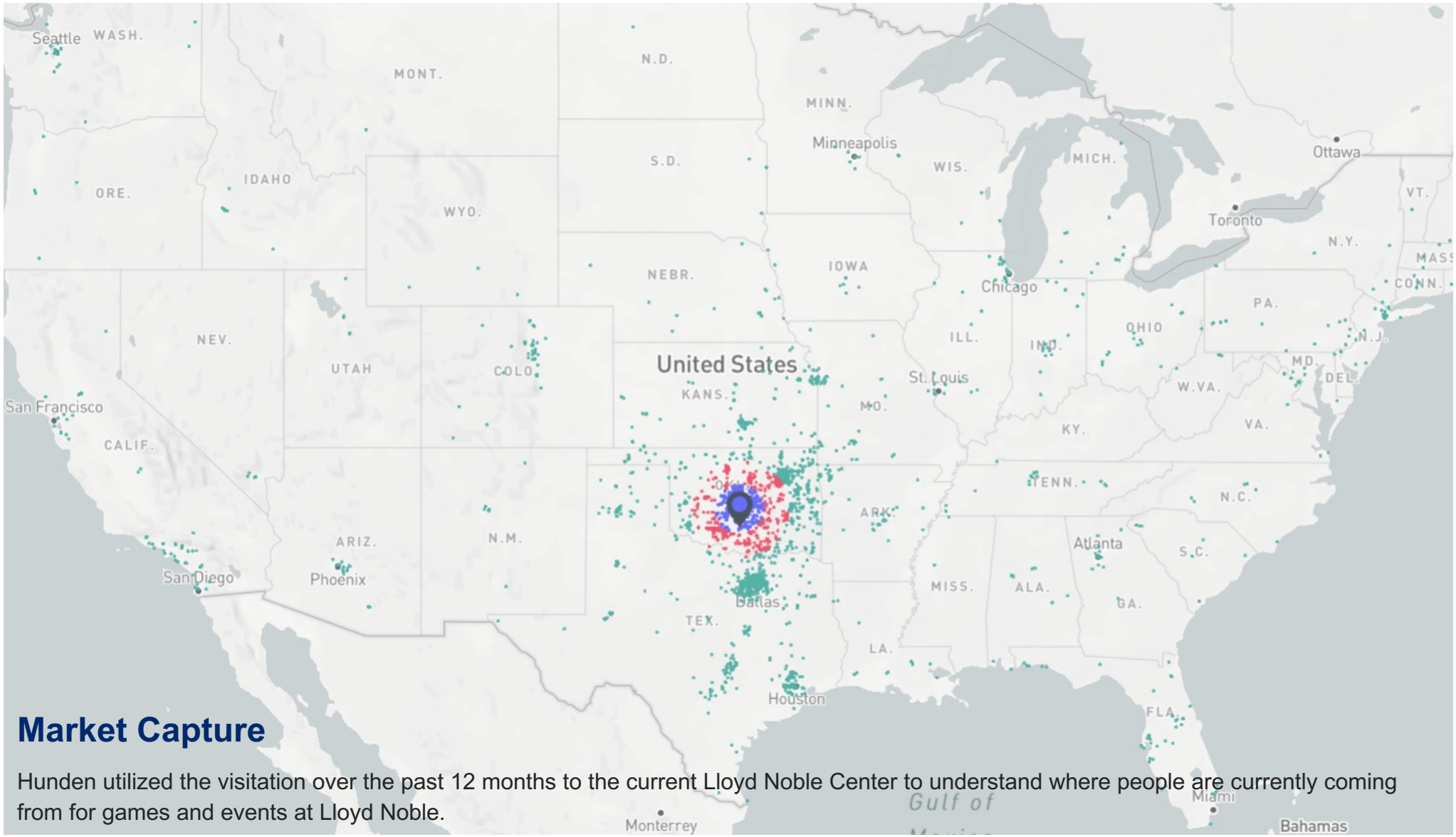
Source: Placer.ai





Performance Venue, Entertainment & Events Market

Item 1.



Market Capture

Hunden utilized the visitation over the past 12 months to the current Lloyd Noble Center to understand where people are currently coming from for games and events at Lloyd Noble.

Placer registers a new “home” for a cell phone owner after 30 days of being at a new city every night. Thus, for each arena there is a slight overestimation of out-of-county and out-of-state visits during the initial events of the school year.

Key Highlights

Economic, Demographic & Tourism

Norman Snapshot

Local market area characteristics such as population, demographics, a diversified economy, access and attractions influence the potential demand for tourism developments as well as the overall attractiveness of an area to any potential visitor or group.

The project site is located in a prime location, with easy access through major interstates. The three-hour drive time captures markets such as Tulsa, Dallas, Texas, and Wichita, Kansas, which indicates the Project can drive tourism from major markets both in and out of state.

The University of Oklahoma brings in significant activity to Cleveland County and the city of Norman, offering the area the potential to grow its tourism assets. The student population is continuously growing, with a current enrollment of over 32,000 students.

Norman and Cleveland County are home to several affluent neighborhoods. With higher levels of disposable income, households are more likely to spend money on entertainment and events related to the Project.

Currently, there is significant leakage of spending from Norman and the surrounding area to OKC for entertainment and dining.

Easy Access

Population Growth

High Educational Attainment

High Median Household Income

Performance Venue, Entertainment & Events Market

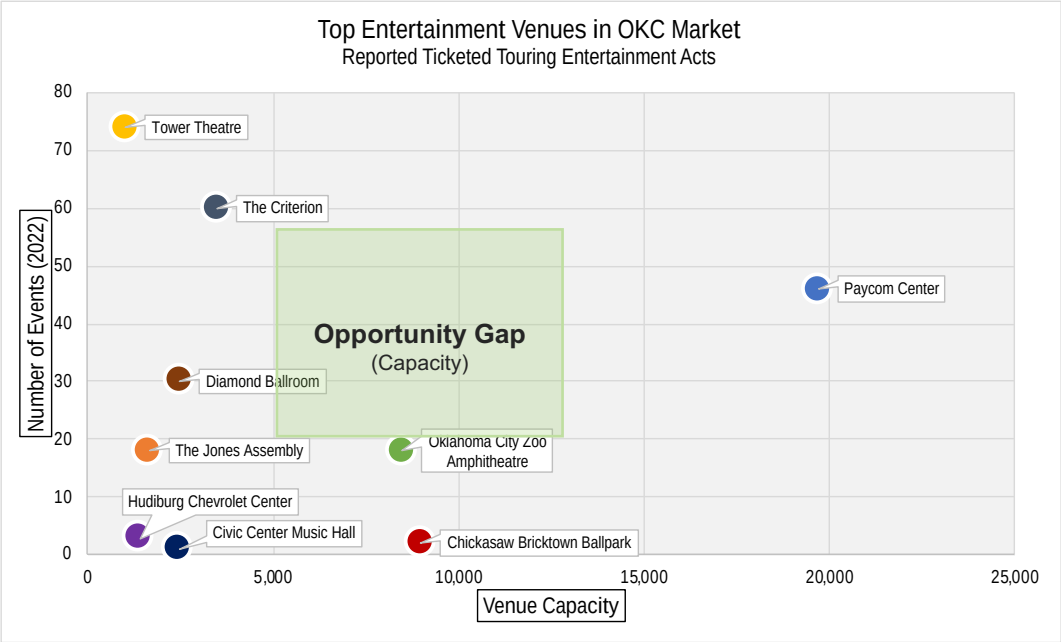
Key Market Indicators

Pollstar compiled data between November 2021 and November 2022 to publish their Concert Market Rankings report. The following bullets summarize Oklahoma City's performance throughout the period.

- OKC ranked 42nd overall in reported gross dollars of ticket sales. Over the period, there was a reported $28.26 million in ticket sales (383,781 reported tickets sold).
- Across 85 shows reported, the average ticket price was $73.63.

2023 POLLSTAR CONCERT MARKET RANKINGS

RANK	RANK CHANGE	MARKET	2022 REPORTED GROSS	2022 REPORTED TICKETS SOLD	2022 AVG. TICKET PRICE	2022 AVG. TICKET PRICE CHANGE	2022 REPORTED SHOWS	2023 DMA RANK	DMA CHANGE
37	-11	Jacksonville	$ 42,568,649	634,134	$ 67.13	6%	302	47	-4
38	3	Salt Lake City	$ 38,454,385	619,892	$ 62.03	19%	283	34	-4
39	3	Greenville-Spartanburg	$ 36,390,876	509,173	$ 71.47	37%	312	37	-2
40	49	Greensboro-Winston Salem	$ 32,015,006	378,757	$ 84.53	76%	190	46	1
41	56	Knoxville	$ 29,518,974	389,997	$ 75.69	46%	149	62	–
42	17	Oklahoma City	$ 28,256,082	383,781	$ 73.63	53%	85	41	3
43	38	Little Rock	$ 27,748,330	330,390	$ 83.99	81%	67	57	2
44	-4	Columbus	$ 27,644,508	371,655	$ 74.38	6%	252	32	1
45	35	Boise	$ 26,877,242	409,406	$ 65.65	26%	287	106	-5
46	-3	Louisville	$ 26,113,121	361,788	$ 72.18	22%	81	49	–
47	-9	Cincinnati	$ 24,865,505	410,073	$ 60.64	9%	183	36	–



Oklahoma City Arena, Amphitheatre & Entertainment Venue Supply
500+ Capacity

Venue	Location	Venue Type	Capacity	Miles from Project Site	2022 Shows (Played and Scheduled)
Paycom Center	Oklahoma City, OK	Arena	19,711	16.6	46
Bennett Event Center	Oklahoma City, OK	Auditorium/Theatre	18,600	20.7	–
Remington Park	Oklahoma City, OK	Outdoor Venues	15,000	21.8	–
Jim Norick Arena	Oklahoma City, OK	Arena	12,500	20.4	–
Lloyd Noble Center	Norman, OK	University Arena	12,000	7.0	–
Chickasaw Bricktown Ballpark	Oklahoma City, OK	Stadium	9,000	16.9	2
Oklahoma City Zoo Amphitheatre	Oklahoma City, OK	Amphitheatre	8,500	20.9	18
Oklahoma Expo Hall	Oklahoma City, OK	Auditorium/Theatre	4,000	21.5	–
The Criterion	Oklahoma City, OK	Auditorium/Theatre	3,500	17.0	60
Diamond Ballroom	Oklahoma City, OK	Club	2,500	11.9	30
Civic Center Music Hall	Oklahoma City, OK	Auditorium/Theatre	2,477	17.5	1
The Jones Assembly	Oklahoma City, OK	Club	1,672	18	18
Hudiburg Chevrolet Center	Midwest City, OK	Auditorium/Theatre	1,401	20	3
Cowboys OKC	Oklahoma City, OK	Club	1,400	19	–
OCCC Visual and Performing Arts Center	Oklahoma City, OK	Auditorium/Theatre	1,067	15	–
Tower Theatre	Oklahoma City, OK	Auditorium/Theatre	1,042	18	74
Beer City Music Hall	Oklahoma City, OK	Club	500	18	–
Average			*500*	*18*	–

Source: Pollstar

Performance Venue, Entertainment & Events Market

Venue Supply

One large prominent indoor venue, Paycom Center Arena, which attracts top national arena touring acts. For a market the size of Oklahoma City, the supply of large venues is adequate; however, in the medium-size capacity range there is not much. There are many strong performers and acts that cannot necessarily sell out Paycom Center and seek spaces within the 2,500 – 10,000 capacity range. This is especially evident in secondary cities and markets.

There is a gap in the market for a medium-sized indoor entertainment venue. Neither of the proposed Projects will truly be directly competitive to the Project.

New Developments

OKC Fairgrounds Coliseum

The 7,000-seat arena is currently under construction with plans for completion by 2025. The new facility will replace the aging Jim Norick Arena and be focused on accommodating large ag and equine shows. On average, the Fairgrounds host more than 2.5 million people every year with nearly 200 events which generates robust economic impact for the city. The project is paid for through MAPS 3 and 4 funds and hotel tax revenues.

Replacement of Paycom Center

City leadership announced in July 2022 preliminary plans for the development of a new arena for the OKC Thunder. Paycom Center is approaching 22 years old, with its only major renovating occurring in 2008. Plans for financing have not been determined but preliminary costs of $900 million have been floated, with a contribution of an estimated $50 million from Thunder ownership. A proposed opening of 2029-30 season has been targeted.

Key Highlights

Entertainment Market

The proposed entertainment venue and surrounding mixed-use district would generate many new events to the Norman market that are currently not being accommodated in Lloyd Noble Center. In conversations with promoters that cover the Oklahoma City market it was indicated that there is no strong indoor venue that is scalable within the medium size range.

OKC is in a strong position geographically for the routing of acts. Performers playing markets in Texas that are moving to the north or vice versa can add a stopover in OKC for a show. Tulsa is a competitive market given that the BOK Center does not have an NBA/NHA anchor tenant.

A venue similar to Moody Center or Dickies Arena in terms of scalability and size would perform well in the OKC market. **A venue of this size would not be directly competitive with a potential new arena for the Thunder** that would replace Paycom Center.

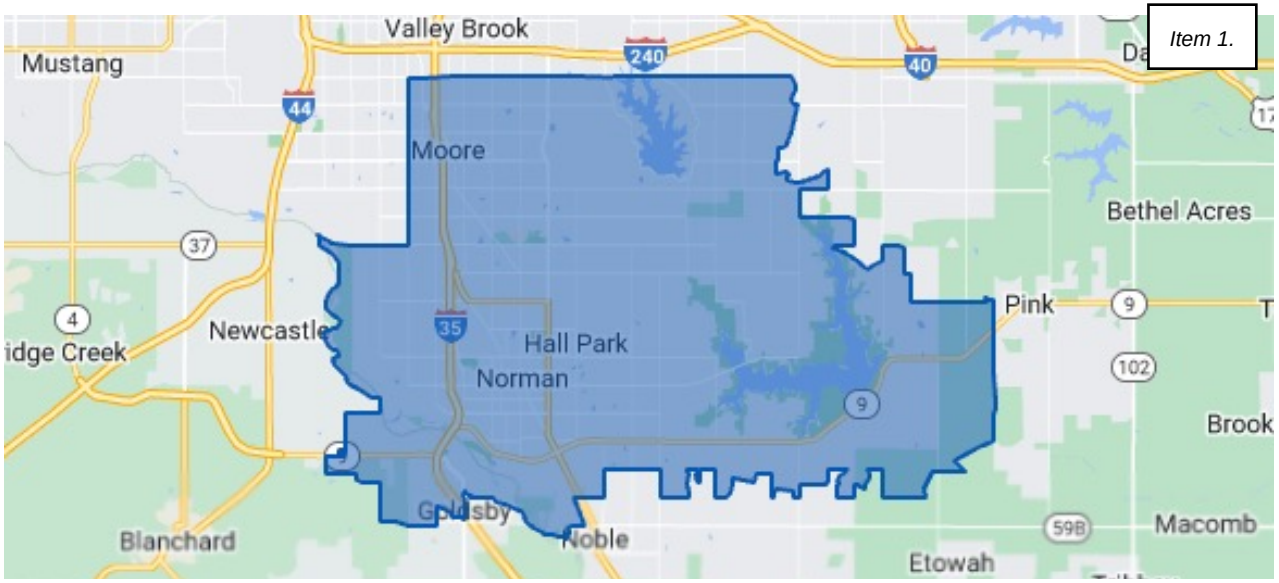
The proposed venue would be able to conservatively host approximately 25 – 30 ticketed non-university events. Many of these would not be at the full capacity of the venue, half house or closed upper bowl would be an attractive configuration for touring acts.

Hotel Submarket

Hunden utilizes CoStar, which owns Smith Travel Research (STR) to assess the hotel performance in the market. The Norman/Moore submarket consists of close to 4,000 rooms spread across 37 properties. Just south of the project site, is a 124-room Residence Inn that is under construction, and a 102-room Home2Suites is proposed.

62 percent of the supply are Upscale and Upper Midscale properties, with limited Luxury and Upper Upscale supply. Twelve-month occupancy within the submarket is approximately 3.3 percent lower than the broader market, and twelve-month RevPAR (a product of occupancy and rate) has decreased, while the broader market's RevPAR continues to increase.

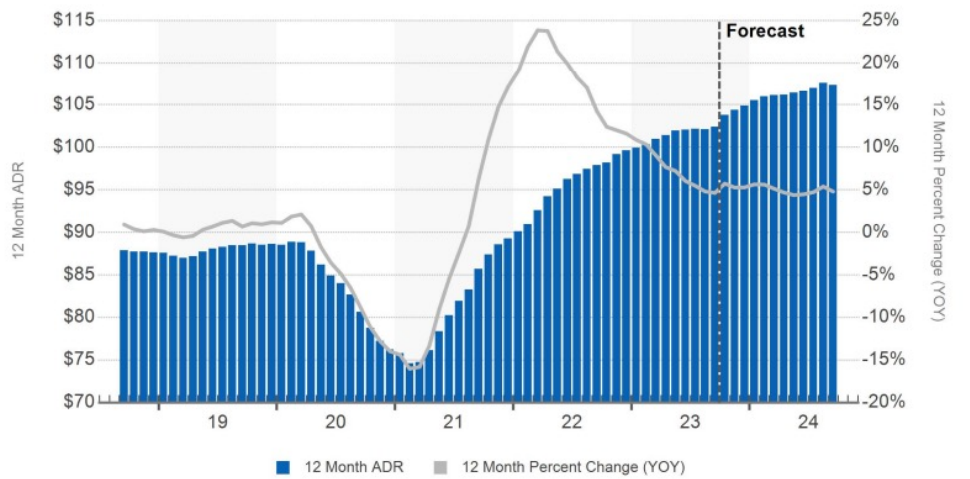
While ADR within the submarket is projected to continue to increase, occupancies are projected to decrease further in 2024.



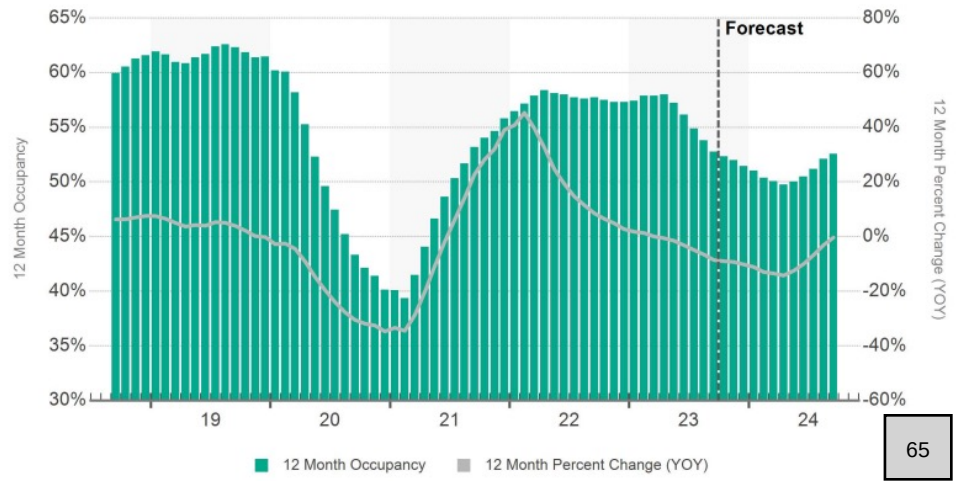
12 Mo Occupancy	12 Mo ADR	12 Mo RevPAR	12 Mo Supply	12 Mo Demand
52.7%	$102.38	$53.99	1.4M	733.2K

Class	Rooms	12 Mo Occ	12 Mo ADR	12 Mo RevPAR	12 Mo Delivered	Under Construction
Luxury & Upper Upscale	390				0	0
Upscale & Upper Midscale	2,470	50.9%	$108.10	$54.98	0	124
Midscale & Economy	1,098	50.2%	$66.97	$33.64	0	0
Total	**3,958**	**52.7%**	**$102.38**	**$53.99**	**0**	**124**

ADR



OCCUPANCY



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Hotel Market Analysis

- Hunden identified a hotel competitive set within Norman, selected based on quality and vicinity to the Project site.
- Hotel occupancy within the competitive set has yet to recover to pre-pandemic levels; however, average daily rate (ADR) has hit new peaks, leading to an overall increase of RevPAR compared to pre-pandemic levels.
- Stabilization of recent growth in ADR is expected and is exhibited in year-to-date ADR growth of 3.3 percent.

Norman, OK Competitive Hotel Supply

Property Name	Miles from Site	Rooms	Year Opened	Chain Scale
Embassy Suites by Hilton Norman Hotel & Conference Center	0.1	283	2008	Upper Upscale
Holiday Inn Express & Suites Norman	0.1	116	2015	Upper Midscale
Hampton by Hilton Inn & Suites Norman Conference Center Area	0.1	104	2020	Upper Midscale
StoneHill Norman, Trademark Collection by Wyndham	1.0	116	2016	Upper Midscale
Comfort Inn & Suites Norman Near University	1.1	73	2008	Upper Midscale
Courtyard Norman	1.2	113	2009	Upscale
Hilton Garden Inn Norman	1.3	121	2008	Upscale
Fairfield Inn & Suites Norman	2.0	74	1995	Upper Midscale
La Quinta Inns & Suites Oklahoma City Norman	2.5	117	1997	Upper Midscale
Country Inn & Suites by Radisson, Norman, OK	2.6	77	2007	Upper Midscale
Total / Average		1,194	2008	

Source: CoStar, Smith Travel Research

Historical Supply, Demand, Occupancy, ADR, and RevPar for Competitive Hotels | Norman, OK

Year	Annual Avg. Available Rooms	Available Room Nights	% Change	Room Nights Sold	% Change	% Occupancy	% Change	ADR	% Change	RevPar	% Change
2015	955	348,666	--	236,301	--	67.8	--	$103.96	--	$70.46	--
2016	1,023	373,258	7.1%	231,384	-2.1%	62.0	-8.5%	$104.68	0.7%	$64.89	-7.9%
2017	1,090	397,850	6.6%	252,027	8.9%	63.3	2.2%	$102.28	-2.3%	$64.79	-0.1%
2018	1,090	397,850	0.0%	279,784	11.0%	70.3	11.0%	$99.20	-3.0%	$69.76	7.7%
2019	1,090	397,850	0.0%	274,806	-1.8%	69.1	-1.8%	$101.75	2.6%	$70.28	0.8%
2020	1,133	413,506	3.9%	164,670	-40.1%	39.8	-42.3%	$91.35	-10.2%	$36.38	-48.2%
2021	1,194	435,810	5.4%	234,976	42.7%	53.9	35.4%	$106.65	16.7%	$57.50	58.1%
2022	1,194	435,810	0.0%	253,562	7.9%	58.2	7.9%	$118.33	11.0%	$68.84	19.7%
2023 YTD (Sept.)	1,194	325,962	0.0%	202,247	4.5%	62.0	4.5%	$121.87	3.3%	$75.62	8.0%
CAGR (2015-22)	3.57%	3.57%		1.04%		-2.02%		1.97%		-0.33%	

Source: Smith Travel Research, Hunden Partners

Occupancy
62%
YOY
▲ 4.5%

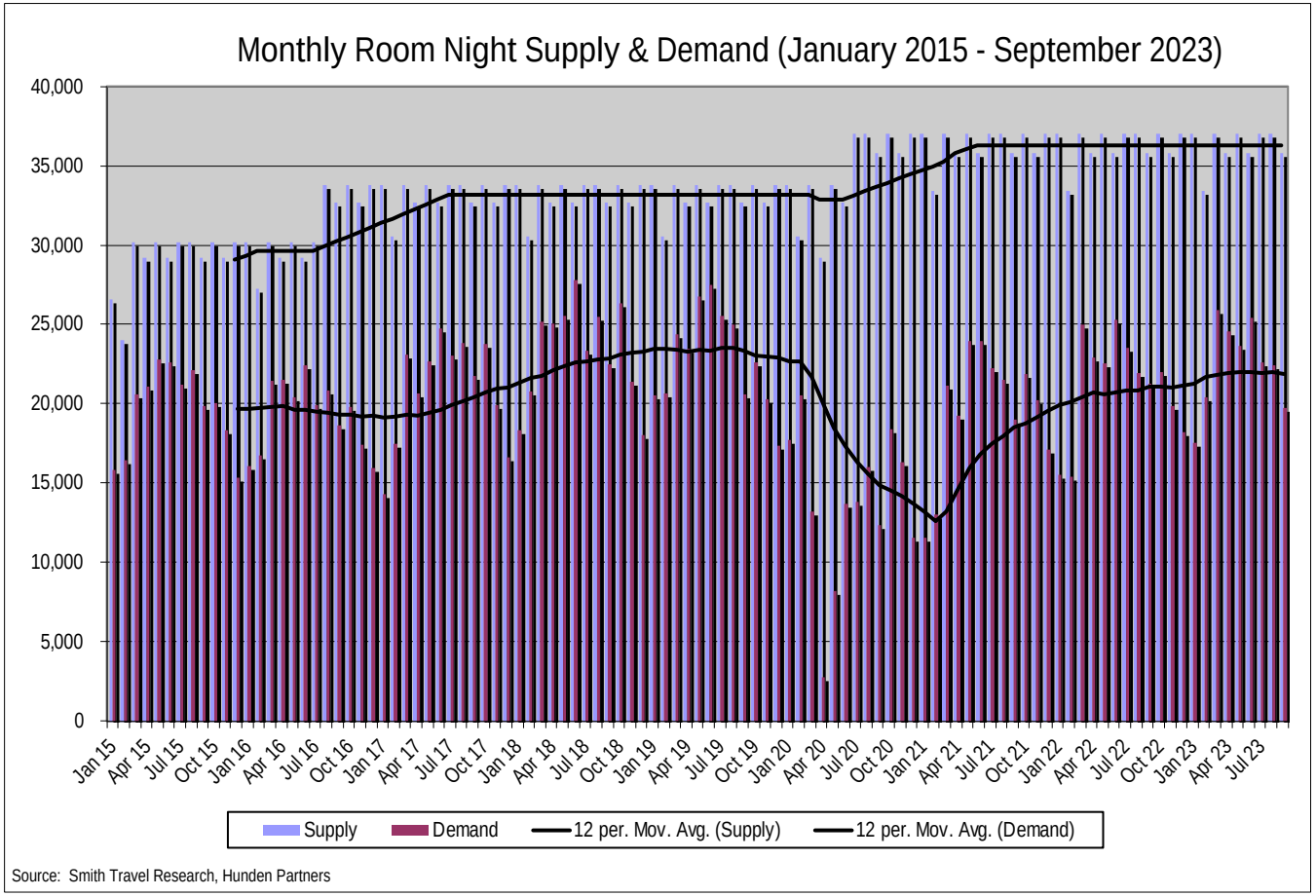
ADR
$121.87
YOY
▲ 3.3%

RevPAR
$75.62
YOY
▲ 8.0%

Supply & Demand

The supply of room nights in the local competitive set was relatively constant leading up to the COVID-19 pandemic. Once the pandemic occurred in 2020, there was significant depleted demand. Since the pandemic, additional supply was introduced to the market, though absorption has been slow, with demand yet to recover to pre-pandemic levels.

Hotel room demand shows consistent seasonal trends with winter months seeing significantly lower demand.



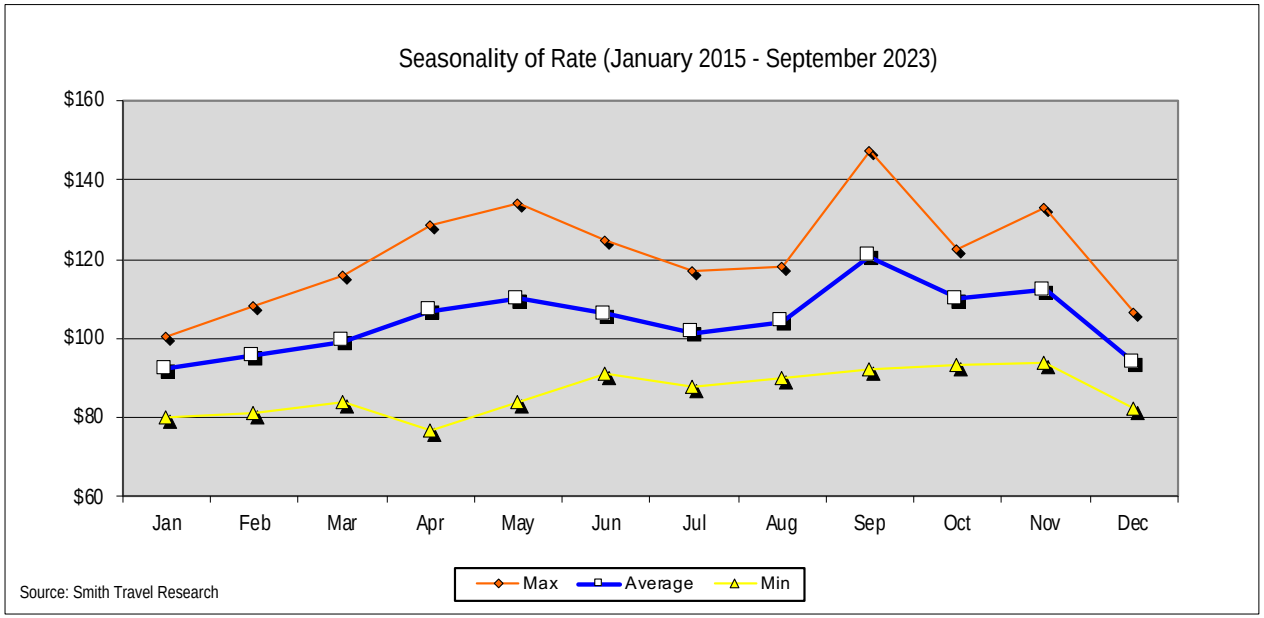
Source: Smith Travel Research, Hunden Partners

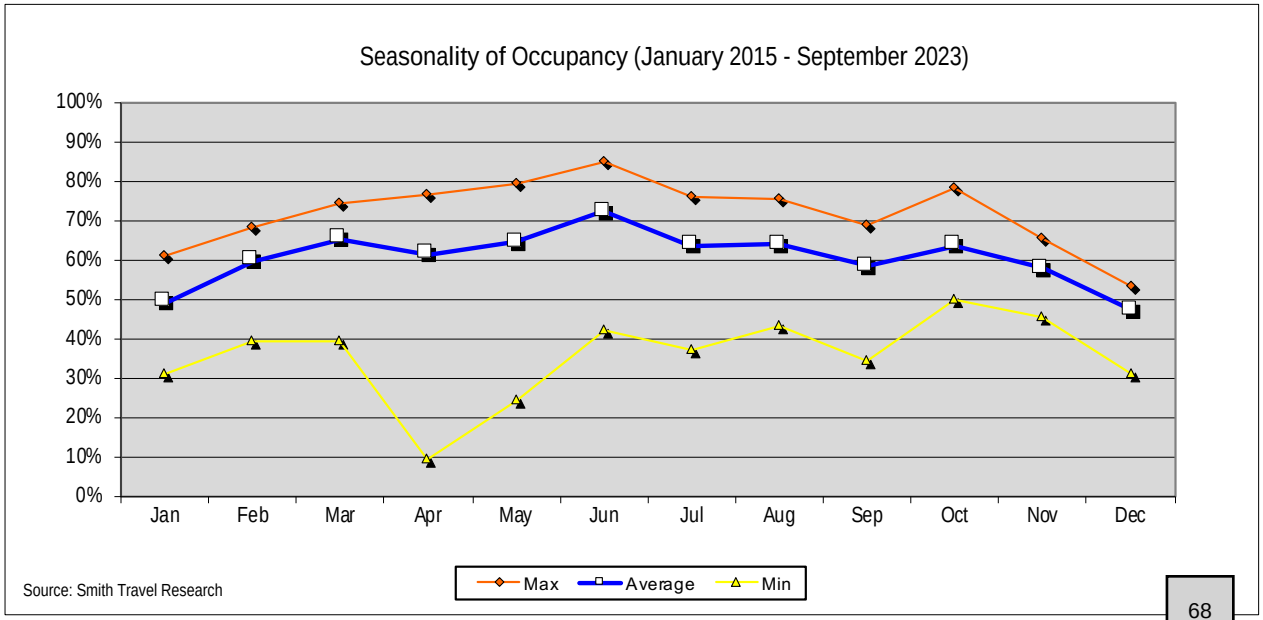
Seasonality
ADR & Occupancy

The adjacent tables detail the seasonal performance of the competitive set since January 2015.

As shown, the competitive set experiences its highest rates during the the months of May, September and November. This is likely due to travel induced from OU sporting and academic events such as home football games and graduation. The winter months are historically more affordable.

Though rates peaked in May, September and November, occupancy did not, showing high rates may be associated with major events rather than extended periods of increased demand. Highest occupancies occurred in June and were lowest in the winter months.



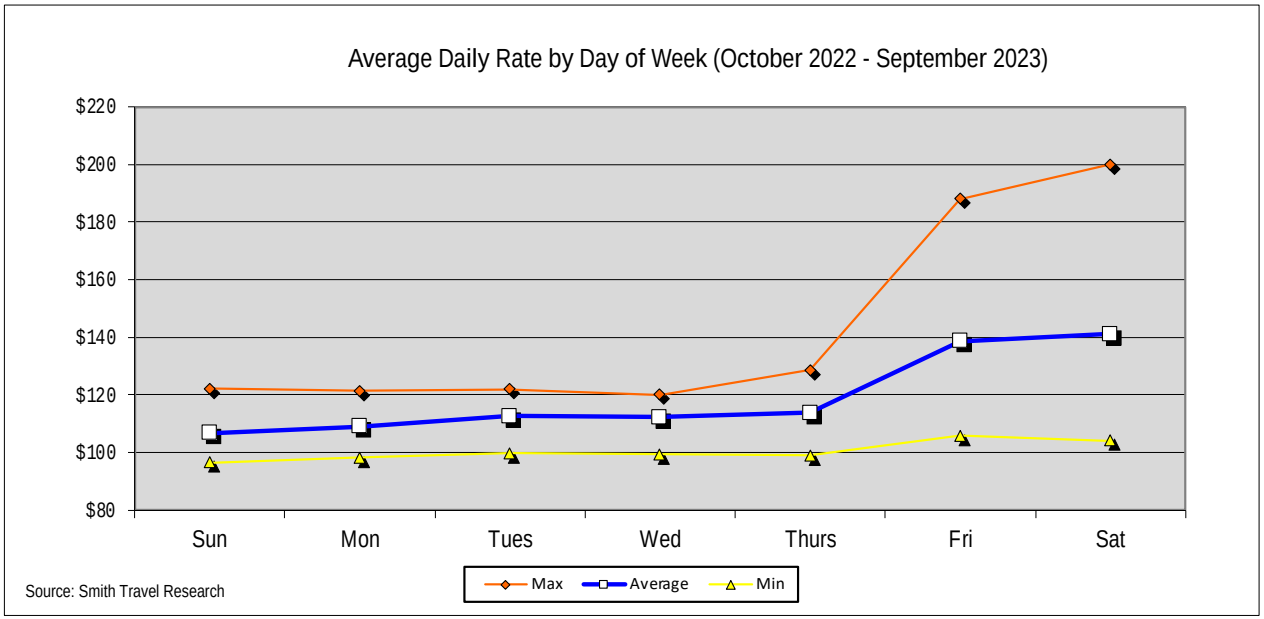


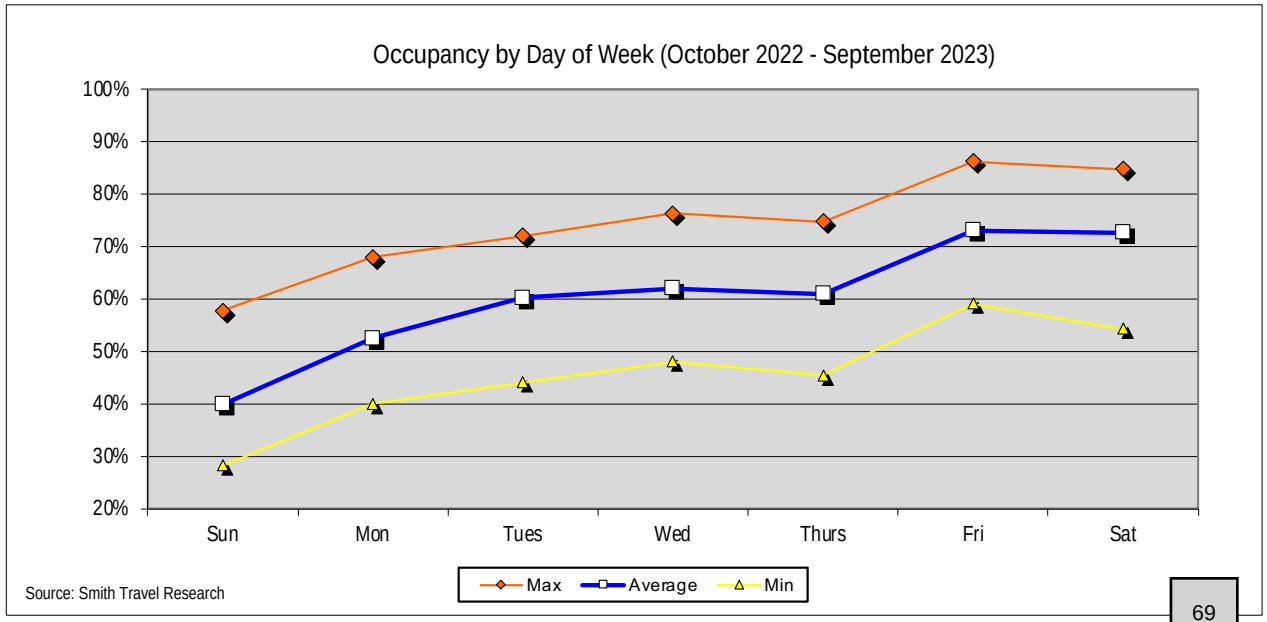
Day of Week
ADR & Occupancy

The adjacent tables detail the weekly performance of the local competitive set from October 2022 through September 2023.

Typically, group and corporate travel occurs from Sunday through Thursday, while leisure travel occurs on Fridays and Saturdays. The highest rates in the competitive set are on the weekends, which suggests strong leisure demand.

In addition, occupancy is highest on weekends, suggesting the need for more weekday demand generators to diversify the mix of hotel business.





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Heat Chart
ADR & Occupancy

The adjacent tables detail the weekly performance of the local competitive set by month from October 2022 through September 2023.

As shown, both rate and occupancy were highest on weekends, which suggest strong leisure demand. Highest rates occurred in May, September, and November, while highest occupancies occurred from March through June.

Low weekday occupancy and rate suggest lower corporate and group demand. Throughout the year, Sundays and Mondays recorded the weakest occupancies and rates.

ADR by Day of Week by Month - October 2022 - September 2023

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Avg
Oct - 22	$105	$105	$108	$110	$110	$141	$134	$117
Nov - 22	$101	$107	$111	$105	$113	$165	$189	$133
Dec - 22	$98	$98	$102	$103	$100	$113	$119	$107
Jan - 23	$97	$98	$100	$99	$99	$106	$104	$101
Feb - 23	$100	$101	$109	$104	$102	$118	$115	$108
Mar - 23	$106	$109	$111	$113	$115	$125	$124	$116
Apr - 23	$109	$111	$118	$117	$119	$157	$149	$129
May - 23	$122	$121	$122	$120	$129	$156	$158	$134
Jun - 23	$122	$118	$119	$120	$119	$136	$136	$125
Jul - 23	$104	$108	$113	$115	$118	$129	$124	$117
Aug - 23	$101	$111	$121	$118	$116	$117	$117	$116
Sep - 23	$105	$113	$110	$114	$116	$188	$200	$147
Average	$107	$109	$113	$112	$114	$139	$141	

Sources: Smith Travel Research

Occupancy Percent by Day of Week by Month - October 2022 - September 2023

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Avg
Oct - 22	41.8%	53.7%	63.4%	63.4%	61.3%	68.6%	67.3%	59.4%
Nov - 22	28.2%	46.1%	54.4%	55.9%	52.3%	74.0%	77.9%	55.5%
Dec - 22	35.1%	41.3%	46.4%	48.8%	45.4%	59.1%	63.0%	49.2%
Jan - 23	34.9%	41.7%	44.1%	48.1%	49.6%	64.5%	54.3%	47.4%
Feb - 23	37.4%	60.1%	72.0%	61.2%	54.8%	74.3%	67.6%	61.1%
Mar - 23	47.5%	62.5%	69.1%	66.9%	74.3%	86.3%	79.6%	70.1%
Apr - 23	41.1%	56.2%	70.5%	76.4%	72.7%	84.0%	82.6%	68.6%
May - 23	45.5%	55.2%	59.3%	60.0%	65.6%	81.0%	84.8%	63.9%
Jun - 23	57.8%	67.9%	69.8%	72.5%	71.3%	78.5%	76.4%	70.9%
Jul - 23	40.9%	47.4%	58.8%	64.3%	74.8%	71.9%	74.7%	61.1%
Aug - 23	37.7%	58.8%	62.1%	65.0%	60.8%	64.3%	73.5%	60.5%
Sep - 23	30.9%	40.0%	53.4%	62.6%	48.7%	70.6%	71.3%	55.1%
Average	39.9%	52.4%	59.9%	62.1%	61.1%	73.1%	72.7%	

Sources: Smith Travel Research

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Key Highlights

Hotel Market

The proposed entertainment venue and surrounding mixed-use district would generate new hotel demand to Norman. With mostly limited-service properties near the Project site, there is an opportunity to develop additional boutique or full-service hotels as part of the overall development plan. As Norman hotels exhibit weak weekday demand, proposed office development at the Project site, if successful, could aid in increasing weekday corporate hotel demand. Year-round programming of the entertainment venue and the district itself can also help generate incremental weekday overnight stays. Below highlights Hunden's additional findings on the local hotel market.

There are only 374 upper upscale rooms in the broader Norman / Moore submarket, and no luxury products. Overall, the submarket's 12-month RevPAR has decreased by approximately four percent, though the competitive set has a 2023 YTD RevPAR that increased eight percent, which is higher when compared to the broader OKC market.

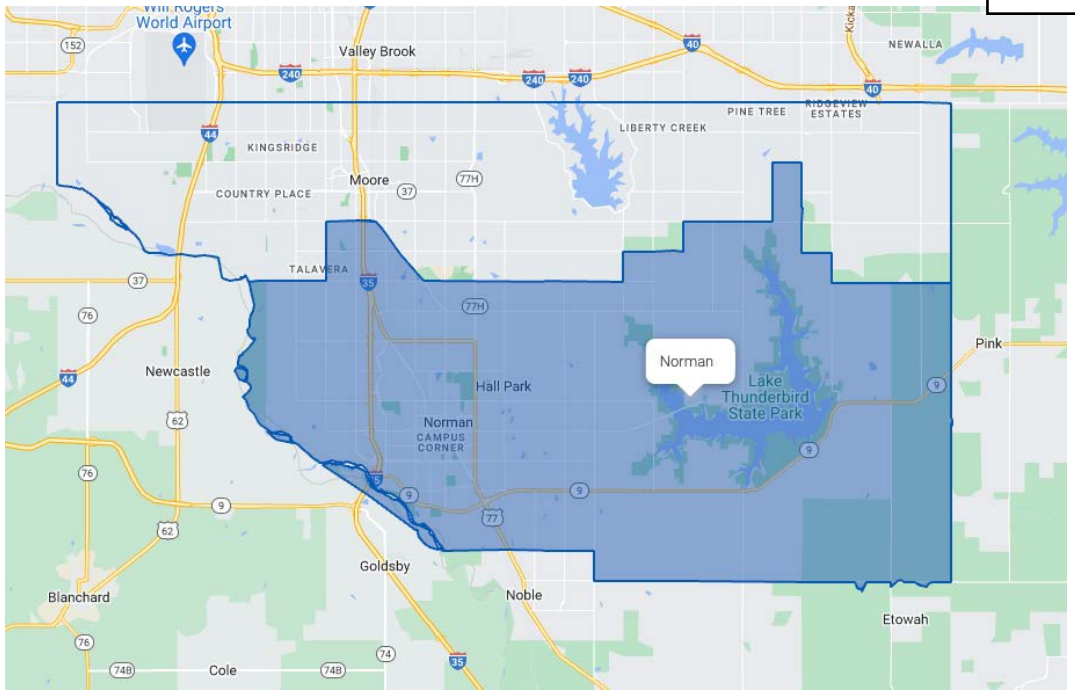
There have been minimal new hotel deliveries in Norman over the last few years with the exception of the 91-room NOUN Hotel and 104-room Hampton Inn. A 124-room Residence Inn is nearing completion in Norman directly south of the Project site.

While the 283-room Embassy Suites has a significant amount of meeting spaces, including a 28,800 SF ballroom, 7,200 SF junior ballroom, and over 6,000 SF of meeting rooms, it is in need of major improvements. A new high-quality hotel that offers additional on-site amenities would complement the proposed entertainment venue. Management has indicated that the property is scheduled for renovation in 2025.

Multifamily Submarket

Submarket Analysis

- Norman is seeing high population growth in the past decade, with the submarket's vacancy being at 7.1 percent, which is below the market average of 10.4 percent.
- University of Oklahoma (OU) heavily influences the Norman multifamily submarket. Norman overall offers great retail offerings, easy access and convenient commutes along I-35, and established neighborhoods.
- Student housing is a competitor to market-rate communities. Most market-rate developments have been focused along the interstate, which has direct access to downtown Oklahoma City.
- 4 & 5-Star properties possess the highest share in the submarket, with over 5,000 units currently available. 1 & 2-Star rated properties have the highest vacancy rate, which suggests that the submarket consists of a more affluent population that places an emphasis on quality.
- The selected multifamily competitive set was decided based on their location, quality, and year built. This may help to offer an idea of how a new multifamily project would perform in Norman, OK. The newest property has noticeably higher vacancy rates, suggesting a long lease-up period before stabilization.



12 Mo. Delivered Units	12 Mo. Absorption Units	Vacancy Rate	12 Mo. Asking Rent Growth
0	(14)	7.1%	4.3%

KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	3,451	4.9%	$1,234	$1,228	0	0	0
3 Star	5,504	7.1%	$923	$917	0	0	0
1 & 2 Star	3,870	9.0%	$816	$811	4	0	0
Submarket	**12,825**	**7.1%**	**$983**	**$978**	**4**	**0**	**0**

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.1%	7.3%	6.9%	12.7%	2015 Q2	4.2%	2021 Q3
Absorption Units	(14)	130	27	614	2010 Q4	(449)	2022 Q4
Delivered Units	0	160	0	654	2016 Q1	0	2023 Q3
Demolished Units	0	13	10	260	2016 Q2	0	2023 Q3
Asking Rent Growth (YOY)	4.3%	2.7%	4.1%	9.7%	2021 Q4	-6.5%	2010 Q1
Effective Rent Growth (YOY)	4.5%	2.7%	4.1%	10.6%	2021 Q4	-6.4%	2010 Q1
Sales Volume	$47M	$29.3M	N/A	$146.1M	2023 Q1	$0	2007 Q4

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Multifamily Submarket

Comparable Market Developments

Sooner Station and University North Park
Built: 2021
Vacancy: 18.7%
Unit Mix: 88 Studio, 71 1-Bed, 30 2-Bed
Avg Asking Rent: $3,556, $4.16 PSF

Artisan Crossing
Built: 2021
Vacancy: 3.8%
Unit Mix: 129 1-Bed, 117 2-Bed
Avg Asking Rent: $1,354, $1.38 PSF

Carlstone
Built: 2020
Vacancy: 2.3%
Unit Mix: 74 1-Bed, 14 2-Bed
Avg Asking Rent: $2,503, $3.26 PSF

TERRA at University North Park
Built: 2018
Vacancy: 5.8%
Unit Mix: 40 Studio, 105 1-Bed, 138 2-Bed, 20 3-Bed
Avg Asking Rent: $1,404, $1.64 PSF

Legacy Trail Apartments
Built: 2017
Vacancy: 4.5%
Unit Mix: 29 1-Bed, 59 2-Bed, 120 3-Bed
Avg Asking Rent: $1,288, $1.12 PSF

Anatole at Norman
Built: 2016
Vacancy: 7.2%
Unit Mix: 157 1-Bed, 73 2-Bed
Avg Asking Rent: $1,252, $1.45 PSF

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Multifamily Submarket

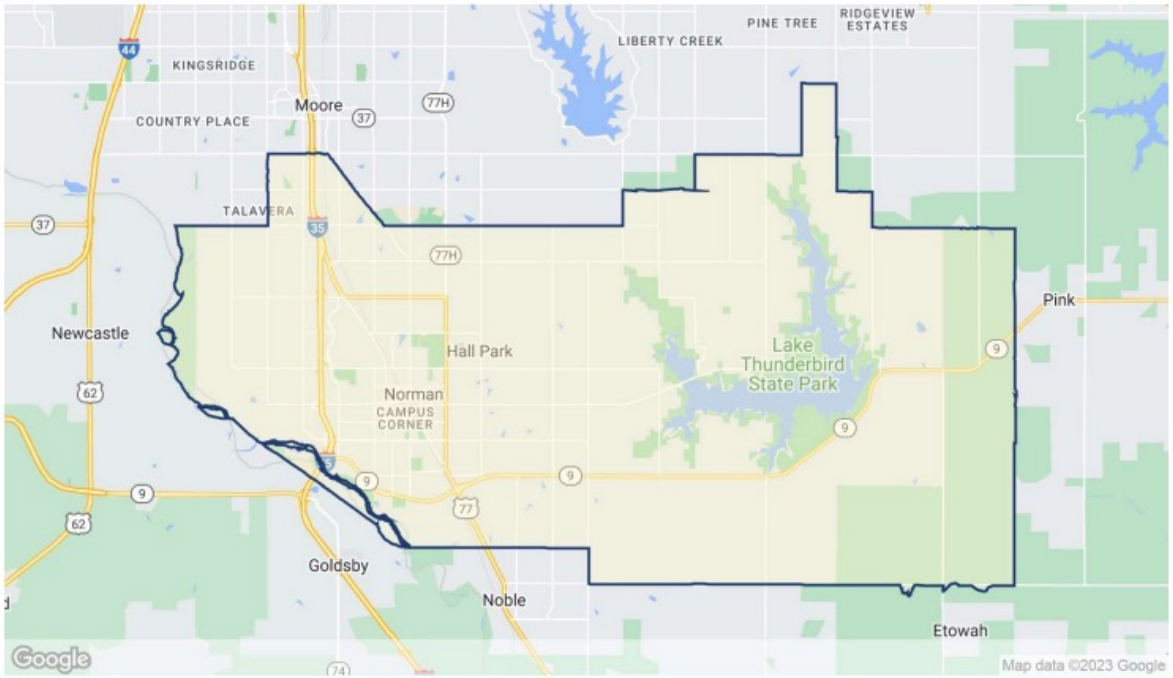
Supply, Demand & Development Pipeline

- The Norman submarket has on average 156 units delivered to the market on an annual basis. There have been zero units delivered to the submarket since 2021. This alludes to a slow multifamily delivery to the market based on historic averages.
- One of the properties delivered to the market within the past two years is a 189-unit complex located in University North Park. Currently there is an 18.7 percent vacancy rate, so properties in the submarket have a prolonged lease-up period.
- The other property recently delivered to the market is a 246-unit facility that has a 3.8 percent vacancy rate.
- According to the Overall Supply & Demand table to the right, with the delivery of zero units in 2023, there will be no increase in the submarket inventory.
- In the future, it is projected that there will be mostly positive absorption with future deliveries until 2027.

Item 1.

All-Time Annual Avg. Units	Delivered Units Past 8 Qtrs	Delivered Units Next 8 Qtrs	Proposed Units Next 8 Qtrs
156	0	0	0

PAST 8 QUARTERS DELIVERIES, UNDER CONSTRUCTION, & PROPOSED



OVERALL SUPPLY & DEMAND

	Inventory			Absorption		
Year	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	12,779	(12)	-0.1%	8	0.1%	-
2026	12,791	(12)	-0.1%	41	0.3%	-
2025	12,803	(11)	-0.1%	(7)	-0.1%	1.6
2024	12,814	(11)	-0.1%	21	0.2%	-
2023	12,825	0	0%	131	1.0%	0
YTD	12,825	0	0%	139	1.1%	0
2022	12,825	0	0%	(476)	-3.7%	0
2021	12,825	246	2.0%	376	2.9%	0.7
2020	12,579	0	0%	201	1.6%	0
2019	12,579	(45)	-0.4%	127	1.0%	-
2018	12,624	347	2.8%	537	4.3%	0.6
2017	12,277	208	1.7%	74	0.6%	2.8
2016	12,069	256	2.2%	(2)	0%	-
2015	11,813	368	3.2%	257	2.2%	1.4
2014	11,445	256	2.3%	143	1.2%	1.8
2013	11,189	170	1.5%	141	1.3%	1.2
2012	11,019	396	3.7%	390	3.5%	-
2011	10,623	0	0%	1	0%	-

Key Highlights

Multifamily Submarket

The proposed entertainment venue and surrounding mixed-use district would generate a higher quality of life for the citizens of Norman, especially for prospective students at the university. With a limited number of multifamily properties near to the Project site, there is an opportunity to develop additional Class A and B housing units as part of the overall development plan. As the Norman submarket has low vacancies and stable rent growth, there is potential to accompany a growing community and student population in newer multifamily facilities.

4 & 5-Star properties possess the highest share in the submarket, with over 5,000 units currently available. 1 & 2-Star rated properties have the highest vacancy rate, which suggests that the submarket consists of a more affluent population that places an emphasis on quality.

OU heavily influences the Norman multifamily submarket. Overall, Norman offers great retail offerings, easy access to and a convenient commute along I-35, and established neighborhoods.

Student housing is a competitor to market-rate communities. Most market-rate developments have been focused along the interstate, which has direct access to downtown Oklahoma City.

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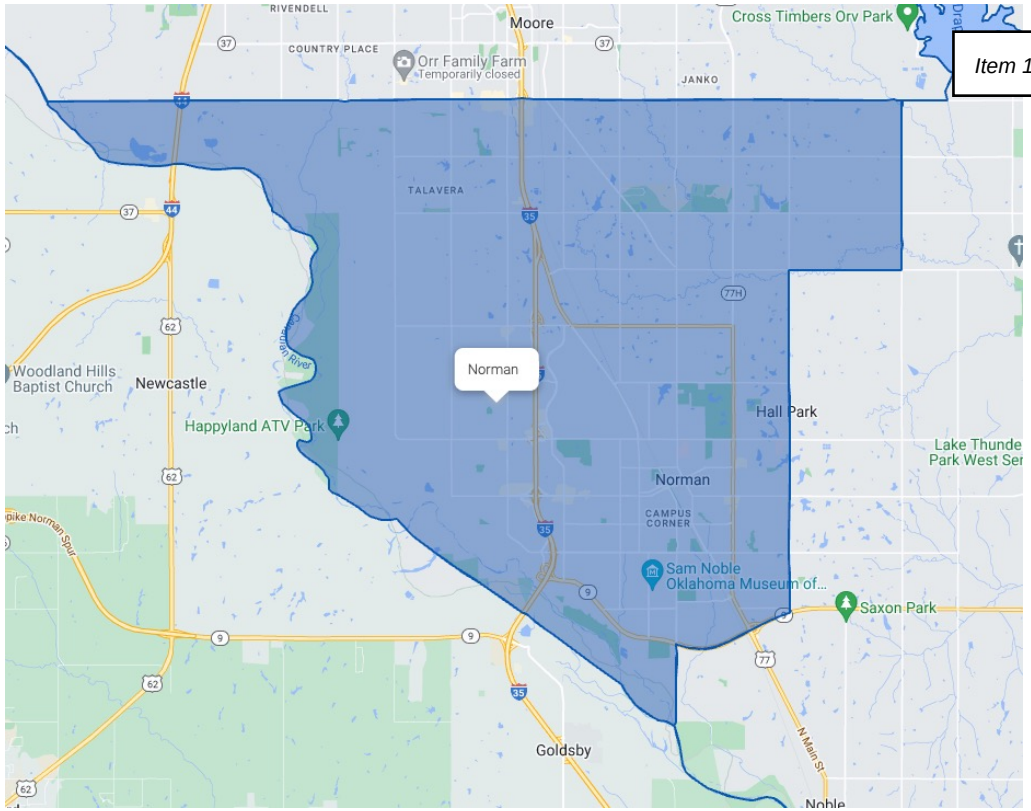
Office Submarket

Submarket Analysis

- The Norman office submarket has a vacancy rate of 6.9 percent and has increased 1.4 percent in the past year, which is higher than that of the Oklahoma City market of 0.6 percent.
- 1 and 2-star spaces are the most abundant subtype with nearly 2.1 million SF in the category. The submarket is in line with Oklahoma City when it comes to rents, with the average being $19.50/SF.
- Within the past 3 years 84 sales have taken place, with 19 of those being within this past year. Sales have averaged approximately $147/SF.
- The majority of construction completed within the past 8 quarters are along I-35 near the Project site, as well as construction that is currently underway and proposed.
- Franklin Business Park has seen the most recent deliveries along Adams Road, with the most recent being October 2023.
- Annual sales volume is at an average of $30 million within the past five years, with the highest deal reaching nearly $50.8 million within a 12-month period.



Norman Office

12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	12 Mo Rent Growth
69.1K	(18.1K)	7.6%	2.5%

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	271,656	7.9%	$25.75	4.2%	(4,651)	0	0
3 Star	1,836,077	8.8%	$20.76	11.9%	(22)	11,002	8,900
1 & 2 Star	2,174,230	6.6%	$17.59	7.1%	(12,896)	0	0
Submarket	**4,281,963**	**7.6%**	**$19.47**	**9.0%**	**(17,569)**	**11,002**	**8,900**

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.9%	6.0%	7.8%	8.8%	2019 Q1	3.2%	2015 Q1
Net Absorption SF	(18.1K)	77,730	12,859	211,744	2015 Q3	(59,023)	2017 Q4
Deliveries SF	69.1K	83,090	36,691	247,587	2019 Q1	4,358	2013 Q4
Rent Growth	2.5%	2.0%	0.9%	9.2%	2008 Q1	-7.3%	2017 Q3
Sales Volume	$9.7M	$14.2M	N/A	$50.8M	2019 Q3	$669.5K	2008 Q2

Office Submarket

Comparable Market Developments

Cornerstone Home Lending, Inc
Built: 2020
Vacancy: 0.0%
RBA: 6,653 SF
CoStar Est. Rent: $21.17-25.88 PSF

Mustang Extreme Environmental Services
Built: 2018
Vacancy: 0.0%
RBA: 5,422 SF
Est. Rent: $17.16-20.97 PSF

Landmark Fine Home
Built: 2018
Vacancy: 0.0%
RBA: 7,009 SF
Asking Office Rent: $18.55-22.68 PSF

Walker H D & J K Trust
Built: 2018
Vacancy: 0.0%
Size: 111,693 SF
Asking Rent: $18.46-22.56 PSF

GulfTex Energy IV, LP
Built: 2017
Vacancy: 50.0%
Size: 3,450 SF
Asking Rent: $20.00 PSF

Valliance Bank
Built: 2012
Vacancy: 0.0%
Size: 15,279 SF
Asking Rent: $17.32-21.17 PSF

Office Submarket

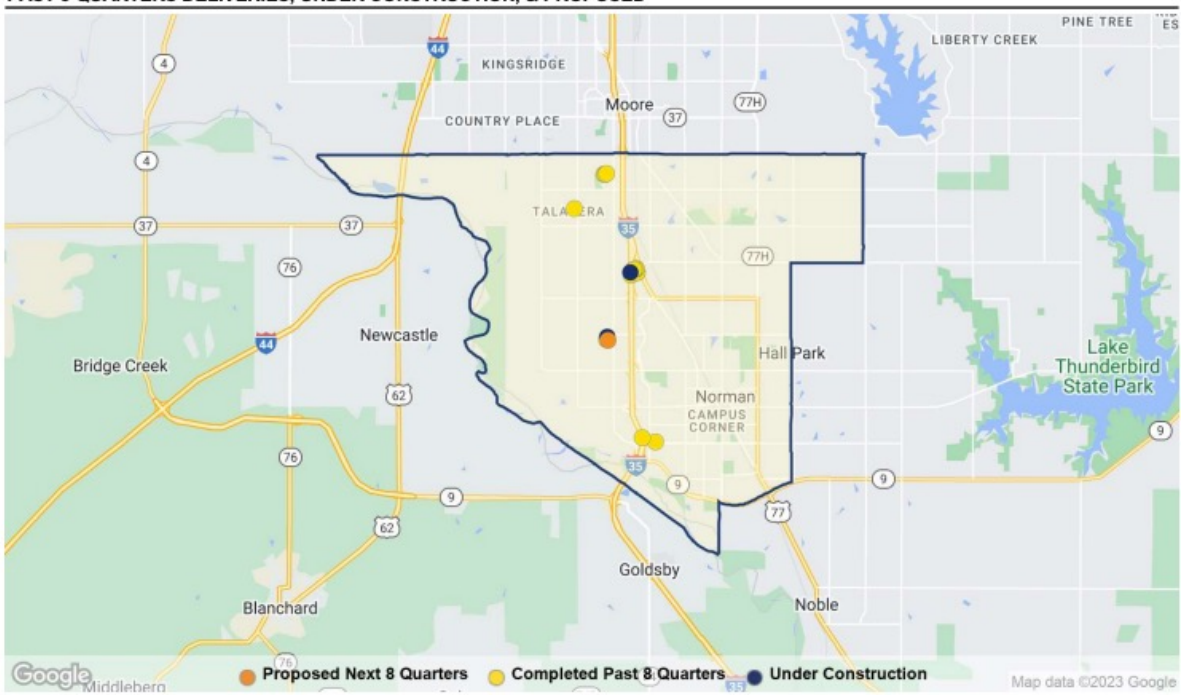
Supply, Demand & Development Pipeline

- The Norman submarket has on average 82,148 square feet delivered to the market on an annual basis. There have been a total of 110,187 square feet delivered to the submarket over the past two years. This is a bit slower in office delivery to the market based on historic averages.
- According to the Overall Supply & Demand table to the right, there is an expected delivery of 5,000 square feet to the submarket over the next two years.
- The supply projection for the next year is negative as it is predicted that there will be no deliveries when in fact there will be a decrease in the supply of office in the submarket. After 2024, the following three years are positive, indicating an increase of deliveries and supply in the market.
- Alongside the decrease in supply, it is projected that there will be negative absorption for the next coming year, then numbers should rise and see a positive absorption in the three years to follow.

All-Time Annual Avg. Square Feet	Delivered Square Feet Past 8 Qtrs	Delivered Square Feet Next 8 Qtrs	Proposed Square Feet Next 8 Qtrs
82,148	110,187	8,900	5,0

Item 1.

PAST 8 QUARTERS DELIVERIES, UNDER CONSTRUCTION, & PROPOSED



OVERALL SUPPLY & DEMAND

	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	4,375,625	45,437	1.0%	39,493	0.9%	1.2
2026	4,330,188	34,777	0.8%	34,604	0.8%	1.0
2025	4,295,411	10,973	0.3%	12,151	0.3%	0.9
2024	4,284,438	2,475	0.1%	(35,704)	-0.8%	-
2023	4,281,963	57,576	1.4%	(17,520)	-0.4%	-
YTD	4,281,963	57,576	1.4%	(42,573)	-1.0%	-
2022	4.224.387	45.611	1.1%	90.905	2.2%	0.5
2021	4,178,776	74,277	1.8%	67,988	1.6%	1.1
2020	4,104,499	144,416	3.6%	188,362	4.6%	0.8
2019	3,960,083	144,322	3.8%	146,613	3.7%	1.0
2018	3,815,761	151,548	4.1%	82,477	2.2%	1.8
2017	3,664,213	74,903	2.1%	(59,023)	-1.6%	-
2016	3,589,310	66,910	1.9%	111,125	3.1%	0.6
2015	3,522,400	129,068	3.8%	89,081	2.5%	1.4
2014	3,393,332	128,804	3.9%	158,925	4.7%	0.8
2013	3,264,528	4,358	0.1%	63,427	1.9%	0.1
2012	3,260,170	88,456	2.8%	60,776	1.9%	
2011	3,171,714	20,289	0.6%	30,031	0.9%	

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Key Highlights

Office Market

The Norman office submarket has been stable in terms of growth and development of the total square footage offered in the submarket. The current vacancy rate is at 6.9 percent and has increased 1.4 percent in the past year. The average office property size in the submarket is 6,700 SF where the median office property size is around 5,000 SF. Norman is plentiful in terms of smaller office buildings with fewer larger office complexes.

1 and 2 Star are the most abundant subtype with nearly 2.1 million SF in the category. The submarket is in line with Oklahoma City when it comes to rents, with the average being $19.50/SF.

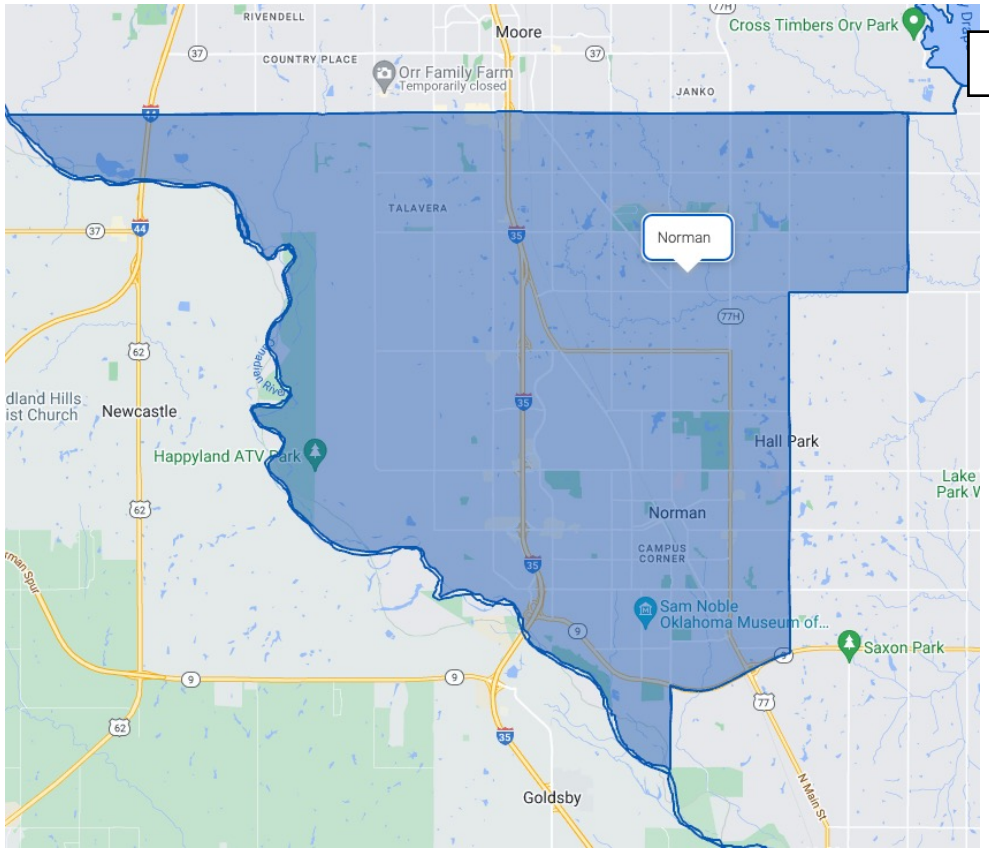
The Norman office submarket has a vacancy rate of 6.9 percent and has increased 1.4 percent in the past year, which is higher than that of the Oklahoma City market of 0.6 percent.

The Comparable Market Developments Set shows properties that display opportunity with a large Master Plan like the recommendations. Franklin Business Park has seen the most recent deliveries along Adams Road.

Retail Submarket

Submarket Analysis

- The Norman retail submarket has seen negative net absorption over the past 12 months of nearly 68,000 SF. Vacancy rates are also at a rise of 0.9 percent over the same period and are currently at 6.6 percent.
- Within the submarket, general retail is the largest subtype with approximately 6.2 million SF under construction.
- There have been 83 sales within the past 3 years, and 17 of those sales have taken place within the past year and averaged about $260/SF.
- Rents are at approximately $18.80/SF and continue to increase.
- The market price is up since the fourth quarter of last year and the level average is above that of the Oklahoma City metro.



12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	12 Mo Rent Growth
52.1K	(46.6K)	6.5%	1.9%

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Malls	693,640	15.0%	$21.43	6.1%	0	0	0
Power Center	1,283,409	6.7%	$21.61	9.1%	0	0	0
Neighborhood Center	1,876,531	7.7%	$16.38	8.3%	(27)	0	0
Strip Center	367,695	11.0%	$19.32	11.3%	8,476	0	0
General Retail	6,119,611	5.0%	$18.47	6.1%	4,160	0	6,180
Other	159,943	0%	$23.18	0%	0	0	0
Submarket	**10,500,829**	**6.5%**	**$18.77**	**7.0%**	**12,609**	**0**	**6,180**

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.9%	3.9%	6.9%	6.6%	2023 Q3	2.1%	2015 Q4
Net Absorption SF	(46.6K)	147,878	17,408	665,781	2007 Q1	(194,780)	2020 Q2
Deliveries SF	52.1K	182,162	55,751	678,007	2007 Q1	23,722	2021 Q2
Rent Growth	1.9%	2.3%	1.0%	4.6%	2022 Q3	-0.5%	2009 Q2
Sales Volume	$12.9M	$51.5M	N/A	$231.2M	2015 Q2	$4.8M	2009 Q3

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Retail Submarket

Comparable Market Developments

Brookhaven Village Building E
Built: 1985
Vacancy: 27.5%
Size: 63,341 SF
CoStar Est. Rent: $22.00 PSF

Parkway Plaza
Built: 1996
Vacancy: 44.8%
Size: 112,917 SF
Est. Rent: $24.00 PSF

University Town Center
Built: 2013
Vacancy: 0.0%
Size: 64,360 SF
Asking Office Rent: $22.43 PSF

Madison Square
Built: 2008
Vacancy: 0.0%
Size: 88,000 SF
Asking Rent: $18.00 PSF

Shops at Tecumseh
Built: 2018
Vacancy: 0.0%
Size: 18,379 SF
Asking Rent: $25.00 PSF

Alameda Square Shopping Center
Built: 1984
Vacancy: 27.5%
Size: 93,858 SF
Asking Rent: $12.98 PSF

Retail Submarket

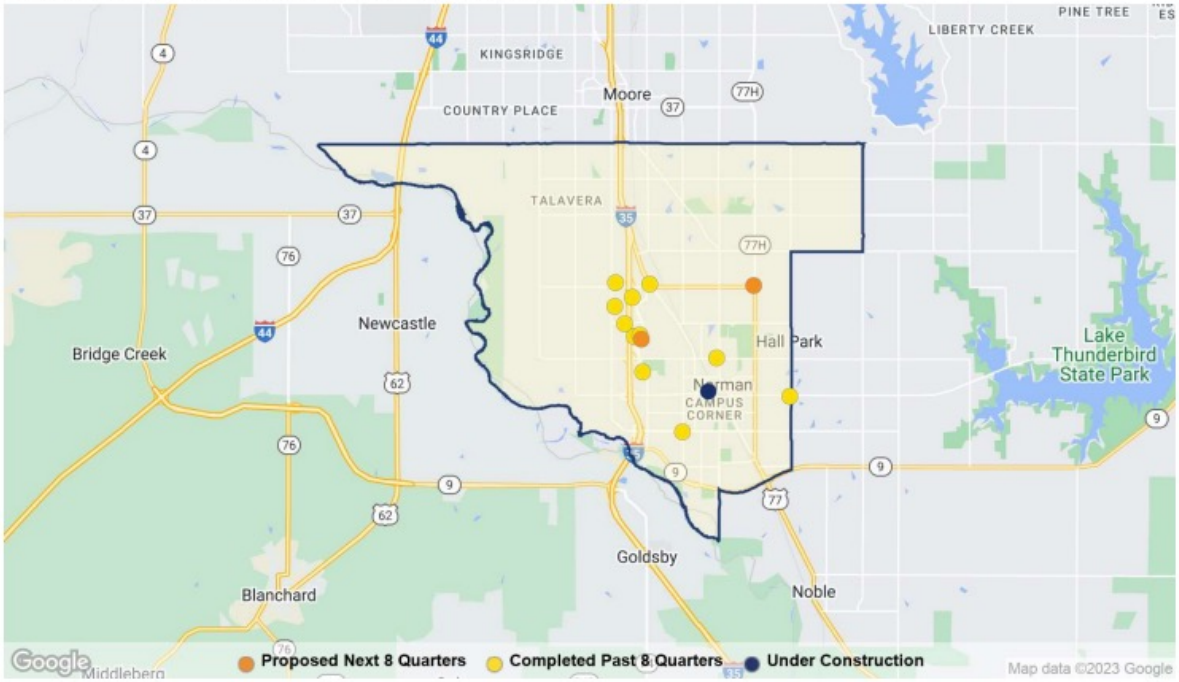
Supply, Demand & Development Pipeline

- The Greater Norman submarket has on average 176,540 square feet delivered to the market on an annual basis. There has been 194,998 square feet delivered to the submarket over the past two years. This is above the retail delivery average in the market based on historic averages.
- When analyzing the next two years, there is 6,180 square feet that will be delivered to the market and 116,400 square that is proposed to be delivered in the next two years.
- The proposed 116,400 square feet is divided between two properties. The 66,400 square foot property will be an addition to University Town Center. The 50,000 square foot property will be located on East Tecumseh Road.
- According to the Overall Supply & Demand table shown to the right, there is negative absorption levels projected for the next year in the submarket, until numbers stabilize and become positive in the three years to follow. Based on positive absorption of new supply in the coming years, there is opportunity for additional retail development.

Item 1.

All-Time Annual Avg. Square Feet	Delivered Square Feet Past 8 Qtrs	Delivered Square Feet Next 8 Qtrs	Proposed Square Feet Next 8 Qtrs
176,540	194,998	6,180	116,[illegible]

PAST 8 QUARTERS DELIVERIES, UNDER CONSTRUCTION, & PROPOSED



OVERALL SUPPLY & DEMAND

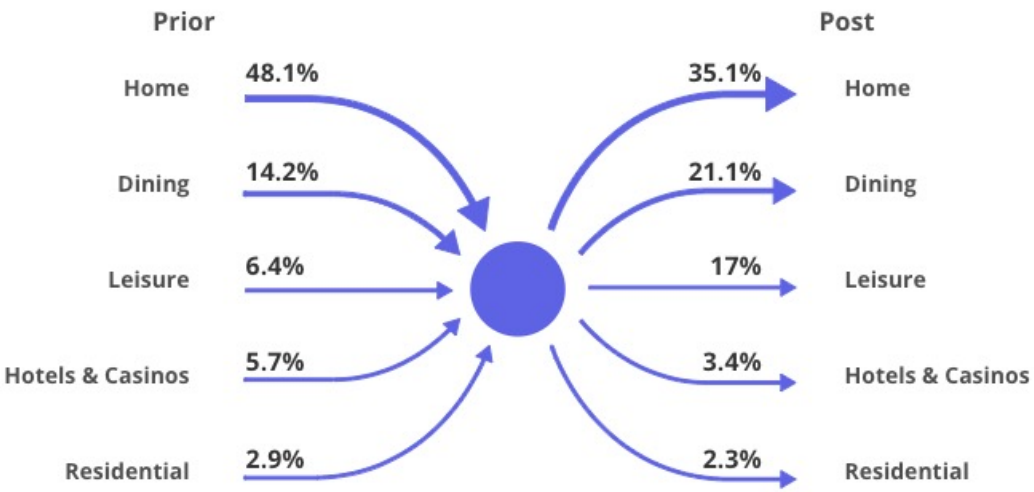
	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	10,665,412	71,807	0.7%	52,831	0.5%	1.4
2026	10,593,605	60,312	0.6%	46,746	0.4%	1.3
2025	10,533,293	35,527	0.3%	26,833	0.3%	1.3
2024	10,497,766	(3,063)	0%	(32,237)	-0.3%	-
2023	10,500,829	50,500	0.5%	(62,933)	-0.6%	-
YTD	10,500,829	50,500	0.5%	(61,884)	-0.6%	-
2022	10,450,329	101,780	1.0%	115,034	1.1%	0.9
2021	10,348,549	204,902	2.0%	76,174	0.7%	2.7
2020	10,143,647	42,115	0.4%	102,405	1.0%	0.4
2019	10,101,532	29,241	0.3%	(124,157)	-1.2%	-
2018	10,072,291	183,026	1.9%	57,201	0.6%	3.2
2017	9,889,265	28,656	0.3%	31,345	0.3%	0.9
2016	9,860,609	137,688	1.4%	99,047	1.0%	1.4
2015	9,722,921	77,085	0.8%	194,162	2.0%	0.4
2014	9,645,836	110,670	1.2%	95,498	1.0%	1.2
2013	9,535,166	341,445	3.7%	416,836	4.4%	0.8
2012	9,193,721	120,920	1.3%	93,224	1.0%	[illegible]
2011	9,072,801	218,913	2.5%	169,871	1.9%	[illegible]

Retail Visitation

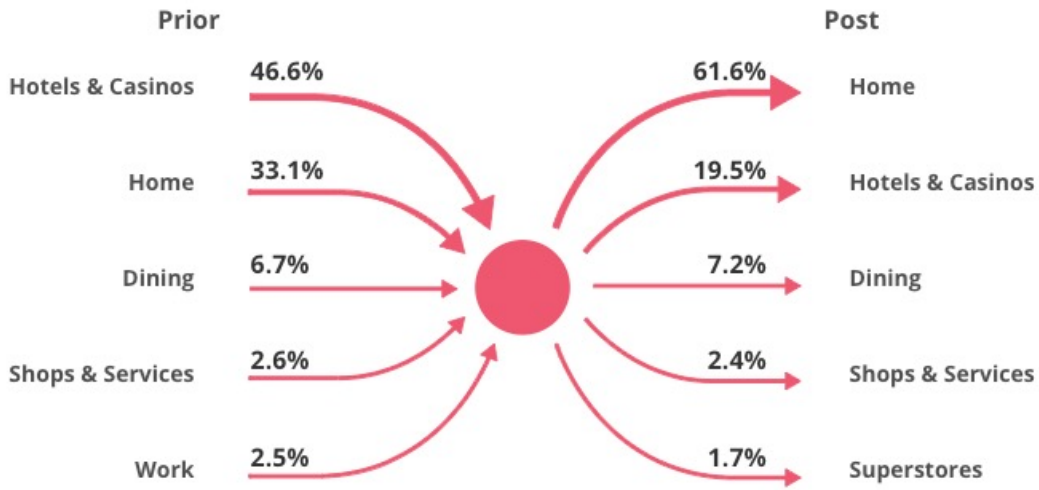
Retail Visitation Analysis

With the incorporation of Placer.ai as a visitation tracking tool, Hunden has analyzed prior and post points of interests and the “Favorite Places” of the Lloyd Noble Center and Riverwind Casino. Favorite Places is defined as a list of other local places that visitors to a certain property have also visited during the selected time frame. The Top Five most popular points of interest for both subject properties are all in the retail industry, classified as malls or shopping centers. Additionally, Leisure and Dining are seen as most popular for visitors to frequent before and after visiting the Lloyd Noble Center and Riverwind Casino.

Lloyd Noble Center



Riverwind Casino



Lloyd Noble Center "Favorite Places"

Rank	Point of Interest	Miles Away	# of Visitors
#1	University Town Center	4.2	154,000
#2	Penn Square Mall	24.1	118,500
#3	Will Rogers World Airport	16.7	93,400
#4	Gaylord Family Oklahoma Memorial Stadium	1.3	91,400
#5	Target	4.0	89,100

Source: Placer.ai

Riverwind Casino "Favorite Places"

Rank	Point of Interest	Miles Away	# of Visitors
#1	University Town Center	4.2	114,700
#2	Penn Square Mall	24.0	104,00
#3	Westgate Marketplace	20.7	99,700
#4	Newcastle Casino	8.6	82,300
#5	Will Rogers World Airport	15.8	73,700

Source: Placer.ai

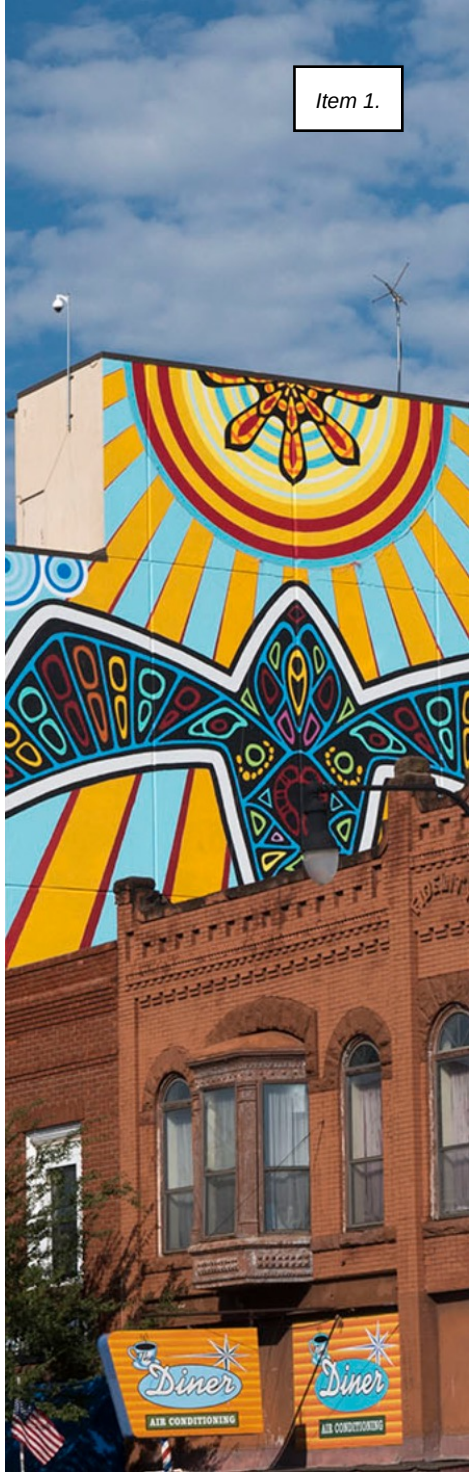
Retail / Dining Nodes

Norman, OK Major Retail & Dining Nodes - Ranked by Total 2022 Visits

Area	2022 Visits	2022 Visitors	Visits Per Customer	Visits Over 100 Miles	% Visits over 100 Miles	Restaurants	Retailers	Adjacent Hotel Rooms
University Town Center	4,900,000	944,800	5.19	703,800	14.4%	22	41	503
Campus Corner	3,300,000	545,100	6.05	1,100,000	33.3%	23	22	91
Parkway Plaza	2,300,000	595,800	3.86	277,600	12.1%	2	13	194
Historic Downtown	1,900,000	504,100	3.77	483,300	25.4%	42	50	16
Redbud Plaza	1,800,000	427,800	4.21	148,400	8.2%	4	17	135
Sooner Mall	1,500,000	562,400	2.67	142,300	9.5%	7	52	283
Brookhaven Village	935,500	231,300	4.04	146,500	15.7%	6	22	0
Robinson Crossing	821,600	310,900	2.64	152,000	18.5%	4	28	0
Total	17,457,100	4,122,200	4.23	3,153,900	18.1%	110	245	1,222

Source: Placer.ai

- Norman has a number of major retail and dining nodes, with multiple nodes located adjacent to or near the Project site.
- University Town Center (UTC), located directly south of the Project site, generated an estimated 4.9 million visits in 2022 with 503 walkable hotel rooms over three properties. The UTC POI that resulted in these visitation statistics does not include roads or large surface parking areas.
- Campus Corner, located on OU's campus, generated the highest number of estimated long-distance visits.
- Commercial tenants at these major nodes include mostly big box, chain, or fast casual concepts that do not drive long-distance visitation.
- Downtown Norman has the highest density of unique and locally driven restaurants and retailers, often sought after by visitors looking for a unique, historic or walkable setting.
- Downtown OKC offers additional high-end retail in its traditional mall settings, along with additional retail centers located outside the downtown core.
- The Project presents the opportunity to attract unique and experiential restaurant and retail concepts that drive long-distance visitor spending and impacts. "Eatertainment" concepts are attractive to both residents and families and those visiting Norman or the district for major events.
- Though most of these nodes have walkable hotels, these are mostly limited-service properties, and offerings within these nodes themselves are not cause enough to generate new overnight demand.



Key Highlights

Retail Market

The proposed entertainment venue and surrounding mixed-use district will generate a much larger customer segment to the area that in turn will further support retail centers and mall developments. As Norman expands on the multi purpose event center, there will be large demand for the visitors to this facilities to dine and shop locally after attending a show, conference or sporting event.

The Norman retail submarket has seen negative net absorption over the past 12 months of nearly 68,000 SF. Vacancy rates have also risen 0.9 percent over the same period and are currently at 6.6 percent.

Within the submarket, general retail is the largest subtype with approximately 6.2 million SF under construction.

The Comparable Market Developments Set displays properties that are extensive in size, have large visitation, and have low vacancies. One of the latest major deliveries to the market was the Shops at Tecumseh and has performed strongly with full-occupancy.

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Entertainment

Riverwind Casino

Reaves Park

HeyDay

Westwood Aquatic Center

The table to the right details popular arts, amateur sports, and entertainment assets with associated estimated 2022 visitation.

- There are a wide variety of entertainment driven assets in Norman, including casinos, family-entertainment retail, outdoor sports and recreation, and arts facilities.
- These types of assets not only service the local community, but aid in generating long-distance visitation and spending.
- The future planned National Weather Center Museum would also drive tourism and spending to the district.
- Though OKC has additional arts and entertainment offerings, the Project can infuse additional entertainment assets to help activate the district on a year-round basis and generate additional economic impacts and taxes.

Norman, OK Arts & Entertainment Assets - Ranked by Total 2022 Visits

Facility	2022 Visits	2022 Visitors	Visits Per Customer	Visits Over 100 Miles	% Visits over 100 Miles
Riverwind Casino	1,600,000	328,400	4.87	286,900	17.9%
OU Arts District	585,600	82,400	7.11	222,900	38.1%
Reaves Sports Complex	481,100	198,300	2.43	86,400	18.0%
HeyDay Norman	406,000	235,800	1.72	52,900	13.0%
Griffin Sports Complex	316,200	65,200	4.85	37,400	11.8%
Sooner Bowling Center	195,000	95,000	2.05	24,000	12.3%
Robinson Crossing AMC Theatre	192,000	92,600	2.07	22,100	11.5%
Thunderbird Casino	154,300	30,800	5.01	14,400	9.3%
National Weather Center	86,500	10,100	8.56	36,700	42.4%
Westwood Family Aquatic Center	76,100	29,500	2.58	6,000	7.9%
Stratus Climbing, Yoga & Fitness	62,200	11,300	5.50	11,200	18.0%
Goldby Gaming Center	54,500	13,600	4.01	2,400	4.4%
Oklahoma Motor Sports Complex	47,800	23,700	2.02	12,300	25.7%
Calypso Cove Marina	23,400	11,100	2.11	2,500	10.7%
The Depot	18,200	15,900	1.14	5,300	29.1%
Sooner Theatre	18,100	9,800	1.85	2,500	13.8%
Total	4,317,000	1,253,500	3.44	825,900	19.1%

Source: Placer.ai

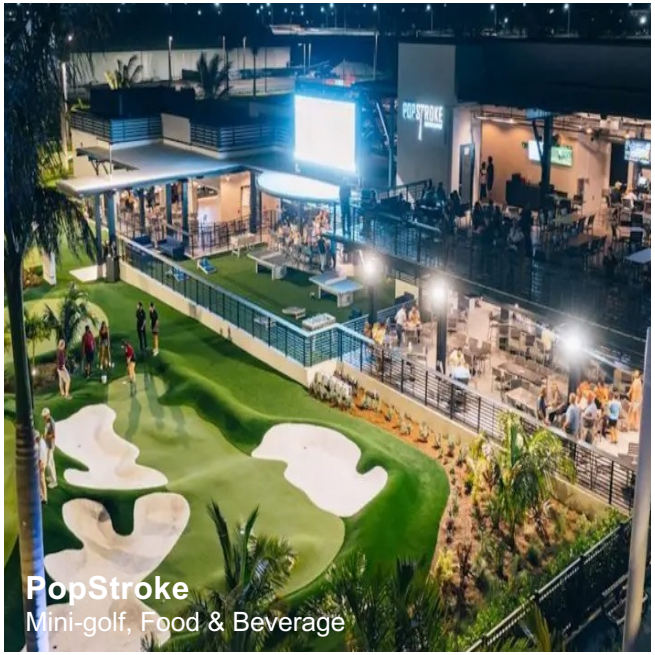
Family Entertainment / “Eatertainment”

Even with the planned entertainment venue for the Project, there are other sources of entertainment that are widely popular around the country that wouldn’t require as significant public investment or incentives as the proposed venue. These facilities are often developed as part of a broader mixed-use district to provide additional activities for visiting families and guests that can aid in extending stays and spending.

Eatertainment venues combine dining with entertainment options but are higher end experiences than traditional arcades or bowling alleys. Eatertainment venues are a one-stop experience for premium meals, fun activities and a destination for consumers to meet up with friends and family in a more active and engaging fashion than a standard restaurant. OKC offers such popular concepts as Topgolf and Chicken N Pickle.

These venues are often very successful in sports and entertainment districts because of their ability to accommodate large groups. Eatertainment venues are typically large in size, which is beneficial for meetings and events as they can host groups looking for entertainment and restaurant options. They can serve as an anchor for a sports or entertainment district.

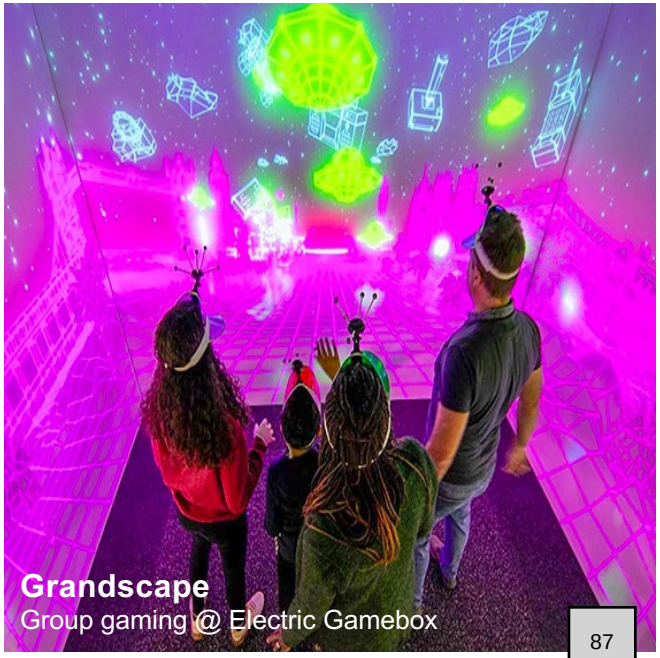
The images to the right show examples of these innovative concepts to show potential development opportunities in the area of experiential dining, sports, and family entertainment.



PopStroke
Mini-golf, Food & Beverage

Punch Bowl Social
Bowling, Gaming, Karaoke

Toca Social
Interactive Soccer, Food & Beverage



Grandscape
Group gaming @ Electric Gamebox

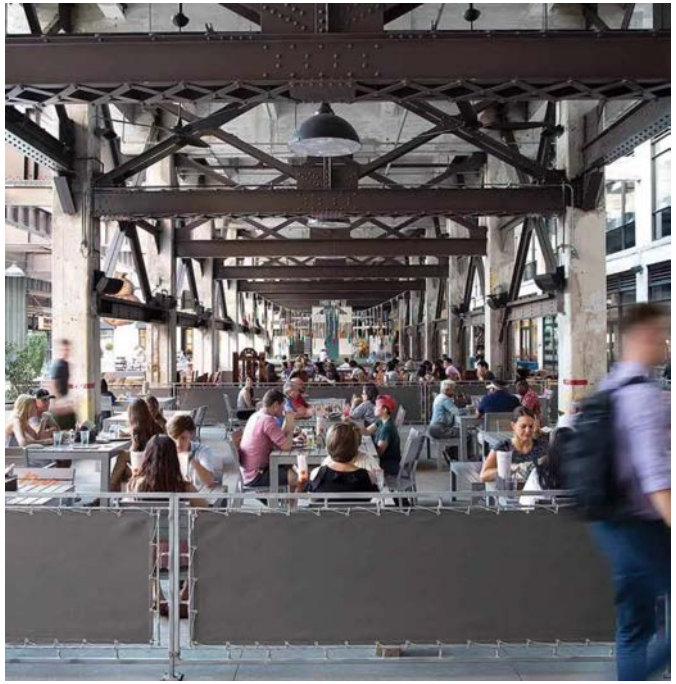
Food Halls

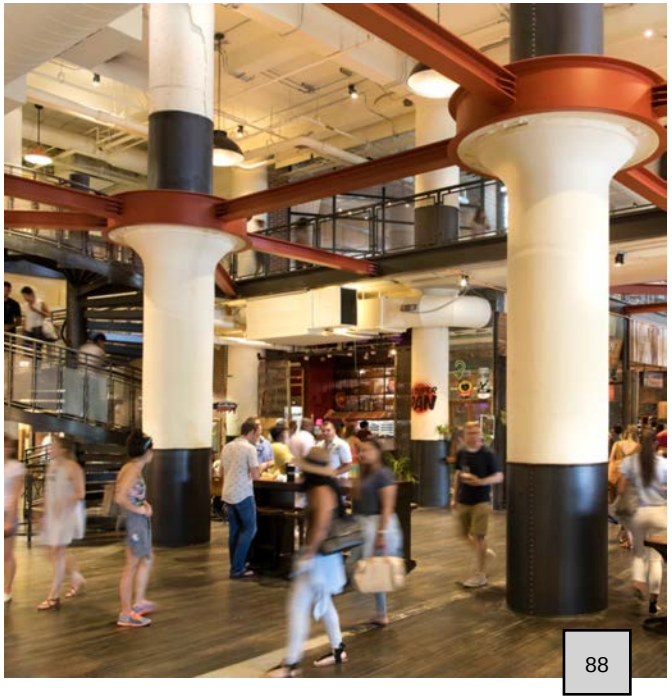
Food halls are an increasingly popular dining option that offer consumers a high-end, unique experience. Food halls consist of an assortment of food and beverage options and often are combined with retail shops and entertainment nodes to make the space a destination.

Restaurants in food halls focus on locally-developed start-ups as opposed to food courts that offer large national chains. The assortment of options that are offered attract large groups of people, fulfilling the desires of all consumers in the group and allowing them to enjoy a meal together. Food halls also often incorporate outdoor dining and event space often activated with live entertainment and events.

- Norman has number of breweries located mostly downtown. Additions to these can be infused into food halls as well as part of a district's overall food and beverage plan.
- The Collective, OKC's first food hall, features 11 kitchens, a 32-tap bar, and rooftop patio.

The pictures on the right show the Ponce City Market food halls in Atlanta, GA.





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Campus-Style Clustering

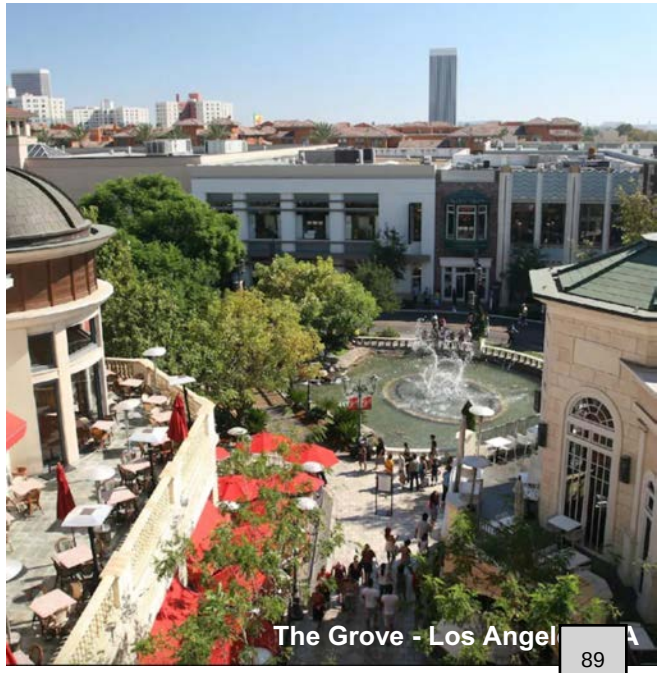
There are two main types of district design: linear street layout and campus-style clustering. The Project is best suited for campus-style clustering, features of which include:

- Large indoor spaces and rooftops create opportunities for scenic views and stand-out entertainment concepts
- Combine well with recreational trails and outdoor / activated plaza spaces
- Large building sizes offer multiple uses on different level, such as co-working offices, hotels, loft-style residences, meeting and event space, and small-shop marketplaces
- Often house city-markets with locally-made goods and fresh foods
- Are distinctly attractive for arts-based events, art installations, and become stops for tourists looking for something to augment their driving tours
- Groupings of buildings allows for clusters of theme-based retailers and uses, lifestyle retail, and hospitality/nightlife
- Creative lighting at night highlights the 18-hour day variety of uses and activities, looking vastly different than typical retail centers

The Paseo - Pasadena, CA

Midtown District - Carmel, IN

Ponce City Market - Atlanta, GA


The Grove - Los Angel A

Key Highlights

Retail, Dining, and Entertainment

Based on Hunden's analysis of retail and dining nodes and existing entertainment assets, there are additional opportunities to enhance Norman's overall appeal to increase incremental revenues at the Project site. A dense and vibrant mixed-use district surrounding the proposed entertainment venue would aid in providing a sense of place, providing unique offerings beyond the mostly traditional retail and restaurant development currently in Norman. Below outlines key elements to successful districts that can be applied to the Project.

Create **a density of retail, restaurant, entertainment, multifamily, office, and hotel offerings** adjacent to major demand inducing assets such as arenas, stadiums or convention centers in order to create a critical mass of people 24/7.

Feature vehicular through-streets that allow cars to drive through the development for better visibility and access, just as a village "main street."

All-year programmed events that cater to all age groups will create a true community civic space, often in central park greens and inside food hall buildings during colder seasons.

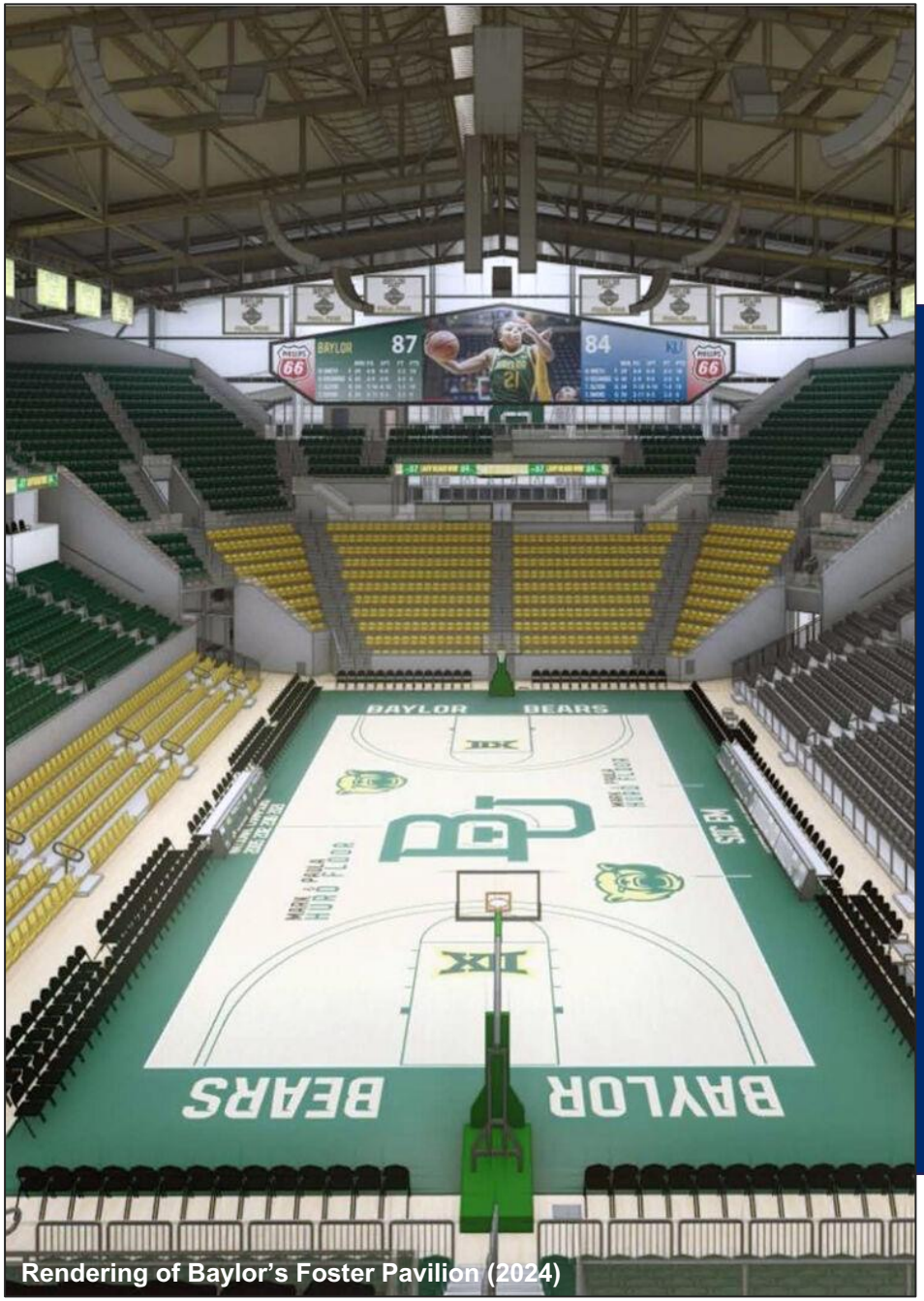
Case Studies Introduction

Hunden analyzed many University arenas across the country with the goal of answering many of the key questions outlined at the beginning of this report. Additionally, with OU joining the SEC in 2024, it is important to understand visitation trends of comparable universities within this conference.

New Developments: What can be learned from newly developed collegiate areas, or those under development currently? How does the mixed-use nature of many of the new developments influence these projects?

Public-Private Financing: How have collegiate arenas been financed?

Third-Party Operator: What is the impact of concerts, family shows and other events on the visitation to University arenas? How can a new arena's calendar be optimized to generate economic impact, that 'but for' the arena project, would not have occurred in the local area?



Rendering of Baylor's Foster Pavilion (2024)

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Case Studies

30.9

Average Number of Ticketed Non-University Events in 2022

55%

Average Public-Sector Funding Contribution

Foster Pavilion
Baylor University
Open: 2024
Seats: 7,000
Cost: $213 million
Public Share: 30.6%
Management: OVG360

KFC Yum! Center
University of Louisville
Open: 2010
Seats: 22,000
Cost: $238 million
Public Share: 54%
Management: ASM
Non-University Events (2022): 39

Moody Center
University of Texas - Austin
Open: 2022
Seats: 15,000
Cost: $375 million
Public Share: 0%
Management: OVG360
Non-University Events (2022): 72

Tsongas Center
University of Massachusetts
Open: 1998
Seats: 7,000
Cost: $24 million
Public Share: 90%
Management: OVG360
Non-University Events (2022): 11

Chesapeake Employers Insurance Arena
University of Maryland, Baltimore County
Open: 2018
Seats: 4,654
Cost: $85 million
Public Share: 0%
Management: OVG360
Non-University Events (2022): 27

Chaifetz Arena
St. Louis University
Open: 2008
Seats: 10,600
Cost: $80.5 million
Public Share: 10%
Management: OVG360
Non-University Events (2022): 21

Pinnacle Bank Arena
University of Nebraska
Open: 2013
Seats: 15,500
Cost: $181 million
Public Share: 100%
Management: ASM
Non-University Events (2022): 14

Addition Financial Arena
University of Central Florida
Open: 2007
Seats: 10,000
Cost: $107 million
Public Share: 0%
Management: Spectra
Non-University Events (2022): 32

Source: Various, Pollstar

Visitation Analysis

Collegiate Arenas

Hunden assessed comparable arenas over the Big 12 and the SEC and those that were identified as comparable public-private developments with private professional management. This analysis leverages Placer.Ai geofencing data which utilizes cell phone data to provide estimates of visitation to specific points of interest (POI).

Collegiate Arena Visitation 2022

							In-County		Out-of-County		In-State		Out-of-State	
Venue	University	Conference	Capacity	No. of Ticketed Non-University Events	Total Visits 2022	Visits/Seat	Visits	%	Visits	%	Visits	%	Visits	%
KYC Yum! Center	University of Louisville	ACC	22,000	39	1,400,000	64	560,280	40.0%	839,720	60%	938,775	67.1%	461,225	33%
Moody Center	University of Texas - Austin	Big 12	15,000	72	1,100,000	73	460,793	41.9%	639,207	58%	983,750	89.4%	116,250	11%
Pinnacle Bank Arena	University of Nebraska	Big 10	15,500	14	1,000,000	65	388,561	38.9%	611,439	61%	905,560	90.6%	94,440	9%
Addition Financial Arena	University of Central Florida	Big 12	10,000	31	977,900	98	358,117	36.6%	619,783	63%	867,045	88.7%	110,855	11%
United Supermarkets Arena	Texas Tech University	Big 12	15,000	4	865,800	58	446,500	51.6%	419,300	48%	789,739	91.2%	76,061	9%
Chaifetz Arena	St. Louis University	A10	10,600	21	713,400	67	172,367	24.2%	541,033	76%	518,123	72.6%	195,277	27%
Tsongas Center	University of Massachusetts	A10	6,500	11	509,700	78	264,591	51.9%	245,109	48%	421,928	82.8%	87,772	17%
Chesapeake Employers Insurance Arena	University of Maryland, Baltimore County	America East	4,654	27	455,400	98	146,701	32.2%	308,699	68%	336,434	73.9%	118,966	26%
Other Relevant Venues														
Thompson-Boling Arena	University of Tennessee	SEC	21,678	26	1,300,000	60	430,028	33.1%	869,972	67%	948,762	73.0%	351,238	27%
Rupp Arena	University of Kentucky	SEC	20,545	37	1,400,000	68	355,813	25.4%	1,044,187	75%	1,151,947	82.3%	248,053	18%
The Sandy and John Black Pavillion at Ole Miss	Ole Miss University	SEC	9,500	0	475,800	50	144,300	30.3%	331,500	70%	305,449	64.2%	170,351	36%
Average			12,930	26	927,091	71	338,914	36.9%	588,177	63%	742,501	79.6%	184,590	20%
Lloyd Noble	University of Oklahoma	Big 12	11,528	0	489,000	42	166,241	34.0%	322,759	66%	385,666	78.9%	103,334	21%

Source: Pollstar

In terms of the student population, Placer registers a new “home” for a cell phone owner after 30 days of being at a new city every night. Thus, for each arena there is a slight overestimation of out-of-county and out-of-state visits during the initial events of the school year.

Visitation Analysis

Collegiate Arenas

Hunden's assessment of several privately managed arenas was aimed at understanding the potential visitation increase of the Project compared to what is currently experienced at Lloyd Noble. The analysis below shows that if the average efficiency (visits per seat) of the eight arenas analyzed is applied to the proposed Project of 10,500 capacity. The baseline visitation increase compared to the visitation at Llyod Noble in 2022 is an estimated to be 256,500 additional annual visits. This analysis shows the impact of concerts and other non-university events and supports the projections completed in the demand, financial and impact chapters of this report.

920k **Average Number of Annual Visits**	/	**12,930** **Average Capacity of Venues Analyzed**	=	**71** **Average Number of Visits Per Seat**
71 **Average Number of Visits Per Seat**	x	**10,500** **Proposed Capacity of Project**	=	**745,500** **Estimated Baseline Annual Visits of Project**

Current	*Estimated*	*Increase*
489,000	**745,500**	**256,500**
2022 Estimated Visits to Lloyd Noble Center	**Estimated Baseline Annual Visits of Project**	**Estimated Annual Visitation Increase**

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Case Study: Profiles

Moody Center

Austin, TX

Tenant(s) — UT Basketball, UT Volleyball, Austin Gamblers (PBR)

Seating Capacity — 15,000 seats (total), 10,763 (basketball)

Year Built — 2022

Ownership — University of Texas, Austin

Operator — OVG 360 & UT Austin

Project Cost — $338 million

Financing — 100% University/Private Share

Notes — The Moody Center is the new home for the Longhorns. When the arena opened in 2022, it replaced the Frank Erwin Center. The arena predominantly services the University; however, it hosts many other events such as concerts, family shows and other entertainment acts. There are multiple groups that have contributed to the success of the venue including Oakview Group, Live Nation/C3 Presents and the University of Texas.

UT contributed the approximately 6.6 acres to OVG in a lease agreement. OVG developed the arena and provides UT with approximately 60 dates per year for athletics and other university events.

The Moody Foundation contributed a $130 million grant for the arena, which gave them naming rights for the venue.

Moody Center & Frank Erwin Center

Moody Center - Austin, Texas

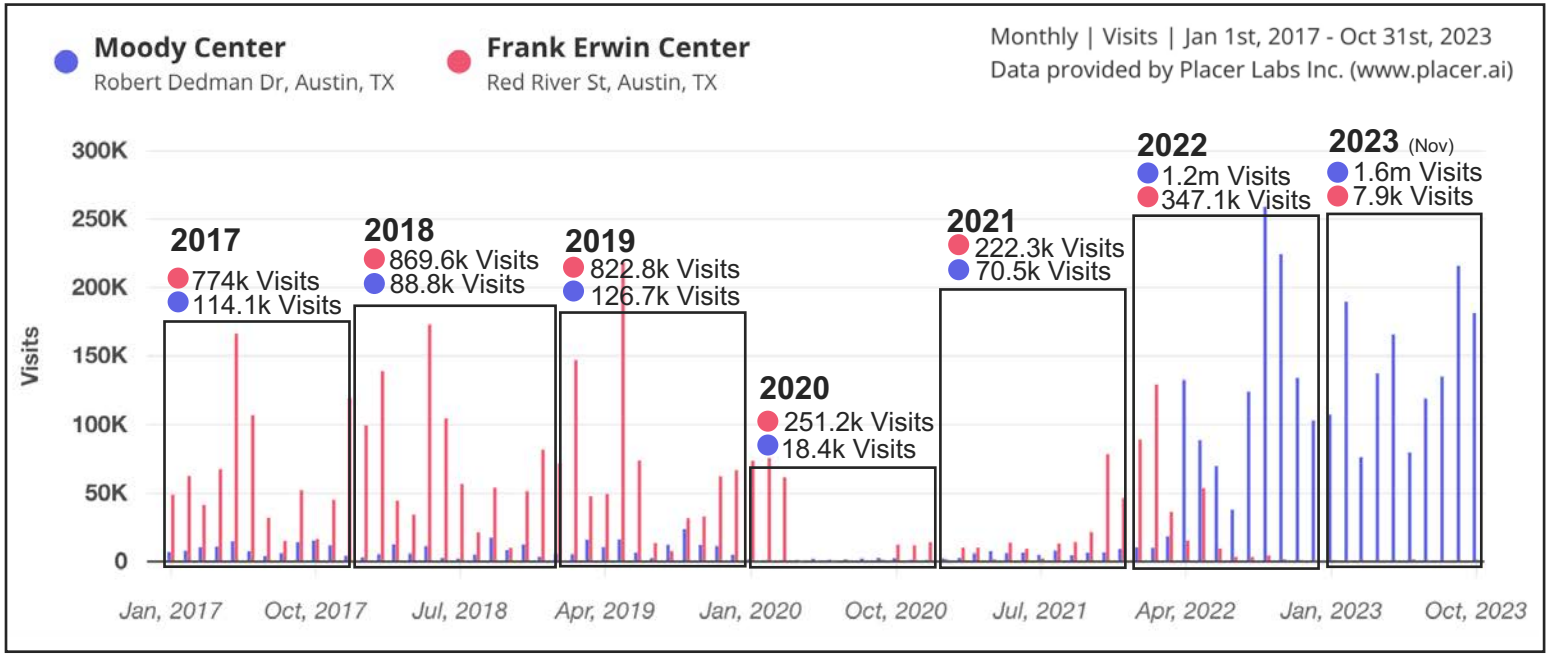
Year	Number of Events	% Events Represented	% of Available Tickets Sold	Average Attendance	Avg. Ticket Price	Estimated Gross Ticket Revenue (millions)
2023	75	89.3%	90%	9,025	$105.83	$71.64
2022	73	95.9%	90%	8,797	$106.17	$68.18
Average	**74**	**93%**	**90%**	**8,911**	**$106.00**	**$69.91**
2019-15	**73**	**96%**	**90%**	**8,797**	**$106.17**	**$68.18**

Source: Pollstar

Frank Erwin Center - Austin, Texas

Year	Number of Events	% Events Represented	% of Available Tickets Sold	Average Attendance	Avg. Ticket Price	Estimated Gross Ticket Revenue (millions)
2021	8	62.5%	91%	8,920	$83.90	$5.99
2020	4	75.0%	99%	10,425	$99.56	$4.15
2019	16	87.5%	90%	8,243	$90.25	$11.90
2018	18	77.8%	73%	5,706	$77.60	$7.97
2017	19	78.9%	77%	6,493	$80.27	$9.90
2016	24	87.5%	77%	7,108	$76.05	$12.97
2015	22	72.7%	80%	6,998	$73.59	$11.33
2014	11	81.8%	78%	6,544	$55.01	$3.96
2013	23	82.6%	78%	7,498	$67.55	$11.65
2012	11	100.0%	87%	8,073	$84.18	$7.48
2011	24	70.8%	79%	7,060	$57.26	$9.70
2010	18	83.3%	80%	7,045	$52.30	$6.63
2009	26	92.3%	78%	5,926	$51.26	$7.90
Average	**17**	**80.99%**	**82.01%**	**7,388**	**$72.98**	**$8.58**
2021-2017	**13**	**76.35%**	**85.99%**	**7,957**	**$86.31**	**$7.98**

Source: Pollstar



Frank Erwin Center
Average 2017 – 2019
822.1k Visits

Moody Center
Average 2022 – 2023 (Est)
1.47m Visits

650.6k Visit
Difference

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Moody Center

Chesapeake Employers Insurance Arena

Baltimore, MD

Tenant(s) — UMBC Athletics

Seating Capacity — 4,654 (basketball) 5,500 (concerts)

Year Built — 2018

Ownership — UMBC

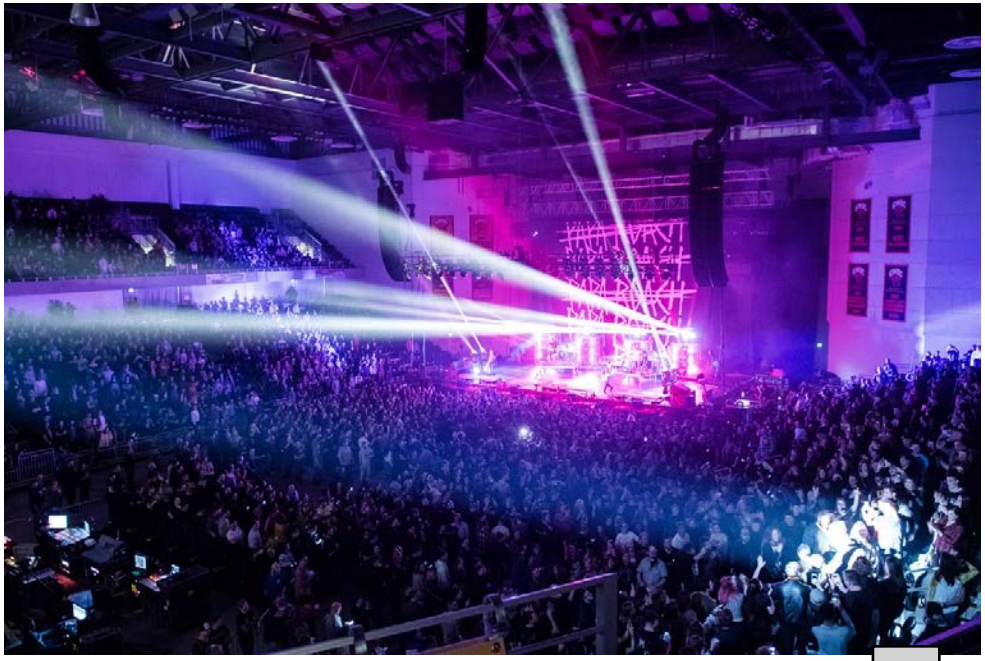
Operator — OVG 360

Project Cost — $85 million

Financing — 100% University/Private Share

Notes — The Chesapeake Employers Insurance Arena was completed in 2018 for the University of Maryland, Baltimore County (UMBC). Prior to the completion of the new arena that UMBC athletics basketball and volleyball programs played in the Retriever Activities Center, which is the school's recreation center.

The naming rights deal with Chesapeake Employers Insurance was a 15-year $5 million deal. The arena was largely funded by the University and private organizations.



Chesapeake Employers Insurance Arena

Chesapeake Employers Insurance Arena - Baltimore, MD

Year	Number of Events	% Events Represented	% of Available Tickets Sold	Average Attendance	Avg. Ticket Price	Estimated Gross Ticket Revenue (millions)
2023	9	22.2%	70%	3,007	$64.74	$1.75
2022	27	33.3%	77%	3,578	$70.13	$6.78
2021	5	40.0%	64%	2,968	$56.85	$0.84
2020	1	0.0%	--	--	--	--
2019	19	31.6%	86%	3,833	$66.59	$4.85
2018	10	70.0%	55%	2,424	$47.22	$1.14
Average (Ex 2020)	**9**	**35.39%**	**68.25%**	**3,075**	**$56.89**	**$2.28**

Source: Pollstar

Retriever Activities Center

2017 (Last Year as Home of the UMBC Basketball & Volleyball Programs)

153.6k Visits

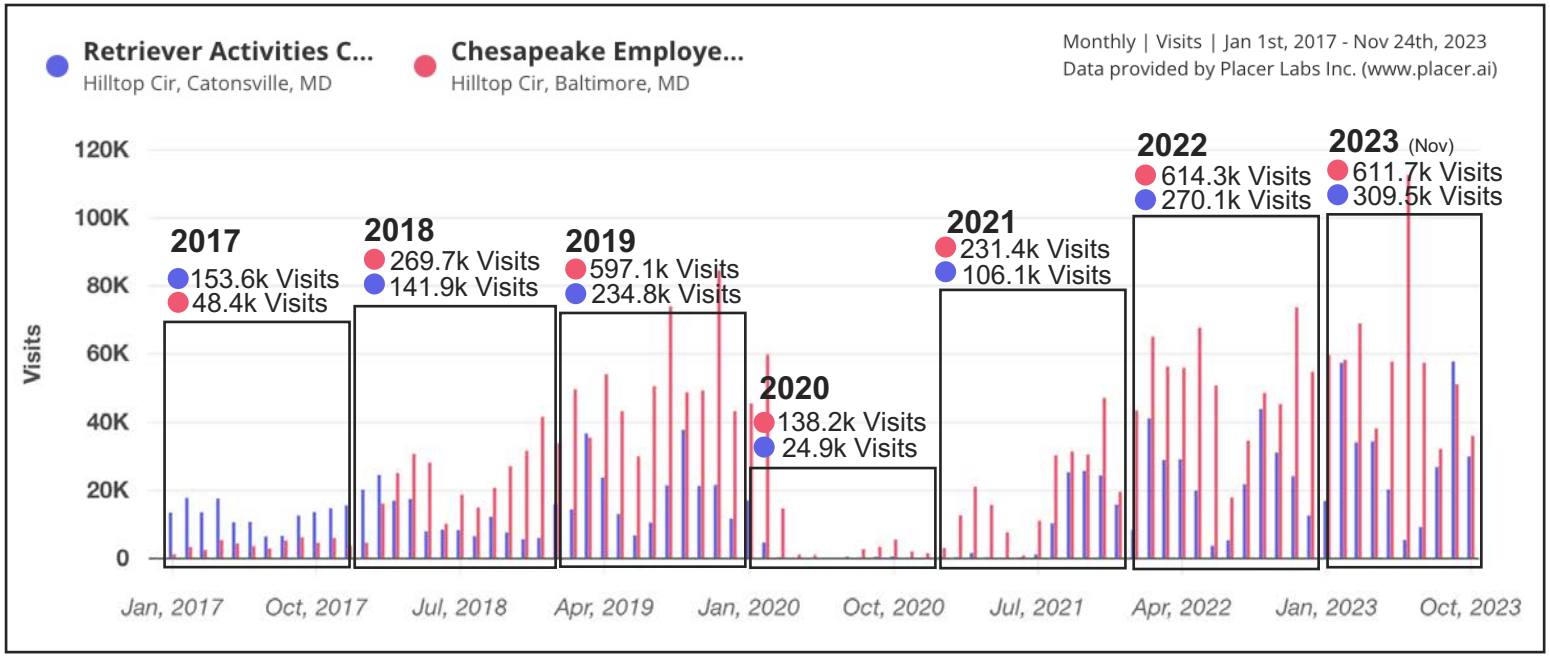
Chesapeake Employers Insurance Arena

Average (2019, 2022 & 2023)

607.7k

454.1k Visit

Difference



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Chesapeake Employers Insurance Arena

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Pinnacle Bank Arena

Lincoln, NE

Tenant(s) — Nebraska Cornhuskers

Seating Capacity — 15,500 seats (basketball), 16,130 (center stage)

Year Built — 2013

Ownership — City of Lincoln

Operator — ASM Global

Project Cost — $181 million, $375 million West Haymarket District

Financing — 100% Public

Notes — The Pinnacle Bank Arena was completed in 2013 to replace the former Bob Devaney Sports Center. The arena was a part of a larger revitalization effort of the West Haymarket District in downtown Lincoln, NE. The surrounding West Haymarket District includes over 100,000 SF of retail space, 100,000 SF of office space, 200 hotel rooms, 4,000 parking spaces, and 373 residential units.

The construction of the arena was largely a city driven effort. Funding from the city, which is further detailed on following slides, largely came from a bond offering for the development of the arena and the surrounding Haymarket District. The city imposed several additional taxes that went to a vote, which would assist in paying off the cities bond payment obligations.

Pinnacle Bank Arena
Financing Detail

Although the financing may be different than what takes shape in Cleveland County/Norman, the Pinnacle Bank Arena project is a strong case study to show that it takes creative financing to fund these large, significantly impactful projects. Additionally, the tax generation that has occurred to assist in funding the arena has far exceeded expectations showing the significant impact in terms of new spending these Project can generate.

The funding of Pinnacle Bank Arena required a creative financing strategy that required voter approval of additional taxes to revitalize the West Haymarket District and construct the arena.

Revenue Streams to Payback City Issued Debt

- 2% occupation tax on Lincoln's restaurants and bars
- 4% hotel/motel
- 4% rental car tax
- State sales turnback tax
- Parking revenue
- Premium seating revenue
- Naming rights

A joint public agency (JPA) was created to oversee finances of Pinnacle Bank Arena and the surrounding West Haymarket District. The project involved the relocation and elimination of existing railroad tracks and completion of other site preparation activities, the construction of Pinnacle Bank Arena, a community ice center, private retail and office space, a new Amtrak Station, residential units, surface and decked parking, public gathering areas, street and utility improvements, landscaping, trails and walkways, pedestrian bridges, and environmental enhancements

Currently, occupation tax revenue is able to cover the bond repayment, stated in September of 2023 by Lyn Heaton the cities Finance Director. The following breakdown is the financial position of the financing of the Project as of September of 2023:

Bond Debt:

Total: $595.5 million

Amount Paid: $166 million

Revenue:

Occupation Taxes: $202.8 million

Premium Arena Seating: $24.2 million

Turnback Taxes: $15.4 million

Parking Revenue: $22.2 million

*Arena revenue used to covert operating expenses not included.

Pinnacle Bank Arena
Outperforming Expectations

2022 Revenue

Occupation Taxes: $20,004,357

Intergovernmental: $3,585,254

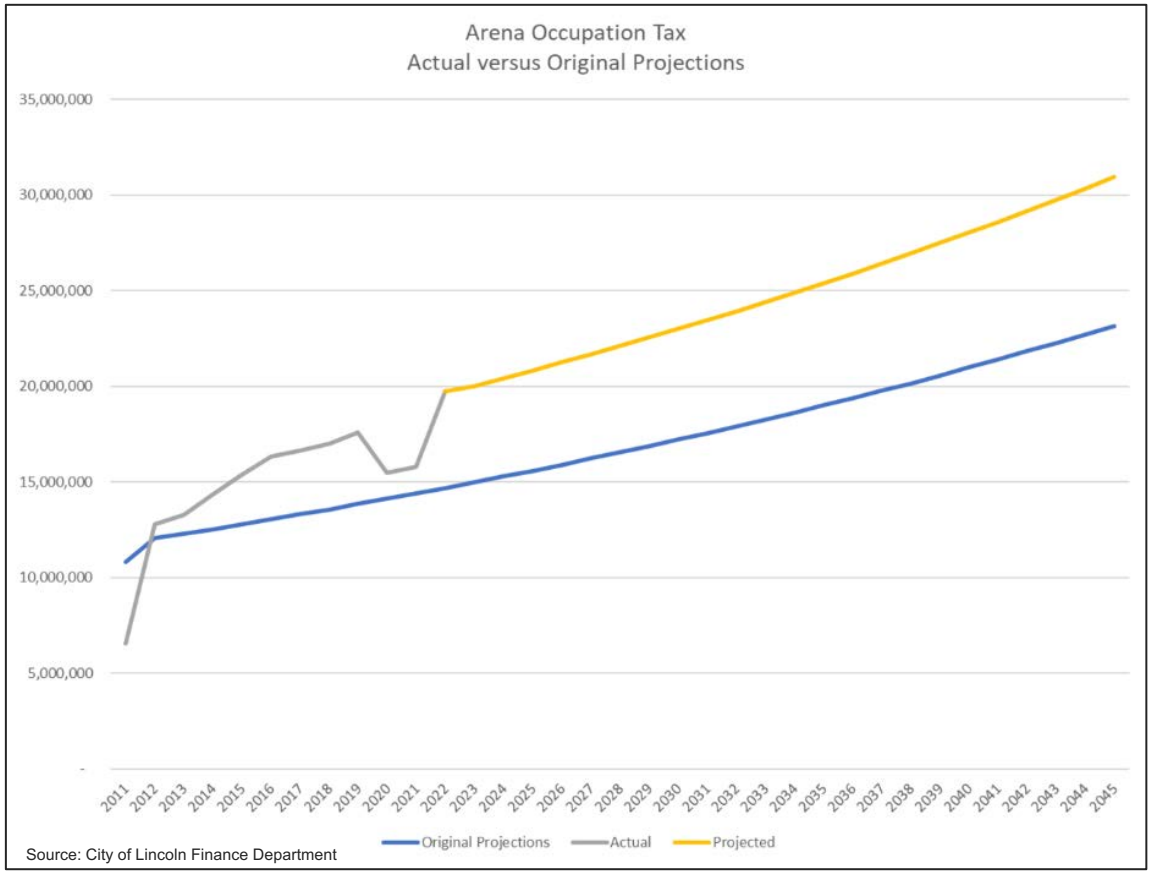
Parking facility revenue: $$3,049,351

Suit and premium seating revenue: $2,444,564

Investment Income: ($16,614)

Other program revenues: $3,648,9

The chart to the right shows that the revenue from the occupation taxes imposed has far surpassed initial projections. Collection of occupation taxes is currently $30 million more to date than originally projected, which has assisted paying off the city's debt obligations. One driving factor behind this is the fact that the arena created a ripple effect of additional new development beyond what was initially planned in the West Haymarket District.



Pinnacle Bank Arena & West Haymarket District

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KFC Yum! Center

Louisville, KY

Tenant(s) — University of Louisville

Seating Capacity — 22,090 seats (basketball), 17,500 (end stage)

Year Built — 2010

Ownership — Louisville Arena Authority

Operator — ASM Global

Project Cost — $238 million

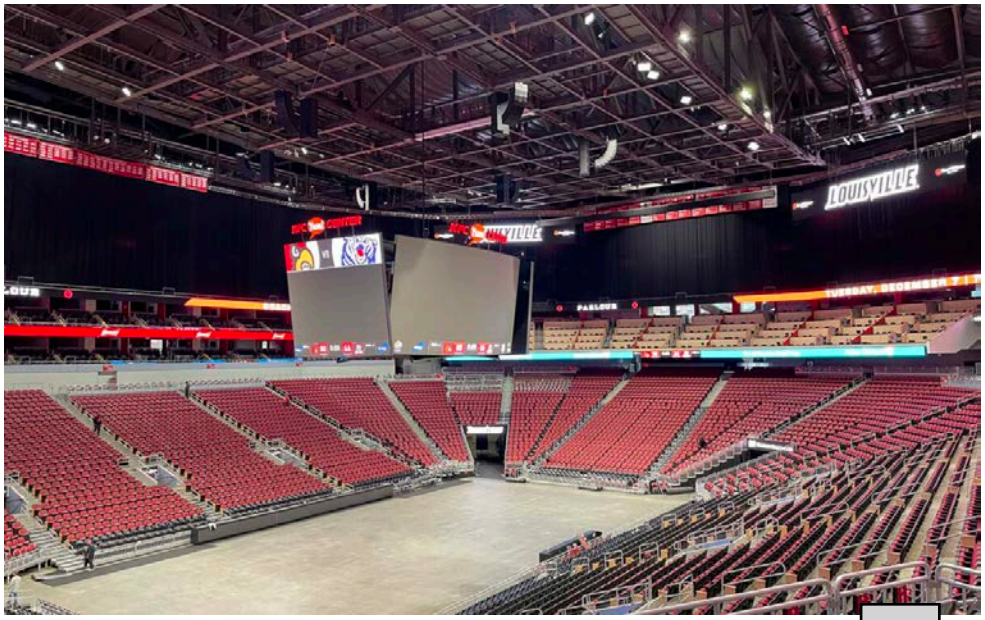
Financing — 54% Public, 46% Private

Notes — The KFC Yum! Center is the home of the University of Louisville Cardinal's men's and women's basketball teams, volleyball team, and the Louisville Xtreme of the IFL.

Financing for the venue came from $339 million in bonds through Kentucky's Economic Development Finance Authority. The debt would be paid off over 30-years from many sources. The city set up a downtown TIF of six square miles in the downtown. The TIF has fallen short of expectations, which has resulted in the Arena Authority restructuring its annual payments.

There are several reasons the financing fell short. The projections on the TIF revenue streams were made directly before the 2008 recession. Additionally, given that the projections of the TIF were inflated compared to reality, the deal with UL was less favorable for the building itself.

Despite these concerns and challenges, the facility is a robust economic driver in the downtown. During the nine-year period between FY 2015 and 2023, the facility has generated nearly $942 million in total spending within the Louisville economy, or an average of nearly $122 million per year when excluding the pandemic.

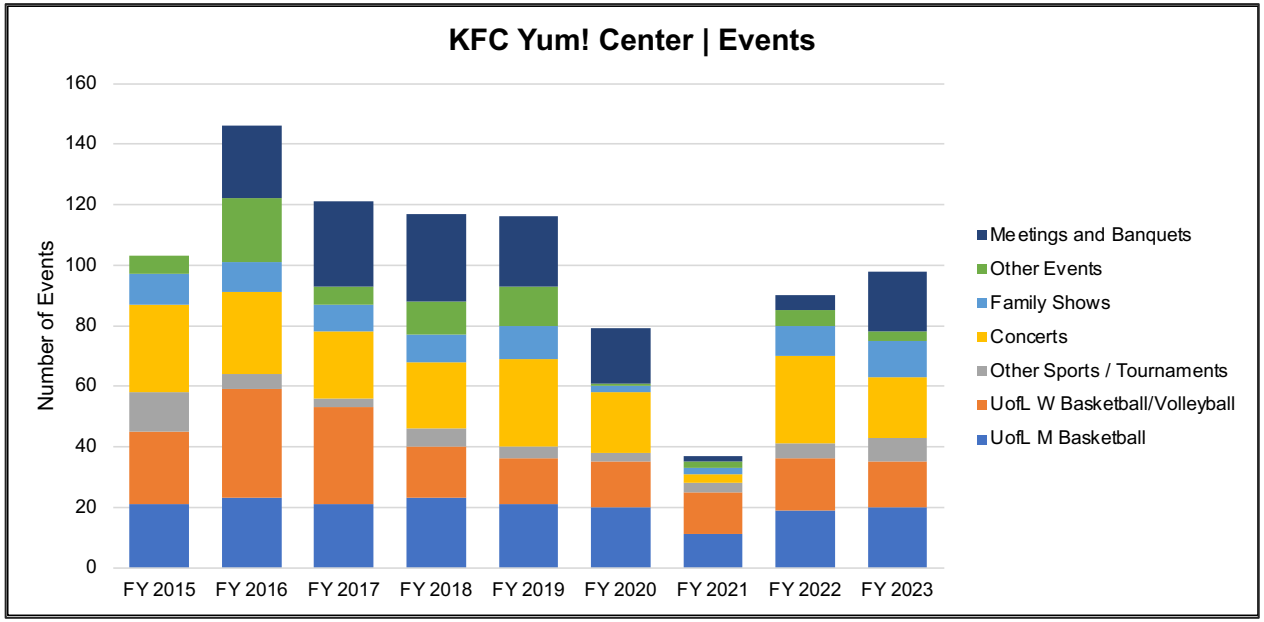


KFC Yum! Center
Events

The table and chart to the right outlines the number and type of events held at the KFC Yum! Center from fiscal years 2015 through 2023.

In 2023 the KFC Yum! Center continues to rebound from the pandemic, hosting 16 percent fewer events than the facility did in 2019. The facility maintains a similar number of concerts and sporting events as it did in 2019 but hosts fewer events in the "Other Events" category (i.e. blood drives, community events).

Additionally, since FY 2017 only selected women's volleyball games have been hosted at the KFC Yum! Center.



KFC Yum! Center - Events

Event Type	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
UofL M Basketball	21	23	21	23	21	20	11	19	20
UofL W Basketball/Volleyball	24	36	32	17	15	15	14	17	15
Other Sports / Tournaments	13	5	3	6	4	3	3	5	8
Concerts	29	27	22	22	29	20	3	29	20
Family Shows	10	10	9	9	11	2	2	10	12
Other Events	6	21	6	11	13	1	2	5	3
Meets and Banquets	--	24	28	29	23	18	2	5	20
Total	103	146	121	117	116	79	37	90	98

Source: KFC Yum! Center

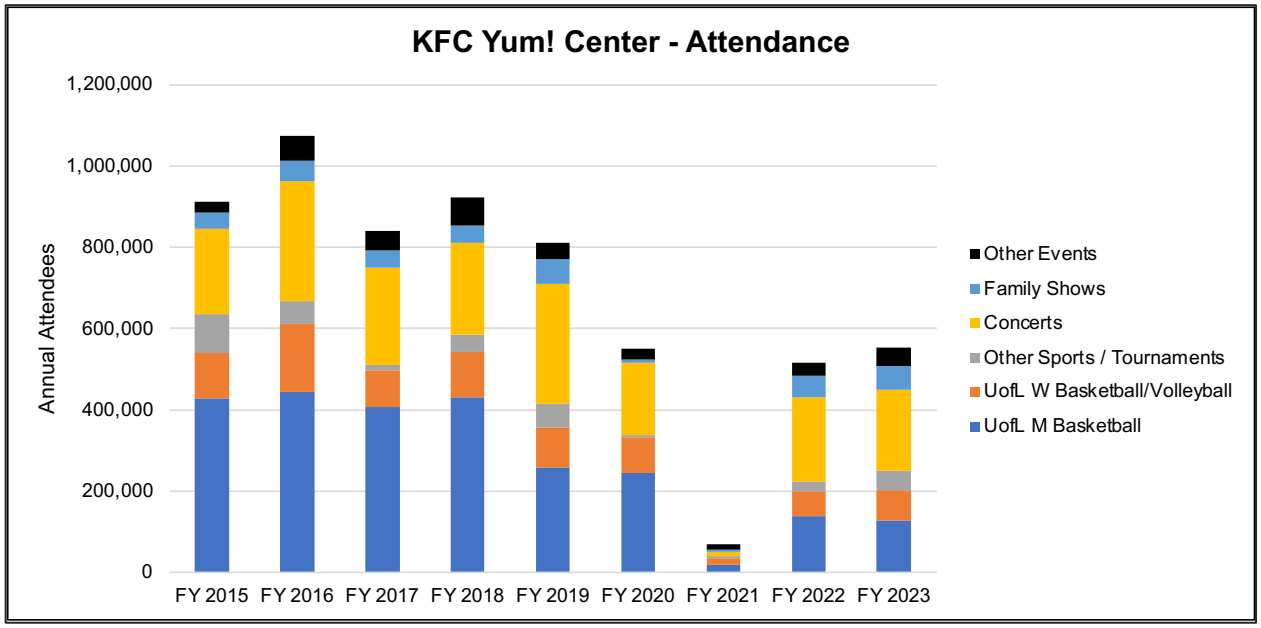
KFC Yum! Center
Attendance

The table and graph to the right outlines estimated event attendance by event type for the KFC Yum! Center.

Though the total number of events hosted at the KFC Yum! Center has rebounded to 84 percent of pre-pandemic levels, total attendance has not, with FY 2022 and FY 2023 attendance at 64 and 68 percent of FY 2019 attendance.

This is largely due to reduced attendance per game for University of Louisville men's basketball games, which is often tied to each season's team performance.

Attendance per concert is currently higher than prior to the pandemic.



KFC Yum! Center - Attendance

Event Type	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
UofL M Basketball	429,398	443,320	406,481	430,224	258,416	244,422	19,639	138,943	129,205
UofL W Basketball/Volleyball	112,000	168,506	91,403	113,641	98,945	88,987	16,503	61,531	72,933
Other Sports / Tournaments	95,089	57,045	12,941	40,983	57,183	4,586	3,138	23,169	48,083
Concerts	209,923	295,040	238,100	225,270	295,988	178,774	10,581	208,332	200,711
Family Shows	39,765	48,682	44,614	44,393	59,634	6,303	5,549	53,176	57,541
Other Events	25,500	61,001	46,573	68,000	40,229	26,695	15,395	30,903	45,490
Total	911,675	1,073,594	840,112	922,511	810,395	549,767	70,805	516,054	553,963

Source: KFC Yum! Center

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KFC Yum! Center
Financials

The table to the right outlines the historical financials for the KFC Yum! Center. While per capita spending within the arena has increased significantly, a decrease in attendance (mainly to university-oriented events) has led to decreased revenues for the facility.

Inflationary pressures and below average Men's basketball attendance has led to reduced margins, yet the facility continues to operate profitably. In FY 2022 and 2023 the facility operated at an 8 and 9 percent operating margin, respectively.

KFC Yum! Center - Operating Financials

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Revenue									
Arena Rent	$ 6,442,841	$ 6,874,499	$ 5,161,016	$ 5,654,108	$ 6,517,356	$ 4,354,496	$ 1,006,449	$ 5,218,586	$ 5,302,146
Premium Seating	$ 1,126,208	$ 987,545	$ 748,826	$ 1,117,221	$ 1,641,707	$ 1,091,023	$ 56,453	$ 1,364,458	$ 1,122,615
Food & Beverage, Merchandise	$ 2,970,410	$ 3,068,420	$ 2,871,574	$ 2,793,806	$ 3,430,206	$ 2,616,472	$ 177,443	$ 2,730,682	$ 3,045,026
Event Revenue	$ 3,993,479	$ 4,596,119	$ 3,855,821	$ 4,695,858	$ 5,554,110	$ 3,182,330	$ 326,919	$ 5,222,163	$ 5,260,665
Parking	$ 76,341	$ 60,790	$ 40,508	$ 22,575	$ 19,960	$ 18,601	$ -	$ -	$ -
Other Income	$ 410,013	$ 23,536	$ 42,243	$ 23,066	$ 41,802	$ 14,832	$ 54,947	$ 93,229	$ -
Total	$ 15,019,292	$ 15,610,909	$ 12,719,988	$ 14,306,634	$ 17,205,141	$ 11,277,754	$ 1,622,211	$ 14,629,118	$ 14,730,452
Direct Expenses									
Event Expenses	$ 5,038,522	$ 5,799,120	$ 3,973,314	$ 4,817,328	$ 6,608,724	$ 4,048,754	$ 651,838	$ 5,237,215	$ 5,626,401
Food & Beverage, Merchandise	$ 931,879	$ 835,936	$ 834,362	$ 705,815	$ 817,733	$ 658,158	$ 48,216	$ 503,114	$ 657,812
Other Expenses	$ 66,765	$ 51,705	$ 35,420	$ 65,942	$ 174,880	$ 100,418	$ 7,652	$ 140,666	$ -
Total	$ 6,037,166	$ 6,686,761	$ 4,843,096	$ 5,589,085	$ 7,601,337	$ 4,807,330	$ 707,706	$ 5,880,995	$ 6,284,213
Gross Profit	$ 8,982,126	$ 8,924,148	$ 7,876,892	$ 8,717,549	$ 9,603,804	$ 6,470,424	$ 914,505	$ 8,748,123	$ 8,446,239
Gross Profit Margin	*60%*	*57%*	*62%*	*61%*	*56%*	*57%*	*56%*	*60%*	*57%*
Operating Expenses									
Administration	$ 4,558,816	$ 4,516,932	$ 4,239,464	$ 4,574,548	$ 4,841,635	$ 4,128,057	$ 3,627,126	$ 4,808,912	$ 4,339,327
Utilities	$ 1,423,507	$ 1,232,000	$ 1,154,382	$ 1,193,869	$ 1,169,647	$ 1,034,188	$ 801,225	$ 1,265,656	$ 1,302,014
Insurance	$ 478,875	$ 505,395	$ 531,199	$ 472,048	$ 405,169	$ 713,734	$ 619,038	$ 792,853	$ 787,763
Management Fee	$ 494,508	$ 494,508	$ 451,847	$ 710,500	$ 721,158	$ 729,090	$ 731,277	$ 742,247	$ 753,380
Total	$ 6,955,706	$ 6,748,835	$ 6,376,892	$ 6,950,965	$ 7,137,609	$ 6,605,069	$ 5,778,666	$ 7,609,668	$ 7,182,484
Net Operating Income	$ 2,026,420	$ 2,175,313	$ 1,500,000	$ 1,766,584	$ 2,466,195	$ (134,645)	$ (4,864,161)	$ 1,138,455	$ 1,263,755
Operating Margin	*13%*	*14%*	*12%*	*12%*	*14%*	*-1%*	*-300%*	*8%*	*9%*

Source: KFC Yum! Center

New Developments: Baylor University

Waco, TX

Baylor University is currently underway with a new 7,500-seat basketball arena, Foster Pavilion, which is nearing completion and will host its first collegiate basketball game in early January 2024. The arena was the conception of a public-private partnership between the university and the city of Waco, with $65 million of financing coming from the city and the remaining coming from the university sources. The total project cost is reported at $212.6 million. Outside of this new project the city, university and private development community have planned for a mixed-use entertainment and lifestyle district directly outside of the new venue.

Phase I includes the following elements which are completed and leasing:

- 266 units residential, 250 units student housing
- 6,000 SF of retail & restaurant space
- 600 new parking spaces, in addition to the 400 recently completed

The city of Waco approved $20.2 million in TIF funding for the mixed-use components, which includes the clean up of environmental contaminants, create public improvements, waterfront improvements, news streets, infrastructure, a parking garage and a re-do of University Parks streetscape from Jackson to I-35. The public improvements include Farmers Market Plaza.

Phase II and III-unit count and square footage detail has not been released but will include an extensive amount of retail and restaurant space, hotels and additional residential development, which is shown on the following slide.

Brazos Riverfront Project

The mixed-use district will o over three phases with phase I elements already being delivered.

Phase II and III are planned to deliver in 2025.

There was a complex land swaps to get Project off the ground. The University purchased land from the City for the Foster Pavilion, and the City did a long-term lease to Catalyst Development for the commercial components of phase I.

CATALYST URBAN DEVELOPMENT

THE RIVERFRONT

BAYLOR UNIVERSITY

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Brazos Riverfront Construction

As of February of 2023, both the new Foster Pavilion and Phase I components of the mixed-use district were well underway.

Today, the highlighted red portions of residential and retail space are completed.

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University of Central Florida

Orlando, FL

In 2007, the University of Central Florida opened Knights Plaza, an athletic village and shopping center on campus located near the now FBC Mortgage Stadium. The plaza consists of student housing for 2,000 students in four towers, 183,000 SF of retail and restaurant space, as well as a new 9,400-seat Addition Financial Arena and renovated 2,300-seat Spectra-managed The Venue at UCF Arena which is used as both a practice facility and concert / event venue.

In the past, the plaza has had difficulties filling the retail space due to lack of free parking and changing economic conditions. The plaza is currently occupied by more than 15 dining and retail establishments that cater to the large student population.

The $107 million development was funded through the following:

- Student housing revenues - $59 million
- University operating funds - $30 million
- Naming rights / sponsorships - $11 million
- Commercial leases - $7 million

In Spring 2022, the UCF Board of Trustees approved numerous improvement projects for the football stadium and Knights Plaza including additional stadium seating, premium options, relocation of practice fields, new resistance river and hydrotherapy pools, and additional parking. Total cost of these phased improvements is expected at $125 million to be funded by university-issued debt and private donations.

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Knights Plaza Development Overview

Knights Plaza incorporates retail, restaurants, public space and student housing adjacent to University of Central Florida's athletic facilities. The plaza acts as the "Campus Town Center."

Recently approved investment in the district will allow for a renovated football stadium, additional commercial developments and new public gathering spaces.

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Key Highlights

Case Studies

There is no “magic bullet” on how to get large event venue anchored mixed-use districts done. However, these case studies show some examples on how it has been done elsewhere, how these venues have performed, and what the true impact is when a high-caliber venue is privately managed.

The net new economic impact of several of the arenas analyzed can be seen in the significant boost in annual visitation to these venues compared to the old venue where the team played. The geofencing analysis shows that many of these fans came from outside the given city or county.

Revenue streams within the venue and outside of the building are used to assist in the funding of these large projects. This includes naming rights, advertising, luxury suite revenue and others. Although not applicable in all situations, district taxes such as ticket taxes or others can be levied on events within the venue, with the goal of those revenue streams being another funding stream to fund the project.

Venues with private management maximize the efficiency of the venue, as seen by the significant visitation generated by these venues. Those operated by universities that do not open their schedules to external events, such as Lloyd Noble currently, do not.

Demand & Financial Projection Overview

Original Development – OU Foundation Development Program provided by Team Norman

Original Development – OU Foundation Development Program

Demand & Financial Projections

The adjacent table shows **Hunden's projections of key performance metrics for the core elements of the OU Foundation Development Program** provided by Team Norman.

Lease/rental rates and occupancy levels were based on Hunden's assessment of the competitive market environment and performance of comparable assets.

Development Assumptions ORIGINAL DEVELOPMENT Inflation Factor 3%		2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25
Performance Venue / Arena												
Capacity (8,000 Fixed Seats)				10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500
Total Number of Events				136	147	160	160	160	160	160	160	160
Number of Promoted Concerts & Shows				14	17	21	21	21	21	21	21	21
Total Attendance				428,015	465,025	501,615	501,615	501,615	501,615	501,615	501,615	501,615
Multifamily												
Total Units			250	500	500	500	750	1,079	1,424	1,424	1,424	1,424
Total SF	1,001		250,166	500,332	500,332	500,332	750,499	1,079,717	1,424,947	1,424,947	1,424,947	1,424,947
Average Rent PSF	$ 1.42		$ 1.60	$ 1.65	$ 1.70	$ 1.75	$ 1.80	$ 1.85	$ 1.91	$ 1.97	$ 2.02	$ 3.15
Occupancy			58%	66%	86%	82%	93%	84%	86%	89%	93%	93%
Single Family for Rent												
Total Units				177	177	177	177	177	177	177	177	177
Total SF	1,300			230,100	230,100	230,100	230,100	230,100	230,100	230,100	230,100	230,100
Average Rent PSF	$ 1.21			$ 1.40	$ 1.44	$ 1.49	$ 1.53	$ 1.58	$ 1.62	$ 1.67	$ 1.72	$ 2.68
Occupancy				62%	93%	93%	93%	93%	93%	93%	93%	93%
Office												
Total SF				48,000	138,000	318,000	330,502	420,502	565,322	565,322	565,322	565,322
% Leasable				93%	93%	93%	93%	93%	93%	93%	93%	93%
Occupancy				50%	73%	68%	73%	78%	86%	93%	93%	93%
Average Rent PSF	$ 22.00			$ 25.50	$ 26.27	$ 27.06	$ 27.87	$ 28.71	$ 29.57	$ 30.45	$ 31.37	$ 48.87
Retail/F&B												
Total SF				275,500	275,500	275,500	275,500	275,500	275,500	275,500	275,500	275,500
% Leasable				100%	100%	100%	100%	100%	100%	100%	100%	100%
Occupancy				60%	88%	88%	88%	88%	88%	88%	88%	88%
Avg. Ann. Sales PSF	8%			$ 355.51	$ 366.18	$ 377.16	$ 388.48	$ 400.13	$ 412.13	$ 424.50	$ 437.23	$ 681.20
Average Rent PSF	$ 23.00			$ 26.66	$ 27.46	$ 28.29	$ 29.14	$ 30.01	$ 30.91	$ 31.84	$ 32.79	$ 51.09
Hotel Assets												
Total Keys				150	150	150	150	150	150	150	150	150
Conference Center				40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Occupancy				65%	74%	78%	78%	78%	81%	83%	84%	83%
ADR				$ 177.14	$ 182.53	$ 187.40	$ 192.09	$ 196.89	$ 201.67	$ 206.64	$ 211.92	$ 326.85
Airport Related Assets												
FBO Total SF				48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000
Hangar Space Total SF				60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000

Source: Hunden Partners

Event Venue Projections

Arena & Event Venue

Event & Attendance Projections

The table shows the estimated event projections for the event venue in Norman. These event assumptions were created based on Hunden's assessment of the market, conversations with promoters and stakeholder groups, and analysis of other comparable venues across the country.

Norman, Oklahoma Event Venue Events & Attendance	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25
Events by Type									
OU Men's Basketball	18	18	18	18	18	18	18	18	18
OU Women's Basketball	18	18	18	18	18	18	18	18	18
OU Gymnastics	5	5	5	5	5	5	5	5	5
Concerts - End/Center Stage	5	6	7	7	7	7	7	7	7
Concerts - Half House	4	5	6	6	6	6	6	6	6
Family Shows	5	8	10	10	10	10	10	10	10
High School Sports	8	8	10	10	10	10	10	10	10
Motor Sports, Wrestling and Rodeo	4	5	6	6	6	6	6	6	6
Comedy Shows	1	1	2	2	2	2	2	2	2
Other Sporting Events	3	5	6	6	6	6	6	6	6
Graduations	14	14	14	14	14	14	14	14	14
Banquets	13	15	18	18	18	18	18	18	18
Meetings	35	35	35	35	35	35	35	35	35
Community Events	3	4	5	5	5	5	5	5	5
Total	136	147	160	160	160	160	160	160	160
Annual Attendance									
OU Men's Basketball	129,600	129,600	129,600	129,600	129,600	129,600	129,600	129,600	129,600
OU Women's Basketball	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000
OU Gymnastics	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Concerts - End/Center Stage	37,000	44,400	51,800	51,800	51,800	51,800	51,800	51,800	51,800
Concerts - Half House	14,800	18,500	22,200	22,200	22,200	22,200	22,200	22,200	22,200
Family Shows	17,500	28,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
High School Sports	16,000	16,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Motor Sports, Wrestling and Rodeo	22,000	27,500	33,000	33,000	33,000	33,000	33,000	33,000	33,000
Comedy Shows	2,800	2,800	5,600	5,600	5,600	5,600	5,600	5,600	5,600
Other Sporting Events	12,000	20,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Graduations	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000
Banquets	3,640	4,200	5,040	5,040	5,040	5,040	5,040	5,040	5,040
Meetings	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625
Community Events	4,050	5,400	6,750	6,750	6,750	6,750	6,750	6,750	6,750
Total	428,015	465,025	501,615	501,615	501,615	501,615	501,615	501,615	501,615

Source: Hunden Partners

Arena & Event Venue

Proforma Projections

The table below outlines the proforma financial statement of the proposed 10,500-seat event venue within the greater development.

Hunden expects that arena and event venue will generate a net profit of approximately $423,000 in Year 1 of operation and stabilize at approximately $1.8 million by stabilization in Year 3 of operation.

Norman, Oklahoma Event Venue	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25
Operating Revenues									
Event Rental Revenue									
University Rent	$ 500,000	$ 515,000	$ 530,450	$ 546,364	$ 562,754	$ 579,637	$ 597,026	$ 614,937	$ 958,052
Other Rental Income	$ 783,996	$ 987,865	$ 1,210,654	$ 1,274,673	$ 1,342,299	$ 1,413,744	$ 1,489,231	$ 1,568,997	$ 3,491,699
Service Income (Loss)	$ (295,838)	$ (372,767)	$ (456,836)	$ (480,993)	$ (506,512)	$ (533,471)	$ (561,956)	$ (592,055)	$ (1,317,579)
Subtotal - Event Rental Revenue	$ 988,158	$ 1,130,098	$ 1,284,268	$ 1,340,044	$ 1,398,542	$ 1,459,910	$ 1,524,302	$ 1,591,879	$ 3,132,172
Event Ancillary Revenue									
Concessions (net)	$ 1,365,585	$ 1,541,630	$ 1,732,413	$ 1,784,385	$ 1,837,917	$ 1,893,054	$ 1,949,846	$ 2,008,341	$ 3,128,931
Catering (net)	$ 98,390	$ 111,229	$ 129,841	$ 133,737	$ 137,749	$ 141,881	$ 146,138	$ 150,522	$ 234,508
Parking (net)	$ 1,281,858	$ 1,504,516	$ 1,736,229	$ 1,788,316	$ 1,841,965	$ 1,897,224	$ 1,954,141	$ 2,012,765	$ 3,135,823
Merchandise (net)	$ 100,593	$ 112,308	$ 125,619	$ 129,388	$ 133,270	$ 137,268	$ 141,386	$ 145,627	$ 226,883
Convenience Charge Rebates	$ 95,128	$ 108,509	$ 122,390	$ 126,062	$ 129,844	$ 133,739	$ 137,751	$ 141,884	$ 221,051
Facility Fees	$ 647,679	$ 858,883	$ 1,078,237	$ 1,110,585	$ 1,143,902	$ 1,178,219	$ 1,213,566	$ 1,249,973	$ 1,947,417
Subtotal - Ancillary Revenue	$ 3,589,233	$ 4,237,075	$ 4,924,731	$ 5,072,473	$ 5,224,647	$ 5,381,386	$ 5,542,828	$ 5,709,113	$ 8,894,611
Other Revenue									
Advertising/Sponsorship (net)	$ 1,500,000	$ 1,545,000	$ 1,591,350	$ 1,639,091	$ 1,688,263	$ 1,738,911	$ 1,791,078	$ 1,844,811	$ 2,874,155
Naming/Service Rights (net)	$ 938,000	$ 966,140	$ 995,124	$ 1,024,978	$ 1,055,727	$ 1,087,399	$ 1,120,021	$ 1,153,622	$ 1,797,305
Premium Seating	$ 1,283,000	$ 1,321,490	$ 1,361,135	$ 1,401,969	$ 1,444,028	$ 1,487,349	$ 1,531,969	$ 1,577,928	$ 2,458,361
Other	$ 30,000	$ 30,900	$ 31,827	$ 32,782	$ 33,765	$ 34,778	$ 35,822	$ 36,896	$ 57,483
Subtotal - Other Revenue	$ 3,751,000	$ 3,863,530	$ 3,979,436	$ 4,098,819	$ 4,221,784	$ 4,348,437	$ 4,478,890	$ 4,613,257	$ 7,187,304
Total Operating Revenues	$ 8,328,392	$ 9,230,703	$ 10,188,435	$ 10,511,335	$ 10,844,973	$ 11,189,734	$ 11,546,020	$ 11,914,248	$ 19,214,087
Operating Expenses									
Personnel	$ 3,791,557	$ 3,905,303	$ 4,022,462	$ 4,143,136	$ 4,267,430	$ 4,395,453	$ 4,527,317	$ 4,663,136	$ 7,265,014
Utilities	$ 1,095,398	$ 1,128,260	$ 1,162,108	$ 1,196,971	$ 1,232,880	$ 1,269,867	$ 1,307,963	$ 1,347,201	$ 2,098,896
Operations	$ 1,166,809	$ 1,201,814	$ 1,237,868	$ 1,275,004	$ 1,313,254	$ 1,352,652	$ 1,393,231	$ 1,435,028	$ 2,235,727
General & Admin	$ 1,364,466	$ 1,405,400	$ 1,447,562	$ 1,490,988	$ 1,535,718	$ 1,581,790	$ 1,629,243	$ 1,678,121	$ 2,614,457
Insurance	$ 168,327	$ 173,376	$ 178,578	$ 183,935	$ 189,453	$ 195,137	$ 200,991	$ 207,020	$ 322,531
Management Fee	$ 318,800	$ 328,364	$ 338,215	$ 348,362	$ 358,813	$ 369,577	$ 380,664	$ 392,084	$ 610,854
Total Operating Expenses	$ 7,905,357	$ 8,142,517	$ 8,386,793	$ 8,638,397	$ 8,897,548	$ 9,164,475	$ 9,439,409	$ 9,722,591	$ 15,147,481
Net Operating Income	$ 423,035	$ 1,088,186	$ 1,801,642	$ 1,872,939	$ 1,947,424	$ 2,025,259	$ 2,106,610	$ 2,191,657	$ 4,066,606

Source: Hunden Partners

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Full Development – Rock Creek Entertainment District TIF #4

Full Development – TIF #4

Demand & Financial Projections

The adjacent table shows projections of key performance metrics for the core elements of the OU Foundation Development Program as well as the additional development that would occur within surrounding parcels within the TIF #4 district.

This includes the addition of the National Weather Experience, additional retail and hotel assets in Year 8, retail and restaurants in Year 9 and finally multifamily in Year 10.

Lease/rental rates and occupancy levels were based on Hunden's assessment of the competitive market environment and performance of comparable assets.

Development Assumptions ROCK CREEK TIF#4 FULL DEVELOPMENT Inflation Factor 3%		2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25
Performance Venue / Arena												
Capacity (8,000 Fixed Seats)				10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500
Total Number of Events				136	147	160	160	160	160	160	160	160
Number of Promoted Concerts & Shows				14	17	21	21	21	21	21	21	21
Total Attendance				428,015	465,025	501,615	501,615	501,615	501,615	501,615	501,615	501,615
Multifamily											220	
Total Units			250	500	500	500	750	1,079	1,424	1,424	1,644	1,644
Total SF	1,001		250,166	500,332	500,332	500,332	750,499	1,079,717	1,424,947	1,424,947	1,645,093	1,645,093
Average Rent PSF	$ 1.42		$ 1.60	$ 1.65	$ 1.70	$ 1.75	$ 1.80	$ 1.85	$ 1.91	$ 1.97	$ 2.02	$ 3.15
Occupancy			58%	66%	86%	82%	93%	84%	86%	89%	93%	93%
Single Family for Rent												
Total Units				177	177	177	177	177	177	177	177	177
Total SF	1,300			230,100	230,100	230,100	230,100	230,100	230,100	230,100	230,100	230,100
Average Rent PSF	$ 1.21			$ 1.40	$ 1.44	$ 1.49	$ 1.53	$ 1.58	$ 1.62	$ 1.67	$ 1.72	$ 2.68
Occupancy				62%	93%	93%	93%	93%	93%	93%	93%	93%
Office												
Total SF				48,000	138,000	318,000	330,502	565,322	565,322	565,322	565,322	565,322
% Leasable				93%	93%	93%	93%	93%	93%	93%	93%	93%
Occupancy				50%	73%	68%	73%	78%	86%	93%	93%	93%
Average Rent PSF	$ 22.00			$ 25.50	$ 26.27	$ 27.06	$ 27.87	$ 28.71	$ 29.57	$ 30.45	$ 31.37	$ 48.87
Retail/F&B									55,000			
Total SF				275,000	275,000	275,000	275,000	275,000	330,000	330,000	330,000	330,000
% Leasable				100%	100%	100%	100%	100%	100%	100%	100%	100%
Occupancy				60%	88%	88%	88%	88%	86%	86%	86%	86%
Avg. Ann. Sales PSF	8%			$ 355.51	$ 366.18	$ 377.16	$ 388.48	$ 400.13	$ 412.13	$ 424.50	$ 437.23	$ 681.20
Average Rent PSF	$ 23.00			$ 26.66	$ 27.46	$ 28.29	$ 29.14	$ 30.01	$ 30.91	$ 31.84	$ 32.79	$ 51.09
Hotel Assets									120			
Total Keys				150	150	150	150	150	270	270	270	270
Conference Center				40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Occupancy				65%	74%	78%	78%	78%	75%	76%	77%	76%
ADR				$ 177.14	$ 182.53	$ 187.40	$ 192.09	$ 196.89	$ 201.67	$ 206.64	$ 211.92	$ 326.85
National Weather Experience												
Total Square Footage Estimate					100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total Estimated Annual Attendance					203,172	199,901	193,029	172,311	172,311	172,311	172,311	172,311
Airport Related Assets												
FBO Total SF				48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000
Hangar Space Total SF				60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000

Source: Hunden Partners

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Economic Impact Summary

Hunden uses the IMPLAN input-output multiplier model, which determines the level of additional activity in the Cleveland County economy due to additional inputs. For example, for every dollar of direct new spending in Cleveland County, the IMPLAN model provides multipliers for the indirect and induced spending that will result.

The net new and recaptured direct spending discussed earlier in the chapter is considered to be the **Direct Impact**.

- From the direct spending figures, further impact analyses will be completed.
- **Indirect Impacts** are the supply of goods and services resulting from the initial direct spending. For example, a visitor's direct expenditure on a hotel room causes the hotel to purchase linens and other items from suppliers. The portion of these hotel purchases that are within the local economy is considered an indirect economic impact.
- **Induced Impacts** embody the change in spending due to the personal expenditures by employees whose incomes are affected by direct and indirect spending. For example, a waitress at a restaurant may have more personal income as a result of the induced customer's visit. The amount of the increased income that the employee spends in the area is considered an induced impact.
- **Fiscal Impacts** represent the incremental tax revenue collected by the state, county or city due to the net new economic activity. The fiscal impact represents the government's share of total economic benefit. Fiscal impacts provide an offset to the potential public expenditures required to support the development.
- **Employment Impacts** include the incremental employment provided not only onsite, but due to the spending associated with it. For example, the direct, indirect and induced impacts generate spending, support new and ongoing businesses, and ultimately result in ongoing employment for citizens. Hunden will show the number of ongoing jobs supported by the project and provide the resulting income and income taxes generated.

Net New Assumptions

It is expected that there will be some level of substitution/cannibalized spending that would occur due to the development of the project. However, similarly there is also expected to be some recaptured spending that would occur that is currently leaked to surrounding markets outside of Cleveland County for retail, restaurant, and entertainment offerings.

The following table shows Hunden's projections of substitution/cannibalization, as well as recaptured spending, within each asset within the development. These assumptions are kept constant in each scenario.

Hunden utilized several quantitative methods which resulted in the adjacent daytripper, overnighter, and net new percentages shown. These methods for each asset category are explained in further detail on the following slide.

Item 1.

Net New Assumptions - Cleveland County

	General Assump.	Cleveland County
Arena		
Visitors		
% & # Daytripper	% of Visitor Type	
OU Sports	86%	-10%
Concerts, Comedy Shows	79%	95%
Family Shows	90%	95%
High School Sports and Community Events	98%	5%
Other Sports	95%	90%
Graduation, Banquets, Meetings	90%	12%
Total	87%	41%
% of Visits to Lloyd Noble Under 200 Miles (2022)	*89%*	
% & # Overnighter		
OU Sports	14%	8%
Concerts, Comedy Shows	21%	95%
Family Shows	10%	95%
High School Sports and Community Events	2%	5%
Other Sports	5%	90%
Graduation, Banquets, Meetings	10%	12%
Total	21%	44%
% of Visits to Lloyd Noble Beyond 200 Miles (2022)	*11%*	
Weather Experience Museum		
Visitors	% of Visitor Type	
% & # Daytripper	84%	78%
% of Visits Among Comparable Museums Under 250 Miles (2022,	*84.4%*	
% & # Overnighter	16%	83%
% of Visits Among Comparable Museums Over 250 Miles (2022)	*15.6%*	
Restaurant & Retail		
% Sales Net New to Cleveland County		17%
% Not Captured in Other Components		84%
Office		
% Income Net New to Cleveland County		78%
% Not Captured in Other Components		100%
Residential		
% Residents Net New to Cleveland County		14%
% Not Captured in Other Components		100%
Hotel		
% Rooms Revenue Net New to Cleveland County		31%
% Not Captured in Other Components		68%
People Per Room	1.5	

Source: Hunden Partners

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Net New Assumptions

Arena: Lloyd Noble is much larger than the proposed Project. Average attendance for OU Men's Basketball over the past decade was approximately 9,500. With an arena that only contains 8,000 fixed seats for basketball games, Hunden assumed that there would be negative net new for OU Sporting events. However, given that Lloyd Noble currently does not host any other external events, such as concerts, family shows, or other events, these would yield a high net new percentage to the county. Daytripper and overnighter percentages were crafter based on Hunden's geofencing analysis of Lloyd Noble over the past several years and of comparable university arenas.

National Weather Experience: The National Weather Experience will be an impactful asset for the county, given that the county does not contain anything similar to what is being proposed. The current National Weather Museum and Science Center in the county is not located in compelling location and receives little visitation. Hunden assessed comparable museum experiences across the country to understand their levels of visitation and how far people travel to visit these experiences.

Retail: Hunden assumed 17 percent of sales would be net new to the County. For substitution, Hunden assessed the current levels of visitation to UNP and other core retail nodes in Cleveland County and discounted the net new percentage to account for substitution that would occur. Moreover, Hunden utilized geofencing from Placer.Ai to assess the number of people who live in Cleveland County who currently leave the county and go to core entertainment and retail districts in Oklahoma City, this included Bricktown among other popular retail nodes. This analysis assisted in accounting for recaptured spending that would occur for residents that are currently leaving the county for these offerings. The result of this analysis was a net new assumption of 17 percent for the retail within the district.

Office: Hunden assumed 78 percent of the incomes/employees onsite would be net new to the County, meaning that the companies that leased space within the development came to Cleveland County for a compelling office location for their employees. Conversations local groups and data from the Bureau of Labor Statistics on employment assisted in deriving this percentage, although this is highly contingent on the types of employers that lease space within the office component of the development.

Residential: It was estimated 14 percent of new residents would move from outside of Cleveland County. Hunden utilized the Bureau of Labor Statistics and Lightcast to assess migration to Cleveland County.

Hotel: Utilizing Placer.ai geofencing data and historical hotel performance from Smith Travel Research (STR), Hunden determined that 31 percent of the rooms revenue generated from onsite hotels would be net new to the county.

Original Development – OU Foundation Development Program

Economic, Fiscal & Employment Impact

Net New Spending to Cleveland County

Original Development – OU Foundation Development Program

Direct net new/recaptured spending, falls into the five categories: food & beverage, lodging, retail, transportation and other.

The total of these direct spending categories during the 25-year period shown is more than $2.3 billion for the entire Project. The retail category is the largest category of direct spending, contributing to an estimated $820 million over the time period. The direct retail spending is new spending that would occur across the Cleveland County economy in existing retail establishments due to the Project. The other component of direct spending, which includes spending on ticketed events within the event venue, is the second largest category of direct spending and is expected to generate approximately $652 million.

Total net new spending impact to Cleveland County over the 25-year time period, including indirect and induced spending that would occur, is estimated to total $3.7 billion.

Direct, Indirect and Induced Net New Spending to Cleveland County ($000s) - Norman Arena Mixed-Use District - Original Development

	2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2046 Year 20	2051 Year 25	Total
Direct Spending													
Food & Beverage	$ -	$ 96	$ 8,005	$ 12,367	$ 14,792	$ 15,719	$ 17,475	$ 20,401	$ 21,573	$ 22,228	$ 29,425	$ 33,906	$ 553,056
Lodging	$ -	$ -	$ 2,415	$ 2,893	$ 3,303	$ 3,386	$ 3,470	$ 3,637	$ 3,776	$ 3,911	$ 5,200	$ 6,028	$ 100,980
Retail	$ -	$ 275	$ 6,347	$ 11,566	$ 16,302	$ 18,310	$ 22,630	$ 30,290	$ 32,894	$ 33,992	$ 45,330	$ 52,387	$ 819,529
Transportation	$ -	$ 55	$ 2,294	$ 3,456	$ 4,795	$ 5,206	$ 6,079	$ 7,653	$ 8,204	$ 8,453	$ 10,888	$ 12,404	$ 202,420
Other	$ -	$ 208	$ 5,012	$ 8,847	$ 13,334	$ 14,892	$ 18,202	$ 24,048	$ 26,066	$ 26,945	$ 36,062	$ 41,737	$ 651,930
Total	$ -	$ 633	$ 24,072	$ 39,129	$ 52,527	$ 57,513	$ 67,857	$ 86,030	$ 92,512	$ 95,529	$ 126,905	$ 146,462	$ 2,327,915
Total Spending	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2046	2051	Total
Direct	$ -	$ 633	$ 24,072	$ 39,129	$ 52,527	$ 57,513	$ 67,857	$ 86,030	$ 92,512	$ 95,529	$ 126,905	$ 146,462	$ 2,327,915
Indirect	$ -	$ 236	$ 8,446	$ 13,827	$ 18,501	$ 20,324	$ 24,140	$ 30,873	$ 33,253	$ 34,341	$ 45,583	$ 52,590	$ 834,909
Induced	$ -	$ 144	$ 5,777	$ 9,102	$ 12,221	$ 13,343	$ 15,689	$ 19,841	$ 21,319	$ 22,004	$ 29,032	$ 33,415	$ 534,419
Total	$ -	$ 1,014	$ 38,295	$ 62,057	$ 83,248	$ 91,179	$ 107,686	$ 136,744	$ 147,084	$ 151,873	$ 201,520	$ 232,467	$ 3,697,243

Source: Hunden Partners

Employment & Earning Impact

Net New Earnings & FTE Jobs from Direct, Indirect & Induced Spending ($000s) - Norman Arena Mixed-Use District - Original Development

	2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2046 Year 20	2051 Year 25	Total
Net New Earnings													
From Direct	$ -	$ 312	$ 8,733	$ 14,970	$ 20,638	$ 22,968	$ 27,930	$ 36,729	$ 39,776	$ 41,116	$ 54,876	$ 63,450	$ 996,200
From Indirect	$ -	$ 92	$ 3,416	$ 5,475	$ 7,254	$ 7,966	$ 9,454	$ 12,093	$ 13,034	$ 13,471	$ 17,933	$ 20,717	$ 328,233
From Induced	$ -	$ 70	$ 2,679	$ 4,189	$ 5,602	$ 6,144	$ 7,284	$ 9,317	$ 10,042	$ 10,380	$ 13,783	$ 15,909	$ 252,516
Total	$ -	$ 473	$ 14,828	$ 24,634	$ 33,494	$ 37,079	$ 44,669	$ 58,139	$ 62,852	$ 64,967	$ 86,591	$ 100,077	$ 1,576,949
Net New FTE Jobs													Average
From Direct	0	9	304	485	638	686	800	1005	1060	1072	1148	1194	922
From Indirect	0	3	124	195	255	274	317	396	417	422	451	468	363
From Induced	0	2	85	129	168	178	203	250	262	265	278	287	227
Total	0	14	512	809	1,061	1,138	1,320	1,651	1,740	1,758	1,877	1,949	1,513

Source: Hunden Partners

Net New Earnings from job growth are expected to total $1.6 billion over the 25-year time period. New full-time equivalent jobs are expected to be created from the Project, primarily in the mixed-use district but also at the new event venue. During the 25-year period, the Project is expected to support an average of roughly 1,513 jobs in the Cleveland County economy. These are net new jobs generated by the Project, meaning those that would not be created ‘but for’ the development. Labor that is transferred or would have been created regardless of the Project is not included.

Fiscal Impact

Fiscal Impact - Tax Impacts from New District Spending ($000s) - Norman Arena Mixed-Use District - Original Development

	2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2046 Year 20	2051 Year 25	Total
Cleveland County													
Sales Tax (0.125%)	$ -	$ 1	$ 30	$ 49	$ 66	$ 72	$ 85	$ 108	$ 116	$ 119	$ 159	$ 183	$ 2,910
Norman													
City Sales Tax (4.25%)	$ -	$ 25	$ 951	$ 1,547	$ 2,076	$ 2,273	$ 2,682	$ 3,400	$ 3,657	$ 3,776	$ 5,016	$ 5,789	$ 92,011
City Hotel Tax (8%)	$ -	$ -	$ 180	$ 215	$ 246	$ 252	$ 258	$ 271	$ 281	$ 291	$ 387	$ 448	$ 7,513
Property Tax	$ -	$ 760	$ 8,191	$ 8,950	$ 10,277	$ 11,516	$ 14,485	$ 16,719	$ 17,221	$ 17,737	$ 23,838	$ 27,634	$ 445,650
Total	$ -	$ 785	$ 9,322	$ 10,712	$ 12,599	$ 14,041	$ 17,425	$ 20,390	$ 21,158	$ 21,804	$ 29,240	$ 33,872	$ 545,174
Moore													
City Sales Tax (3.875%)	$ -	$ 2	$ 65	$ 106	$ 142	$ 156	$ 184	$ 233	$ 251	$ 259	$ 344	$ 397	$ 6,314
City Hotel Tax (5%)	$ -	$ -	$ 8	$ 10	$ 12	$ 12	$ 12	$ 13	$ 13	$ 14	$ 18	$ 21	$ 353
Total	$ -	$ 2	$ 74	$ 116	$ 154	$ 168	$ 196	$ 246	$ 264	$ 273	$ 362	$ 418	$ 6,668

Source: Hunden Partners

Hunden estimated the potential tax collections that would be generated from the project that would be considered net new to Cleveland County, Norman and Moore.

The Project is expected to generate $545 million in City of Norman taxes over 25 years, with a majority of this coming from onsite property tax generation. Additionally, it is estimated that net new spending generated across the county will generate $2.9 million in Cleveland County taxes and $6.7 million in City of Moore taxes.

Onsite Property Tax Projections

Original Development – OU Foundation Development Program

The following table shows the property tax projections for the Original Development on the OU Foundation land over 25 years. Over 25 years the development is estimated to generate nearly $446 million in ad valorem which contributes directly to the Rock Creek TIF #4.

On-Site Capturable Tax Impacts - Rock Creek Entertainment District #4 - OU Foundation Land

	2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25
PROPERTY TAXES ($000s)											
Office	$ -	$ -	$ 266	$ 788	$ 1,869	$ 2,001	$ 3,526	$ 3,632	$ 3,741	$ 3,853	$ 6,002
MultiFamily	$ -	$ 760	$ 1,565	$ 1,612	$ 1,660	$ 2,565	$ 3,801	$ 5,167	$ 5,322	$ 5,482	$ 8,540
Single Family For Rent and Townhomes	$ -	$ -	$ 500	$ 515	$ 531	$ 547	$ 563	$ 580	$ 598	$ 616	$ 959
Retail & Restaurant	$ -	$ -	$ 1,696	$ 1,747	$ 1,799	$ 1,853	$ 1,909	$ 1,966	$ 2,025	$ 2,086	$ 3,250
Hotel	$ -	$ -	$ 473	$ 487	$ 501	$ 516	$ 532	$ 1,096	$ 1,128	$ 1,162	$ 1,811
Hangar	$ -	$ -	$ 80	$ 83	$ 85	$ 88	$ 90	$ 93	$ 96	$ 99	$ 154
Plaza Spaces	$ -	$ -	$ 53	$ 55	$ 57	$ 58	$ 60	$ 62	$ 64	$ 66	$ 102
Arena	$ -	$ -	$ 3,557	$ 3,664	$ 3,774	$ 3,887	$ 4,004	$ 4,124	$ 4,248	$ 4,375	$ 6,816
Weather Experience Museum*											
Parking*											
FBO*											
Total Property Tax	$ -	$ 760	$ 8,191	$ 8,950	$ 10,277	$ 11,516	$ 14,485	$ 16,719	$ 17,221	$ 17,737	$ 27,634
Cumulative	*$ -*	*$ 760*	*$ 8,951*	*$ 17,901*	*$ 28,178*	*$ 39,694*	*$ 54,179*	*$ 70,898*	*$ 88,119*	*$ 105,856*	*$ 445,650*

**The National Weather Experience, Parking, and FBO will contribute via a Payment In-Lieu of Taxes (PILOT), these values are yet to be determined*

Source: Hunden Partners

Dollars shown are not in present value dollars.

Onsite Sales Tax Projections

Original Development – OU Foundation Development Program

The adjacent table shows the onsite sales tax revenue calculation that would be generated by OU Foundation Development Program. Hunden estimates that based on direct onsite spending these would generate an estimated $116 million over 25 years.

Moreover, although not directly applicable to TIF#4, the onsite hotels are estimated to generate $20 million in City of Norman HOT tax over 25 years.

On-Site Capturable Tax Impacts - Rock Creek Entertainment District #4 - Original Development

		2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25
SALES TAX REVENUES ($000s)												
Taxable Revenues ($000s)												
Retail & F&B		$ -	$ -	$ 58,659	$ 88,615	$ 91,273	$ 94,011	$ 96,832	$ 97,470	$ 100,394	$ 103,406	$ 161,103
Arena		$ -	$ -	$ 19,740	$ 22,630	$ 25,671	$ 26,441	$ 27,234	$ 28,051	$ 28,893	$ 29,760	$ 46,365
Hotel		$ -	$ -	$ 9,565	$ 11,120	$ 12,002	$ 12,232	$ 12,551	$ 13,246	$ 13,789	$ 14,309	$ 21,952
Total Sales Tax		$ -	$ -	$ 87,965	$ 122,365	$ 128,946	$ 132,685	$ 136,617	$ 138,767	$ 143,076	$ 147,475	$ 229,420
Sales Tax Avail for TIF Fundings ($000s)	Rate											
State	4.500%	$ -	$ -	$ 3,958	$ 5,506	$ 5,803	$ 5,971	$ 6,148	$ 6,245	$ 6,438	$ 6,636	$ 10,324
Cleveland County Jail	0.125%	$ -	$ -	$ 110	$ 153	$ 161	$ 166	$ 171	$ 173	$ 179	$ 184	$ 287
City General Fund	2.300%	$ -	$ -	$ 2,023	$ 2,814	$ 2,966	$ 3,052	$ 3,142	$ 3,192	$ 3,291	$ 3,392	$ 5,277
City of Norman Capital Projects	0.700%	$ -	$ -	$ 616	$ 857	$ 903	$ 929	$ 956	$ 971	$ 1,002	$ 1,032	$ 1,606
City of Norman Public Safety	0.500%	$ -	$ -	$ 440	$ 612	$ 645	$ 663	$ 683	$ 694	$ 715	$ 737	$ 1,147
City of Norman Public Transit	0.125%	$ -	$ -	$ 110	$ 153	$ 161	$ 166	$ 171	$ 173	$ 179	$ 184	$ 287
Norman Forward Projects	0.500%	$ -	$ -	$ 440	$ 612	$ 645	$ 663	$ 683	$ 694	$ 715	$ 737	$ 1,147
Total		$ -	$ -	$ 7,697	$ 10,707	$ 11,283	$ 11,610	$ 11,954	$ 12,142	$ 12,519	$ 12,904	$ 20,074
Sales Tax Avail for TIF Fundings ($000s)	Available?											
State	🔴	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cleveland County Jail	🔴	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City General Fund	🟢	$ -	$ -	$ 2,023	$ 2,814	$ 2,966	$ 3,052	$ 3,142	$ 3,192	$ 3,291	$ 3,392	$ 5,277
City of Norman Capital Projects	🟢	$ -	$ -	$ 616	$ 857	$ 903	$ 929	$ 956	$ 971	$ 1,002	$ 1,032	$ 1,606
City of Norman Public Safety	🔴	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City of Norman Public Transit	🔴	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Norman Forward Projects	🔴	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total		$ -	$ -	$ 2,639	$ 3,671	$ 3,868	$ 3,981	$ 4,099	$ 4,163	$ 4,292	$ 4,424	$ 6,883
Cumulative		*$ -*	*$ -*	*$ 2,639*	*$ 6,310*	*$ 10,178*	*$ 14,159*	*$ 18,257*	*$ 22,420*	*$ 26,713*	*$ 31,137*	*$ 115,776*
Non-TIF Additional On-Site Tax Impacts ($000s)												
City Hotel Occupancy Tax	8.000%	$ -	$ -	$ 507	$ 591	$ 641	$ 657	$ 673	$ 717	$ 750	$ 781	$ 1,191
Total		$ -	$ -	$ 507	$ 591	$ 641	$ 657	$ 673	$ 717	$ 750	$ 781	$ 1,191
Cumulative				*$ 507*	*$ 1,097*	*$ 1,738*	*$ 2,395*	*$ 3,068*	*$ 3,785*	*$ 4,535*	*$ 5,316*	*$ 19,990*

Source: Hunden Partners

Dollars shown are not in present value dollars.

Full Development – Rock Creek Entertainment District TIF #4

Economic, Fiscal & Employment Impact

Net New Spending to Cleveland County

Full Development – Rock Creek TIF #4

As noted earlier, the full development includes the OU Foundation Development Program and the additional land within the TIF #4 that is owned by NEDC and other entities.

Direct net new/recaptured spending falls into five categories: food & beverage, lodging, retail, transportation and other.

The total of the direct net new/recaptured spending for all five categories during the 25-year period is close to $2.8 billion for the entire Project, inclusive of additional land within the TIF that would be built out during later phases of development. Spending generated by the National Weather Experience would contribute to additional spending in the form of ticket sales and there would likely be substantial retail and food and beverage spending generated onsite and in the greater local economy.

Total net new spending impact to Cleveland County over the 25-year period, including indirect and induced spending that would occur, is estimated to total $4.5 billion.

Direct, Indirect and Induced Net New Spending to Cleveland County ($000s) - Norman Arena Mixed-Use District - Full Development Program - Rock Creek TIF#4

	2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25	Total
Direct Spending												
Food & Beverage	$ -	$ 96	$ 7,995	$ 16,639	$ 19,073	$ 19,930	$ 22,822	$ 25,777	$ 27,068	$ 28,017	$ 42,153	$ 692,955
Lodging	$ -	$ -	$ 2,415	$ 4,736	$ 5,161	$ 5,225	$ 5,153	$ 6,600	$ 6,838	$ 7,070	$ 10,709	$ 176,017
Retail	$ -	$ 275	$ 6,340	$ 14,614	$ 19,353	$ 21,307	$ 29,706	$ 34,321	$ 37,016	$ 38,699	$ 59,113	$ 934,204
Transportation	$ -	$ 55	$ 2,294	$ 5,133	$ 6,446	$ 6,800	$ 8,369	$ 9,719	$ 10,303	$ 10,680	$ 15,080	$ 252,773
Other	$ -	$ 208	$ 5,011	$ 13,401	$ 17,933	$ 19,450	$ 25,673	$ 28,755	$ 30,906	$ 32,292	$ 49,800	$ 788,441
Total	$ -	$ 633	$ 24,055	$ 54,524	$ 67,967	$ 72,712	$ 91,723	$ 105,171	$ 112,131	$ 116,758	$ 176,855	$ 2,844,390
Total Spending	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2051	Total
Direct	$ -	$ 633	$ 24,055	$ 54,524	$ 67,967	$ 72,712	$ 91,723	$ 105,171	$ 112,131	$ 116,758	$ 176,855	$ 2,844,390
Indirect	$ -	$ 236	$ 8,439	$ 18,351	$ 23,024	$ 24,763	$ 31,901	$ 36,982	$ 39,510	$ 41,166	$ 62,202	$ 998,449
Induced	$ -	$ 144	$ 5,774	$ 13,551	$ 16,671	$ 17,712	$ 21,942	$ 25,248	$ 26,853	$ 27,923	$ 41,664	$ 676,902
Total	$ -	$ 1,014	$ 38,268	$ 86,425	$ 107,661	$ 115,187	$ 145,566	$ 167,401	$ 178,494	$ 185,846	$ 280,721	$ 4,519,741

Source: Hunden Partners

Employment & Earning Impact

Net New Earnings & FTE Jobs from Direct, Indirect & Induced Spending ($000s) - Norman Arena Mixed-Use District - Full Development Program - Rock Creek TIF#4

	2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25	Total
Net New Earnings												
From Direct	$ -	$ 312	$ 8,725	$ 17,940	$ 23,607	$ 25,883	$ 35,509	$ 41,622	$ 44,801	$ 46,825	$ 71,673	$ 1,132,572
From Indirect	$ -	$ 92	$ 3,413	$ 6,783	$ 8,562	$ 9,250	$ 12,069	$ 14,359	$ 15,365	$ 16,030	$ 24,406	$ 388,652
From Induced	$ -	$ 70	$ 2,677	$ 5,470	$ 6,882	$ 7,402	$ 9,538	$ 11,394	$ 12,179	$ 12,701	$ 19,237	$ 307,393
Total	$ -	$ 473	$ 14,816	$ 30,192	$ 39,052	$ 42,534	$ 57,117	$ 67,375	$ 72,344	$ 75,555	$ 115,316	$ 1,828,617
Net New FTE Jobs												Average
From Direct	0	9	303	639	788	828	1051	1193	1248	1271	1379	1,088
From Indirect	0	3	124	259	318	333	418	474	495	504	544	431
From Induced	0	2	85	190	227	235	282	318	330	334	350	285
Total	0	14	512	1,089	1,332	1,396	1,750	1,985	2,072	2,110	2,272	1,804

Source: Hunden Partners

Net New Earnings from job growth are expected to total approximately $1.8 billion over the 25-year period. Onsite new full-time equivalent jobs are expected to be created from the full development, primarily in the mixed-use district, but also at the new event venue and the National Weather Experience. During the 25-year period, the Project is expected to support an average of roughly 1,804 jobs. Labor that is transferred or would have been created regardless of the Project is not included.

Fiscal Impact

Fiscal Impact - Tax Impacts from New District Spending ($000s) - Norman Arena Mixed-Use District - Full Development Program - Rock Creek TIF#4

	2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25	Total
Cleveland County												
Sales Tax (0.125%)	$ -	$ 1	$ 30	$ 68	$ 85	$ 91	$ 115	$ 131	$ 140	$ 146	$ 221	$ 3,555
Norman												
City Sales Tax (4.25%)	$ -	$ 25	$ 951	$ 2,155	$ 2,686	$ 2,874	$ 3,625	$ 4,157	$ 4,432	$ 4,615	$ 6,990	$ 112,425
City Hotel Tax (8%)	$ -	$ -	$ 180	$ 352	$ 384	$ 389	$ 383	$ 491	$ 509	$ 526	$ 797	$ 13,096
Property Tax	$ -	$ 760	$ 8,191	$ 8,950	$ 10,277	$ 11,516	$ 14,485	$ 17,551	$ 18,077	$ 19,466	$ 30,328	$ 482,189
Total	$ -	$ 785	$ 9,321	$ 11,458	$ 13,347	$ 14,779	$ 18,494	$ 22,199	$ 23,018	$ 24,607	$ 38,115	$ 607,709
Moore												
City Sales Tax (3.875%)	$ -	$ 2	$ 65	$ 148	$ 184	$ 197	$ 249	$ 285	$ 304	$ 317	$ 480	$ 7,715
City Hotel Tax (5%)	$ -	$ -	$ 8	$ 17	$ 18	$ 18	$ 18	$ 23	$ 24	$ 25	$ 37	$ 616
Total	$ -	$ 2	$ 74	$ 164	$ 202	$ 216	$ 267	$ 308	$ 328	$ 341	$ 517	$ 8,331

Source: Hunden Partners

Hunden estimated the potential tax collections that would be generated from the project that would be considered net new to Cleveland County, Norman and Moore.

The Project is expected to generate $608 million in City of Norman taxes over 25 years, with a majority of this coming from onsite property tax generation. Additionally, it is estimated that net new spending generated across the county will generate $3.6 million in Cleveland County taxes and $8.3 million in City of Moore taxes.

Onsite Property Tax Projections

Full Development – Rock Creek TIF #4

The following table shows the property tax projections for the full development and build out within the TIF #4 district over 25 years. Over 25 years the development is estimated to generate $482 million in ad valorem which contributes directly to the Rock Creek TIF #4.

On-Site Capturable Tax Impacts - Rock Creek Entertainment District #4 - Full Development

	2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25
PROPERTY TAXES ($000s)											
Office	$ -	$ -	$ 266	$ 788	$ 1,869	$ 2,001	$ 3,526	$ 3,632	$ 3,741	$ 3,853	$ 6,002
MultiFamily	$ -	$ 760	$ 1,565	$ 1,612	$ 1,660	$ 2,565	$ 3,801	$ 5,167	$ 5,322	$ 6,329	$ 9,860
Single Family For Rent and Townhomes	$ -	$ -	$ 500	$ 515	$ 531	$ 547	$ 563	$ 580	$ 598	$ 616	$ 959
Retail & Restaurant	$ -	$ -	$ 1,696	$ 1,747	$ 1,799	$ 1,853	$ 1,909	$ 2,359	$ 2,430	$ 2,503	$ 3,900
Hotel	$ -	$ -	$ 473	$ 487	$ 501	$ 516	$ 532	$ 1,534	$ 1,580	$ 1,627	$ 2,535
Hangar	$ -	$ -	$ 80	$ 83	$ 85	$ 88	$ 90	$ 93	$ 96	$ 99	$ 154
Plaza Spaces	$ -	$ -	$ 53	$ 55	$ 57	$ 58	$ 60	$ 62	$ 64	$ 66	$ 102
Arena	$ -	$ -	$ 3,557	$ 3,664	$ 3,774	$ 3,887	$ 4,004	$ 4,124	$ 4,248	$ 4,375	$ 6,816
Weather Experience Museum*											
Parking*											
FBO*											
Total Property Tax	$ -	$ 760	$ 8,191	$ 8,950	$ 10,277	$ 11,516	$ 14,485	$ 17,551	$ 18,077	$ 19,466	$ 30,328
Cumulative	*$ -*	*$ 760*	*$ 8,951*	*$ 17,901*	*$ 28,178*	*$ 39,694*	*$ 54,179*	*$ 71,730*	*$ 89,807*	*$ 109,273*	*$ 482,189*

**The National Weather Experience, Parking, and FBO will contribute via a Payment In-Lieu of Taxes (PILOT), these values are yet to be determined*

Source: Hunden Partners

Dollars shown are not in present value dollars.

Onsite Sales Tax Projections

Full Development – Rock Creek TIF #4

The adjacent table shows the onsite sales tax revenue calculation that would be generated by all development within the Rock Creek TIF #4 district over 25 years. Hunden estimates that based on direct onsite spending these would generate an estimated $138 million over 25 years.

Moreover, although not directly applicable to TIF#4, the onsite hotels are estimated to generate $31 million in City of Norman HOT tax over 25 years.

On-Site Capturable Tax Impacts - Rock Creek Entertainment District #4 - Full Development

		2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25
SALES TAX REVENUES ($000s)												
Taxable Revenues ($000s)												
Retail & F&B		$ -	$ -	$ 58,659	$ 88,615	$ 91,273	$ 94,011	$ 96,832	$ 116,964	$ 120,473	$ 124,087	$ 193,323
Arena		$ -	$ -	$ 19,740	$ 22,630	$ 25,671	$ 26,441	$ 27,234	$ 28,051	$ 28,893	$ 29,760	$ 46,365
Weather Experience		$ -	$ -	$ -	$ 4,367	$ 4,425	$ 4,401	$ 4,047	$ 4,168	$ 4,293	$ 4,422	$ 6,890
Hotel		$ -	$ -	$ 9,565	$ 11,120	$ 12,002	$ 12,232	$ 12,551	$ 19,984	$ 20,826	$ 21,626	$ 33,129
Total Sales Tax		$ -	$ -	$ 87,965	$ 126,732	$ 133,371	$ 137,086	$ 140,664	$ 169,168	$ 174,485	$ 179,895	$ 279,706
Sales Tax Avail for TIF Fundings ($000s)	Rate											
State	4.500%	$ -	$ -	$ 3,958	$ 5,703	$ 6,002	$ 6,169	$ 6,330	$ 7,613	$ 7,852	$ 8,095	$ 12,587
Cleveland County Jail	0.125%	$ -	$ -	$ 110	$ 158	$ 167	$ 171	$ 176	$ 211	$ 218	$ 225	$ 350
City General Fund	2.300%	$ -	$ -	$ 2,023	$ 2,915	$ 3,068	$ 3,153	$ 3,235	$ 3,891	$ 4,013	$ 4,138	$ 6,433
City of Norman Capital Projects	0.700%	$ -	$ -	$ 616	$ 887	$ 934	$ 960	$ 985	$ 1,184	$ 1,221	$ 1,259	$ 1,958
City of Norman Public Safety	0.500%	$ -	$ -	$ 440	$ 634	$ 667	$ 685	$ 703	$ 846	$ 872	$ 899	$ 1,399
City of Norman Public Transit	0.125%	$ -	$ -	$ 110	$ 158	$ 167	$ 171	$ 176	$ 211	$ 218	$ 225	$ 350
Norman Forward Projects	0.500%	$ -	$ -	$ 440	$ 634	$ 667	$ 685	$ 703	$ 846	$ 872	$ 899	$ 1,399
Total		$ -	$ -	$ 7,697	$ 11,089	$ 11,670	$ 11,995	$ 12,308	$ 14,802	$ 15,267	$ 15,741	$ 24,474
Sales Tax Avail for TIF Fundings ($000s)	Available?											
State		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cleveland County Jail		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City General Fund		$ -	$ -	$ 2,023	$ 2,915	$ 3,068	$ 3,153	$ 3,235	$ 3,891	$ 4,013	$ 4,138	$ 6,433
City of Norman Capital Projects		$ -	$ -	$ 616	$ 887	$ 934	$ 960	$ 985	$ 1,184	$ 1,221	$ 1,259	$ 1,958
City of Norman Public Safety		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City of Norman Public Transit		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Norman Forward Projects		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total		$ -	$ -	$ 2,639	$ 3,802	$ 4,001	$ 4,113	$ 4,220	$ 5,075	$ 5,235	$ 5,397	$ 8,391
Cumulative		*$ -*	*$ -*	*$ 2,639*	*$ 6,441*	*$ 10,442*	*$ 14,555*	*$ 18,775*	*$ 23,850*	*$ 29,084*	*$ 34,481*	*$ 137,676*
Non-TIF Additional On-Site Tax Impacts ($000s)												
City Hotel Occupancy Tax	8.000%	$ -	$ -	$ 507	$ 591	$ 641	$ 657	$ 673	$ 1,185	$ 1,239	$ 1,290	$ 1,969
Total		$ -	$ -	$ 507	$ 591	$ 641	$ 657	$ 673	$ 1,185	$ 1,239	$ 1,290	$ 1,969
Cumulative				*$ 507*	*$ 1,097*	*$ 1,738*	*$ 2,395*	*$ 3,068*	*$ 4,253*	*$ 5,492*	*$ 6,782*	*$ 31,031*

Source: Hunden Partners

Dollars shown are not in present value dollars.

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With professionals in Chicago, San Diego, and Minneapolis, Hunden provides a variety of services for all stages of destination development in:

- Real Estate Market & Financial Feasibility
- Economic, Fiscal & Employment Impact Analysis (Cost/Benefit)
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- Public Incentive Analysis
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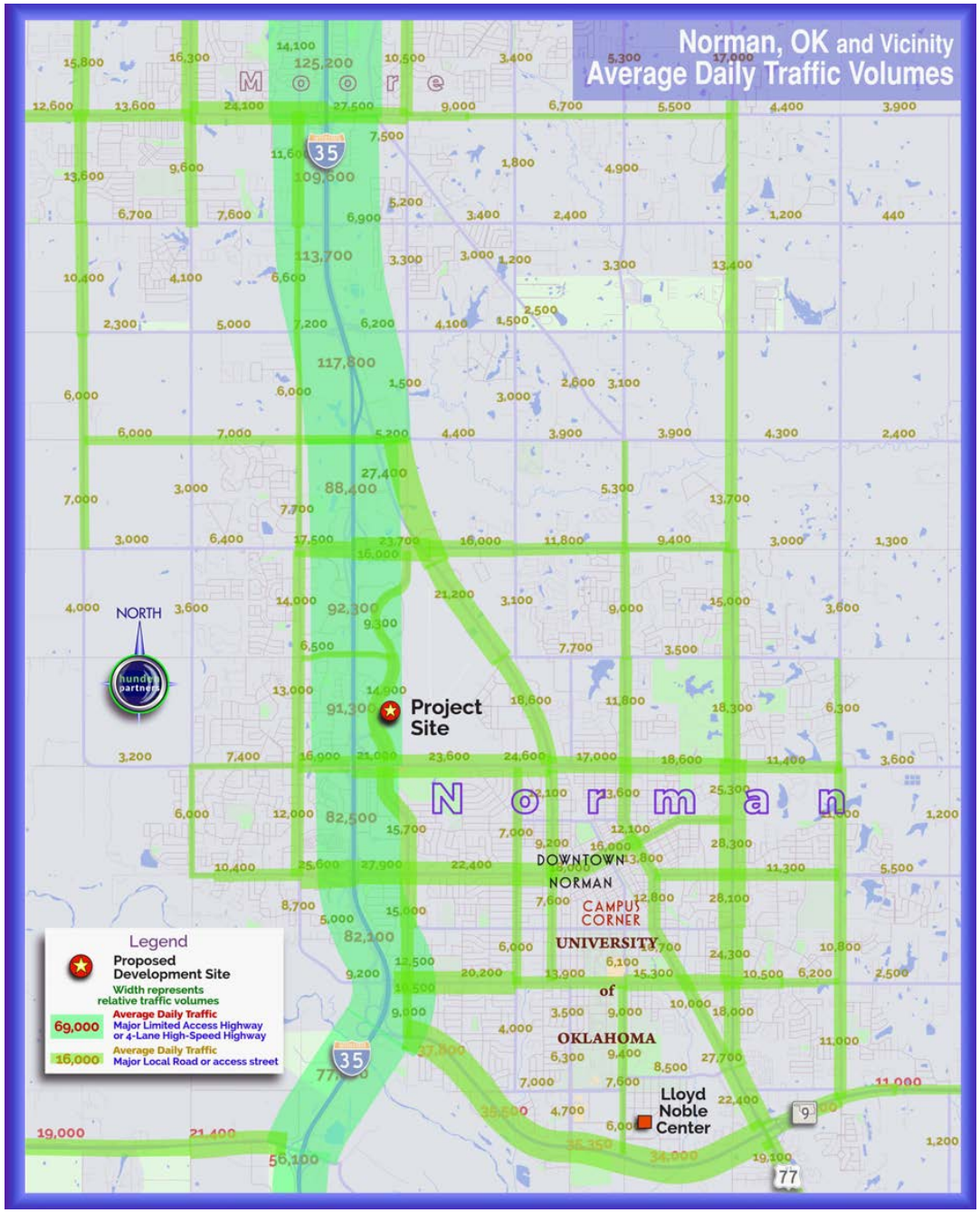
Appendix

Local Traffic Counts



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CITY OF NORMAN, OK

STAFF REPORT

MEETING DATE: 09/17/2024

REQUESTER: Rick Knighton

PRESENTER: Rick Knighton, Interim City Attorney

ITEM TITLE: CONSIDERATION OF ADOPTION, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF ORDINANCE O-2425-2 UPON SECOND AND FINAL READING: AN ORDINANCE OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, APPROVING AND ADOPTING THE ROCK CREEK ENTERTAINMENT DISTRICT PROJECT PLAN; DESIGNATING AND ADOPTING PROJECT AREA AND INCREMENT DISTRICT BOUNDARIES; SETTING EFFECTIVE DATES FOR THE INCREMENT DISTRICTS; ADOPTING CERTAIN FINDINGS; AUTHORIZING THE CITY OF NORMAN AND THE NORMAN TAX INCREMENT FINANCE AUTHORITY TO CARRY OUT AND ADMINISTER THE PROJECT PLAN; RATIFYING AND CONFIRMING THE ACTIONS, RECOMMENDATIONS AND FINDINGS OF THE REVIEW COMMITTEE AND THE NORMAN PLANNING COMMISSION; AND PROVIDING FOR THE SEVERABILITY THEREOF.

BACKGROUND:

Team Norman was formed a year or so ago to ensure collaboration between a broad and diverse coalition of organizations, including the University of Oklahoma and the City of Norman. On September 6, 2023, Team Norman announced a proposal for the creation of an Entertainment District, anchored by a multi-purpose performance venue, as well as office and residential uses, generally located between Rock Creek Road and Tecumseh Road in the area known as University North Park. Under the initial proposal, a combination of University and private resources would combine to finance approximately 40% of the total arena construction costs, while the University would only use approximately 25% of the event dates. Team Norman asked the City to consider funding the remainder of the amount necessary to finance the construction costs for the performance venue and additional infrastructure utilizing tax increment financing.

Tax increment financing (“TIF”) is a tool authorized by the Local Development Act (the “Act”) that utilizes the growth in sales and/or ad valorem taxes generated within a specified district to fund public improvements in the designated project area. In order for a TIF district to be created, a Project Plan must first be created meeting all statutory requirements, including providing a list of all proposed improvements, estimated project costs, and proposed uses of property within the District. The Project Plan is reviewed by a Review Committee to determine

project eligibility, financial impact on taxing jurisdictions and business activities within the district, and ultimately, to make a recommendation to City Council regarding the project. The Project Plan is also reviewed by the Planning Commission for a recommendation to the City Council. Two public hearings are required, with special notice provisions, prior to Council's formal consideration of the Project Plan.

On November 14, 2023, the City Council adopted Resolution R-2324-89 declaring its intent to consider approval of a project plan and the creation of one or more tax increment districts, directing the preparation of a project plan, appointing the review committee, directing the review committee to make findings as to eligibility and financial impact, if any, on taxing jurisdictions and business activities within the proposed districts, and directing the review committee to make a recommendation with respect to the proposed project. City Staff and outside counsel began developing the project plan while financial impact studies were being conducted by the Oklahoma Department of Commerce and Hunden Partners. These studies are attached to the Project Plan as Exhibit E and F.

The Review Committee began meeting in April and on May 23, 2024 adopted a resolution recommending Council approval of the Rock Creek Entertainment District Project Plan (the "Project Plan") and making certain findings as required by the Local Development Act. The Planning Commission reviewed the Project Plan on June 13, 2024 and recommended Council adoption of the Project Plan. Resolutions adopted by Council, the Statutory Review Committee and the Planning Commission are attached for your reference.

As required by the Local Development Act, two public hearings are required prior to Council's adoption of the Project Plan by Ordinance O-2425-2. The first public hearing is scheduled to coincide with first reading of the Ordinance on September 3, 2024. The purpose of first hearing is to answer questions regarding the Project Plan. The purpose of the second hearing will be for members of the public to give their opinion of the proposal. The second hearing is scheduled for September 17, 2024. Notice has been published for both hearings in accordance with the Local Development Act requirements.

DISCUSSION:

The Rock Creek Entertainment District Project Plan (the "Project Plan") creates two increment districts. Increment District No. 4 is a sales tax increment district that would allocate 100% of the sales tax increment (defined as the non-dedicated portion of the City's sales and use taxes generated within the District) beginning May 1, 2025 and lasting for a maximum of 25 years pursuant to the Act. Increment District No. 5 is an ad valorem increment district that would allocate 100% of the ad valorem increment (defined as the ad valorem taxes in excess of the base assessed values of property within the District) beginning December 31, 2026 and lasting for a maximum of 25 years pursuant to the Act. Funds generated within the Increment Districts will be held by the Norman Tax Increment Finance Authority (the "Authority") for authorized project costs.

The Project Plan authorizes project costs up to $600 million for expenditure on Administration/Implementation and Assistance in Development Financing. Assistance in Development Financing is intended to assist the Developer to finance $230 million in private development costs related to the construction of an arena and a parking garage serving the arena, as well as additional needed infrastructure. Any state funds received pursuant to the

Leverage Act will also be provided to the developer for the improvements. The lesser of 2% of the ad valorem increment or $200,000 per year will be allocated to the Authority for costs related to the creation and implementation of the Project Plan.

The Act requires that the review committee consider and determine whether the proposed plan and project will have a financial impact on any taxing jurisdiction and business activities within the proposed district and shall report its findings to the governing body. Such impacts are discussed in Article XI (C) and (D) of the Project Plan. Staff asked its outside counsel to contract with HVS Convention Sports and Entertainment Facilities Consulting to look beyond the direct impact of the project on the City and examine indirect impacts that may result from the project. The HVS study is attached for Council's review.

Ordinance O-2425-2 is a legislative act adopting the Project Plan. It does not create a contractual obligation. Because of this, Staff and outside counsel have also been working with the Developer on an Economic Development Agreement (the "EDA") that would spell out the structure and the details related to how tax increment might be expended in furtherance of the project. The EDA is still being finalized and should be considered concurrently with the Rock Creek Entertainment District Project Plan on Second and Final Reading.

RECOMMENDATION:

Staff forwards Ordinance O-2425-2 to Council for consideration on Second and Final Reading.

ROCK CREEK

ENTERTAINMENT DISTRICT PROJECT PLAN

PREPARED BY:

THE CITY OF NORMAN, OKLAHOMA

Approved by the Statutory Review Committee, May 23, 2024
Approved by the Norman Planning Commission, June 13, 2024

I. DESCRIPTION OF PROJECT

The Rock Creek Entertainment District Project Plan is a project plan as defined under the Oklahoma Local Development Act, 62 O.S. § 850, *et seq.* ("Act"), and is referred to here as the "Project Plan." The Project is being undertaken by the City of Norman, Oklahoma ("City") to develop an area of town that has remained largely undeveloped. By developing the property with uses including office, retail, hotel, and residential, anchored by a multi-purpose arena and public plaza ("Project"), the City's hope is to incentivize private investment in this area of the City, which abuts Interstate 35. The development will help achieve some of the City's development objectives, improve the quality of life for its citizens, stimulate private investment, and enhance the tax base. The Project includes the development of a multi-purpose arena to be used by the University Oklahoma basketball and gymnastics teams and as the venue for high school and other sports activities as well as concerts and other performances. The development also includes commercial and retail uses with restaurants and bars and a public festival plaza street, a public parking garage, as well as over 1000 residential units.

In 2006, the City approved a project plan and created an increment district for an area that includes the property where the Project is contemplated, as well as property immediately to the south (respectively, "Original UNP Project Plan" and "Original UNP Project" or "TIF No. 2"). The Original UNP Project resulted in a large retail development, one that generates more visits than any other retail center in central Oklahoma and $13,400,000 in estimated annual sales tax revenue. Certain components of the Original UNP Project were left unrealized. In 2018, the City explored an amendment to the Original UNP Project to provide public financial assistance towards an arena and entertainment district. That amendment did not move forward; the proposal was tabled. At that time, the City, by approval of Ordinance O-1920-24, also terminated the apportionment of new incremental tax revenues for TIF No. 2, which was created in the adoption of the Original UNP Project Plan and amended the authorized projects for which incremental tax revenues could be used.[1]

The opportunity for an arena and entertainment district has presented itself again, along with significant residential development. The City is positioned to pursue its development objectives, capitalize on the retail development immediately adjacent, and complete the development of the area through the approval and implementation of the Project.

This Project Plan is a critical element in fostering public-private partnerships to make the Project happen and can be achieved by means of the financing tools available under the Act, including the establishment of an increment district. An increment district provides funding for public sector costs to stimulate the development and provide public improvements to the area. The Project will be financed from a combination of public and private sources.

II. BOUNDARIES OF PROJECT AREA AND INCREMENT DISTRICTS

The Project Area is the area in which Project activities will take place and Project expenditures may be made and can be generally described as the area between Interstate 35 on the west, the western edge of the Westheimer Airport on the east, Tecumseh Road on the north, and just south of Rock Creek Road on the south.

[1] As of the date of this Project Plan, there remain unexpended incremental tax revenues from TIF No. 2 that may still be used for eligible project costs described in the Original UNP Project Plan.

The increment districts are the area in which incremental tax revenues will be collected. Increment District No. 4 is a sales tax increment district and will become effective on May 1, 2025. Increment District No. 5 is an ad valorem increment district and will become effective on December 31, 2026. The boundaries of Increment District No. 4 and Increment District No. 5 are coextensive with the boundaries of the Project Area.

The legal description of the Project Area, Increment District No. 4, and Increment District No. 5 is provided in Exhibit A and boundaries are depicted on Exhibit A-1.

III. ELIGIBILITY OF PROJECT AREA

In order to establish a tax increment district, Section 856(B)(4)(a) of the Act requires the City to find that the proposed Project Area or Increment Districts meets one of the following criteria:

(1) Is a reinvestment area,

(2) Is a historic preservation area,

(3) Is an enterprise area, or

(4) Is a combination of the areas specified in divisions (1), (2) and (3) of this subparagraph.

All of Increment District No. 4, Increment District No. 5, and the Project Area lie within a state-designated enterprise zone, and therefore qualifies as an enterprise area. A map showing the enterprise zone boundaries is attached as Exhibit B.

IV. OBJECTIVES

The principal objectives of the Project are:

A. To retain or expand employment, to attract major investment in the area, and reverse economic stagnation.

B. To preserve and enhance the tax base and make possible investment, development, and economic growth that would otherwise be difficult without the Project and the apportionment of incremental tax revenues.

C. To stimulate private commitments to invest and reinvest in the area.

V. STATEMENT OF PRINCIPAL ACTIONS

Implementation actions for the Project, including all necessary, appropriate, and supportive steps, will consist principally of providing financial assistance toward the following:

A. Project planning, design, and approval.

B. Construction of public improvements, streets, streetscapes, utilities and other public infrastructure and facilities serving the Project Area, including appropriate landscape improvements, a public festival plaza, lighting, signage, and sidewalks serving the area.

C. Support of the Project, which redevelops and activates vacant property.

VI. ESTABLISHMENT OF INCREMENT DISTRICTS

A. This Project Plan establishes Increment District No. 4, a sales tax increment district, which will become effective on May 1, 2025. The increment of the City's sales and use taxes generated by Increment District No. 4 is a portion of the City's non-dedicated and capital improvements sales tax attributable to investment and development within Increment District No. 4. The sales tax increment shall be 3% of the gross proceeds or gross receipts derived from all sales in Increment District No. 4 that are taxable under the sales tax code of Oklahoma (including any and all amendments thereto and revisions thereof), to be collected only from the non-dedicated (General Fund) and Capital Improvements portions of the City's sales taxes. The sales tax increment shall also include 3% of the gross proceeds or gross receipts generated by investment, construction, and development that is taxable under the sales tax code of Oklahoma, that takes place in Increment District No. 4 pursuant to a development agreement under which development financing assistance is provided from sales tax ("Economic Development Agreement") and which obligates the developer to provide periodic reporting of sales and use taxes paid in connection with construction projects within Increment District No. 4 (increment sales tax from taxable sales and from construction activity, collectively, "Sales Tax Increment"). The Sales Tax Increment may be used to pay Project Costs authorized pursuant to Section IX of this Project Plan, for a period not to exceed 25 fiscal years from the effective date of Increment District No. 4, or the period required for payment of the Project Costs authorized pursuant to Section IX of this Plan, whichever is less. The Sales Tax Increment may be supplemented by state local government matching payments pursuant to the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act, 62 O.S. § 840, *et seq.* ("Leverage Act").

B. This Project Plan establishes Increment District No. 5, an ad valorem increment district. Increment District No. 5 will become effective on December 31, 2026.

C. The increment of ad valorem taxes from Increment District No. 5 in excess of the base assessed values of Increment District No. 5 ("Ad Valorem Increment") shall be apportioned to pay Project Costs authorized pursuant to Section IX of this Project Plan for a period not to exceed 25 fiscal years from the effective date of Increment District No. 5, or the period required for the payment of the Project Costs authorized pursuant to Section IX of this Project Plan, whichever is less.

D. During the period of apportionment, the apportionment fund (1) shall be available to pay Project Costs under Section IX, (2) shall constitute special funds of the Norman Tax Increment Finance Authority ("Authority"), and (3) shall not be subject to annual appropriation as a part of the General Fund of the City.

VII. OVERSIGHT AND APPROVAL OF INCREMENTAL TAX REVENUES FOR PROJECT COSTS

A. Oversight Procedures.

Prior to expenditure of funds from the Increment Districts established under this Project Plan, the proposed development and budgetary allocation of increment shall be considered and approved in accordance with the procedures contained in this Section VII.

B. Initiation of the Consideration and Approval Process.

Initiation of the consideration and approval process for expenditures within the Project Area shall be undertaken by City staff, acting under such procedures as the City may prescribe from time to time.

C. City and Authority Approval.

All budgetary allocations and expenditures of funds from the Increment Districts established under this Project Plan shall be approved by the City Council or, subject to legally sufficient delegation by City Council, the board of trustees of the Authority.

VIII. PROJECT AND INCREMENT DISTRICTS AUTHORIZATIONS

A. The City of Norman is designated and authorized as the principal public entity to carry out and administer the provisions of this Project Plan and to exercise all powers necessary or appropriate thereto as provided in the Act, 62 O.S. § 854.

B. The Authority is authorized and designated to carry out those provisions of the Project Plan related to issuance of bonds or notes as provided in Section 863 of the Act, subject to approval of the governing body of the City of any specific notes or bonds. The Authority is authorized to assist in carrying out this Project Plan and to exercise all powers necessary or appropriate thereto pursuant to Section 854 of the Act, except for approval of this Project Plan and those powers enumerated in paragraphs 1, 2, 3, 4, 7, 13 and 16 of Section 854, which are reserved by the City. As a public entity designated by the City, the Authority is authorized to: (1) issue tax apportionment bonds or notes, or both; (2) incur Project Costs, pursuant to Section IX of this Project Plan; (3) provide funds to or reimburse the City for the payment of Project Costs; (4) incur the cost of issuance of bonds for payment of such costs and to accumulate appropriate reserves, if any, in connection with them; and (5) enter into an Economic Development Agreement with the Project's developer for the provision of Assistance in Development Financing. Project Costs shall mean (a) the public costs authorized to be paid by apportioned tax increments pursuant to Section IX of this Project Plan, and (b) costs necessary or appropriate to implement this Project Plan other than costs authorized by Section IX, which may be authorized without amendment to this Project Plan.

C. Darrel Pyle, City Manager, or his successor in office, or his designee shall be the person in charge of implementation of the Project Plan in accordance with the provisions, authorizations, and respective delegations of responsibilities contained in this Project Plan. The City Manager or his designee is authorized to empower one or more designees to exercise responsibilities in connection with Project implementation.

IX. BUDGET OF ESTIMATED PROJECT COSTS TO BE FINANCED BY TAXES APPORTIONED FROM THE INCREMENT DISTRICTS

A. The Project Costs that will be financed by the apportionment of incremental tax revenues from Increment District No. 4 and Increment District No. 5 are:

1. Generally.

The costs to incur or to be incurred by the City and the Authority in implementing and administering this Project Plan, including, but not limited to, payment and/or reimbursement of costs advanced in connection with the preparation and approval of this Project Plan, administrative costs, organizational costs, professional services costs, and financing costs and fees.

2. Authorized Project Cost Limits.

Authorized Project Costs include Assistance in Development Financing and Administration/Implementation. The amount of Assistance in Development Financing shall not exceed $600,000,000. The amount of Administration/Implementation shall not exceed $200,000 annually and $5,000,000 total. The amount of total authorized collections and expenditures are $600,000,000. The Maximum Authorized Collections/Expenditures and the amounts authorized for each individual Project Cost Budget category are based on the maximum amount of Assistance in Development Financing to be authorized by an Economic Development Agreement between the Authority and the Project's developer, which will provide for the Project's developer and its development partners to shoulder the full cost and financing risk toward the Project's construction, development, and operations, and will provide such Assistance in Development Financing solely as a pay-as-you-go contractual obligation from generated incremental tax revenues and supplemental funds from the State of Oklahoma, as more specifically outlined in subparagraph 3 below.

3. Assistance in Development Financing.

Assistance in Development Financing consists of amounts paid to the Project's developer to incentivize the Project and shall be limited to an amount equal to 100% of the Ad Valorem Increment less an amount equal to the lesser of (i) 2% of the Ad Valorem Increment, or (ii) $200,000, per year, which shall be retained by the Authority for Administrative/Implementation costs described in subparagraph 2 until the maximum level of Administration/Implementation costs described in subparagraph 2 has been reached, and 100% of the Sales Tax Increment, all of which shall not exceed the lesser of (a) the maximum amount of Assistance in Development Financing listed in subparagraph 2 above or (b) the amount necessary, in combination with 100% of any potential state local government matching payments received from the State of Oklahoma pursuant to the Leverage Act ("Leverage Act Payments"), for the Project's developer and its development partners to finance $230,000,000 in private development and public infrastructure costs. Leverage Act Payments will be supplemental and in addition to the maximum amount listed in authorized Project Cost limits in subparagraph 2 above, but will be applied to the private financing assistance cap described in (b) of this subparagraph. Any amounts of Assistance in Development Financing and Leverage Act Payments that are paid to the Project's developer in excess of the amounts necessary to make the Project's developer's financing payments annually are anticipated to be paid toward the outstanding principal on such financing, and any accumulated funds in any required reserve account remaining unexpended toward such financing when such financing is retired will either be applied toward the costs of paying off such financing or else will be returned to the Authority for distribution to the affected taxing entities as specific revenue source payments in proportion to the sales and ad valorem levies that contributed to the payments.

4. Administration/Implementation.

Authorized administration and implementation costs consist of direct administrative costs (including reasonable charges for time spent by City and Authority employees in connection with this Project Plan), organizational costs, and other incidental costs involved with creating and publicizing the consideration of this Project Plan, Increment District No. 4, and Increment District No. 5. Administration and implementation costs shall be limited to the lesser of (i) 2% of the Ad Valorem Increment, or (ii)

$200,000, per year, which shall be retained by the Authority for Administrative/Implementation costs described in subparagraph 2.

B. The incremental tax revenues expected to be generated from the Increment Districts and authorized for payment of Project Costs within the Project Area are as follows:

Increment District No. 4	$151,000,000
Increment District No. 5	$389,000,000

The amounts set forth above in this Section IX(B) are estimated collections and not limits on increment collections from Increment District No. 4 or Increment District No. 5. Increment collections will be limited only to such amounts as needed to pay all project costs described in Section IX.A.2.

Incremental tax revenues are anticipated to be supplemented by up to $151,000,000 or more in potential Leverage Act Payments.

C. Additional costs necessary or appropriate to implement this Project Plan that are to be financed by other than apportioned Ad Valorem Increment and Sales Tax Increment may be approved by the City at any time. The provisions of this Section IX are not a limitation on Project Costs to be financed by other than apportioned Ad Valorem Increment and Sales Tax Increment.

X. FINANCING PLAN AND REVENUE SOURCES

A. Financing Plan.

The proposed private development is projected to generate tax increments necessary to pay authorized public costs of the Project. The financing of the projected private development in the area will be provided by private equity and debt financed by the Project's developer and its development partners and secured by the private development. It is anticipated that incremental tax revenues will be paid as Assistance in Development Financing once increments are generated by the Project. Such Assistance in Development Financing shall be paid in accordance with an Economic Development Agreement and are intended to provide up to $230,000,000 in present value toward construction of an arena and a parking garage serving the arena and toward the costs of infrastructure to be dedicated to the public, which is anticipated to be comprised of approximately $190,000,000 in present value toward construction of an arena and a parking garage serving the arena, both of which will be components of the Project, and approximately $40,000,000 in present value toward the costs of infrastructure to be dedicated to the public. The Assistance in Development Financing is anticipated to be provided through a contractual obligation that provides such assistance on a pay-as-you-go basis. Neither the City nor the Authority intend to authorize or issue any public debt to finance any of the costs of the Project.

B. Financing Authorizations.

The implementation of the Project Plan shall be financed in accordance with financial authorizations, including both fund and asset transfers, as may be authorized from time to time by the City.

C. Financing Revenue Sources.

The revenue sources expected to finance Project Costs authorized by Section IX are the portion of the incremental tax revenue attributable to investment and development within Increment District No. 4 and Increment District No. 5. Project Costs will be paid by the City and/or the Authority.

D. Financial Reports and Audits.

The redevelopment activities undertaken by the City, pursuant to this Project Plan, shall be accounted for and reported by the appropriate and necessary annual fiscal year audits and reports.

E. Other Necessary and Supporting Costs.

The Authority is authorized to issue bonds and notes and to apply for and obtain grants from other sources for costs incurred or to be incurred in connection with the Project and the construction of improvements therein in addition to Project Costs to be financed pursuant to Section IX.

XI. ESTIMATED PRIVATE AND PUBLIC INVESTMENTS STIMULATED BY THE PROJECT, ASSOCIATED IMPACTS ON BUSINESS ACTIVITIES, AND FINANCIAL IMPACTS ON TAXING JURISDICTIONS

A. Estimated Private and Public Investment.

The total estimated investment in the Project is over $1 billion, including the estimated public investment described in Section IX above. Private investment in the area is expected to consist of the Project and its various new residential, retail, office, commercial, arena, parking garage, and hotel development, along with necessary adjacent public improvements. The Project will be financed by the developer and the developer's partners. Public investment will include Assistance in Development Financing to contribute to the construction of the Project, including the arena, parking garage, infrastructure improvements, landscaping, and streetscape improvements.

B. Estimated Public Revenue.

The incremental tax revenues, which will serve as the revenue source for financing the Project Costs authorized by Section IX, is the public revenue directly attributable to the Project defined by establishment of Increment District No. 4 and Increment District No. 5. The City, the State, and other taxing entities should anticipate experiencing increases in tax revenues that are not a part of the incremental tax revenues. Incremental tax revenues are anticipated to be supplemented by potential Leverage Act Payments.

Incremental tax revenues anticipated to be collected and apportioned pursuant to this Project Plan are estimated to average $30,000,000 annually upon build out. The public revenue anticipated includes increased tax revenue both inside and outside Increment District No. 4 and Increment District No. 5, as well as the potential Leverage Act Payments. The economic benefits of the Project Plan indicate positive financial impacts for the community as a whole. The aggregate impacts on the City from implementation of the Project Plan are positive and include the achievement of the objectives set forth in Section IV.

C. Impacts on Business Activities.

The Project is anticipated to increase business activity within the Increment Districts and Project Area by adding new businesses and residences. Measuring the specific impacts of the Project on business activities and the greater community is more difficult. An economic analysis commissioned by the Norman Economic Development Coalition and conducted by the Oklahoma Department of Commerce indicates that the Project will generate over 4,600 jobs and contribute over $350 million per year to the state's Gross Domestic Product ("GDP") once the Project has been completed, and those figures would increase to upwards of 6,600 jobs and $454 million in annual GDP during peak construction years. The Department of Commerce report indicates that job growth and GDP effects will not be limited to the City and will be seen in surrounding communities and the state as a whole. A copy of the Department of Commerce's report is attached to this Project Plan as Exhibit E.

Another report commissioned by the Cleveland County Industrial Development Authority and performed by Hunden Partners includes an analysis of the Project's market demand, feasibility, and economic impacts. Hunden Partners' report estimates a little over 1,000 direct jobs and approximately 800 additional indirectly-generated or induced jobs, all of which bring with it approximately $1.8 billion in net new earnings over a 25-year period. In addition to employment impacts and related earnings, the Hunden Report also looked at net new consumer spending that the Project might generate, and concluded that direct, indirect, and induced new spending from the Project in Cleveland County as a whole would total over $4.5 billion over 25 years. Hunden estimates that 17% of the direct on-site sales on the Project would be net new in Cleveland County, and most of that will be from recaptured spending that currently occurs in Oklahoma County. Hunden also estimates that 78% of new office tenants and 14% of the new prospective residents who will lease the residences proposed as part of the Project will be new to the County. A copy of the Hunden Partners report is attached to this Project Plan as Exhibit F.

D. Financial Impacts on Taxing Jurisdictions.

1. Norman Public Schools.

Norman Public Schools may experience growth in enrollment as a result of the Project's employment, new residences, and the ancillary economic impacts from the Project. The financial impacts of this enrollment growth may be mitigated by the fact that only 14% of the proposed residents in the residential components of the Project will be new to Cleveland County (according to the Hunden report). Depending on from where in Cleveland County the other 86% of the new residents will be relocating, the overall growth levels may be minimal or significant. The table below shows estimated scenarios for new enrollment and corresponding new/increased State School Aid in Year 10 of the Project (i.e., upon Project buildout and stabilization), based on how many new residents may relocate to the Project from within or outside of Norman Public Schools' jurisdiction:[2]

[2] Assumptions: (a) residential units would add residents at the average household size for the City of Norman per U.S. Census (2.4 persons per household) and those residents would include a percentage population under age 18 equal to the City of Norman's demographics according to the U.S. Census; (b) state appropriations for State Aid would start at 2023-2024 levels and increase 2% annually; (c) post-stabilization occupancy rate will be 93% listed in Hunden Partners Report.

Year 10:	14% Residents New to NPS[3]	25% Residents New to NPS[4]	40% Residents New to NPS[5]
– *New Enrollment*	95	171	273

Norman Public Schools should anticipate an increase in non-sinking fund ad valorem tax revenue of approximately $7,900,000 annually upon termination of Increment District No. 5. Assuming no major changes in the Oklahoma State School Aid formula and no major shifts in Norman Public Schools' ratio of ad valorem valuation to student population at that time, the State Aid formula will offset approximately 79% of that new non-sinking fund ad valorem tax revenue, resulting in a net increase of non-sinking fund revenue to the school district of approximately $1,680,000 annually.

2. Cleveland County.

A demand for increased services from Cleveland County is anticipated to result from the Project. Projections show new ad valorem tax revenue to the County upon completion of the Project and expiration of Increment District No. 5 of approximately $1,900,000 annually. Additional ad valorem and sales tax revenues for the County may be generated by increased consumer spending and GDP growth anticipated to be observed within Cleveland County due to the Project.

3. Cleveland County Health Department.

Demand for increased services from the Cleveland County Health Department ("CCHD") anticipated to result from the Project are not quantifiable at present, but some may be anticipated. Projections show that CCHD should anticipate receiving additional operational ad valorem revenue annually approximating $495,000 upon termination of Increment District No. 5, not including any ad valorem tax revenue growth from new residential and commercial construction that will occur outside of the Project but within CCHD's jurisdiction as a result of increased GDP experienced in the County.

4. Moore Norman Technology Center.

Demand for increased services from Moore Norman Technology Center ("MNTC") anticipated to result from the Project are not quantifiable at present, but some may be anticipated. Opportunities for complementary job training programs (including, but not limited to construction-related trades) may be utilized through the public and private construction projects anticipated. In addition, MNTC should anticipate receiving approximately $2,900,000 in non-sinking fund ad valorem tax revenue annually upon Increment District No. 5's termination, not including any ad valorem revenue growth from new residential and commercial construction that will occur outside of the Project as a result of increased GDP experienced in MNTC's jurisdiction.

[3] Minimum number of new residents, based on number of residents anticipated to be new to Cleveland County in Hunden Partners report.

[4] Includes minimum number of residents new to Cleveland County from the Hunden Partners report, plus an additional 11% of new residents moving to the Project from outside of Norman Public Schools jurisdiction.

[5] Includes minimum number of residents new to Cleveland County from the Hunden Partners report, plus an additional 26% of new residents moving to the Project from outside of Norman Public Schools jurisdiction.

5. Pioneer Multi-County Library System.

Demand for increased services from Pioneer Multi-County Library System ("Pioneer Library") anticipated to result from the Project are not quantifiable at present, but some may be anticipated. Pioneer Library should anticipate receiving approximately $1,100,000 in non-sinking fund ad valorem tax revenue annually upon Increment District No. 5's termination, not including any ad valorem revenue growth from new residential and commercial construction that will occur outside of the Project as a result of increased GDP experienced in Pioneer Library's jurisdiction.

6. City of Norman.

The Project likely has the largest impacts on the City. As stated in Section VI(B) herein, the Sales Tax Increment is 3% of the City's sales tax revenue, which includes only the non-dedicated (General Fund) and Capital Improvement portions of the City's sales tax rate. The City's sales tax projections show over $32 million in City sales taxes generated over the life of Increment District No. 4 that will not be increment—$23.2 million each to the City's Public Safety fund, $3.3 million to Norman Forward funds,[6] and $5.8 million to the City's Public Transit fund. The hotel component of the Project is also anticipated to generate $8 million in hotel occupancy taxes to the City over the 25-year life of Increment District No. 4, which will not be apportioned as increment.

The Hunden Partners report indicates that 17% of the retail anticipated to be generated by the Project will be net new to Cleveland County. It is unknown at this time how much additional retail activity will result from activity new to the City from other locations within Cleveland County, though it is worth noting that, aside from the retail sales from the Lloyd Noble Center that would take place instead at the new arena, the concept provided for the Project indicates that nearly all of the retail is anticipated to be small-scale stores and entertainment businesses, not major retail outlets. The Project's developer or its affiliate also owns a significant portion of the University North Park shopping center immediately to the south of the Project and has a strong incentive to avoid cannibalization from or relocation of existing retailers.

It is anticipated that additional sales tax revenues outside of the Project Area will be generated because of the Project due to the increased gross domestic product, consumer spending, and local earnings from the Project. The Hunden Partners report and the Department of Commerce report do not quantify those indirect impacts, however. The Hunden Partners report indicates that the Project will generate $608 million in City of Norman taxes over 25 years.

Upon completion, the City will become responsible for maintenance of all new public infrastructure and improvements anticipated to be constructed by the Project, in addition to providing police, fire, parks, and other general municipal services to serve the Project. It is anticipated that the arena will operate independently of the City, with no direct revenue or expense impacts on City operational funds. Additionally, a portion of the costs associated with the maintenance of certain infrastructure, improvements, and transportation may be borne by an improvement district created under the Oklahoma Improvement District Act, 11 O.S. § 39-101, *et seq.*, covering the Project Area, or by a property owners' association or other mechanism.

[6] Norman Forward is set to sunset in 2030. If the voters elect to reenact or renew it beyond that date, additional revenues will be available.

XII. LAND USE

Existing uses and conditions of real property in the Project Area are shown on the map attached as Exhibit C. The proposed improvements to and the proposed uses of the real property in the Project Area are shown on Exhibit D.

XIII. MISCELLANEOUS PROVISIONS

An amendment to the existing Planned Unit Development (Ordinance O-2122-21) is necessary to accommodate this Project, and an application to amend is pending as of the date of this Project Plan. Property owners are responsible for all required zoning changes necessary to accommodate the Project. This Project Plan complies with the objectives and priorities of the Norman 2025 Plan, the City's Comprehensive Plan.

EXHIBIT A

Project Area, Increment District No. 4, and Increment District No. 5
Legal Description

A tract of land beginning in the West quarter of Section 13, and the East Half of Section 14, and the Northwest Quarter of Section 24, and the Northeast Quarter of Section 23, all in Township 9 North, Range 3 West of Indian Meridian, Norman, Cleveland County, Oklahoma, and being more particularly described as follows:

Beginning at the northeast corner of Thedford Addition, Norman, Cleveland County, Oklahoma;

Thence south 639.11’;

Thence west 660’, said point being the northeast addition corner of University North Park XVII Addition;

Thence south 503.88’;

Thence south 89 degrees west 596.33’;

Thence south 3182’ along the east right-of-way line of Interstate 35;

Thence east 190’;

Thence south 81 degrees east 495’;

Thence south 84 degrees east 65‘;

Thence south 180’ to a point on north right-of-way line of Rock Creek Road;

Thence south 32 degrees east 73.54’

Thence south 250’;

Thence west 159.49’;

Thence south 23 degrees west 54.45’;

Thence west 162.29;

Thence south 86.29’;

Thence south 67 degrees east 401’;

Thence north 22 degrees east 141.19’;

Thence north 42.18’, to a point being southwest corner of lot 1A Block 1, University North Park Section VI;

Thence east 433.4’;

Thence north 14 degrees east 14.89’;

Thence south 76 degrees east 184.16’;

Thence east 41.09’;

Thence north 65’, said point being northwest corner lot 6A block 1 University North Park section VI;

Thence south 87degrees east 430’ to a point on east right-of-way line NW 24th Ave;

Thence on a non-tangent curve to the right R=1965.41’ cord bearing south 14 degrees west 750’ to a point being the southwest corner of lot 1 block 3 of University North Park Section XXI;

Thence south 87 degrees east 333.87’;

Thence south 70 degrees east 234.39’;

Thence north 1 degree east 842.87’;

Thence south 89 degrees east 539.59’;

Thence north 1635.98’;

Thence west 559.68’;

Thence north 7 degrees east 489.83’;

Thence east 496.47’;

Thence north 00 degrees, 38 minutes west 1741.56’;

Thence west 470’;

Thence north along a curve to the east, having a radius of 936.15’ a distance of 600.12';

Thence north 260’;

Thence east 233’;

Thence north 158.45’;

Thence west 233’;

Thence north 173.29’;

Thence west 1330’, to the point of beginning.

AND

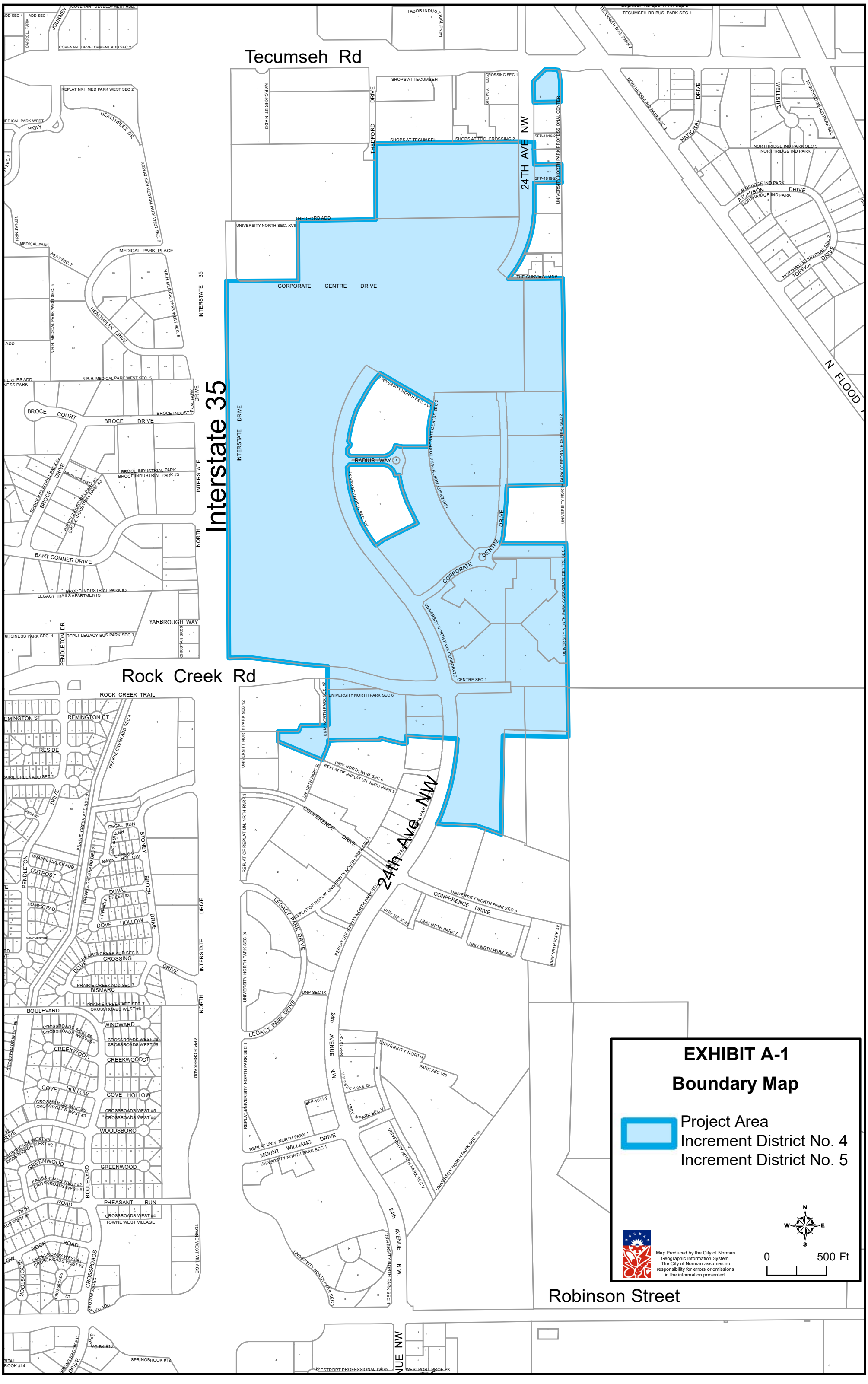
A tract of land lying in the northwest corner of Section 13, and the Northeast Quarter of Section 14, all in Township 9 North, Range 3 West of Indian Meridian, Norman, Cleveland County, Oklahoma, and being more particularly described as follows:

University North Park Professional Center Lot 1 Block 1

LESS AND EXCEPT

Two tracts of land lying in the East half of Section 14, in Township 9 North, Range 3 West of Indian Meridian, Norman, Cleveland County, Oklahoma, and being more particularly described as follows:

University North Park Section XIV Lot 1 Block 1 and University North Park Section XVI Lot 1 Block 1


Tecumseh Rd
Rock Creek Rd
Robinson Street
Interstate 35
24th Ave NW
EXHIBIT A-1
Boundary Map
Project Area
Increment District No. 4
Increment District No. 5
Map Produced by the City of Norman Geographic Information System. The City of Norman assumes no responsibility for errors or omissions in the information presented.
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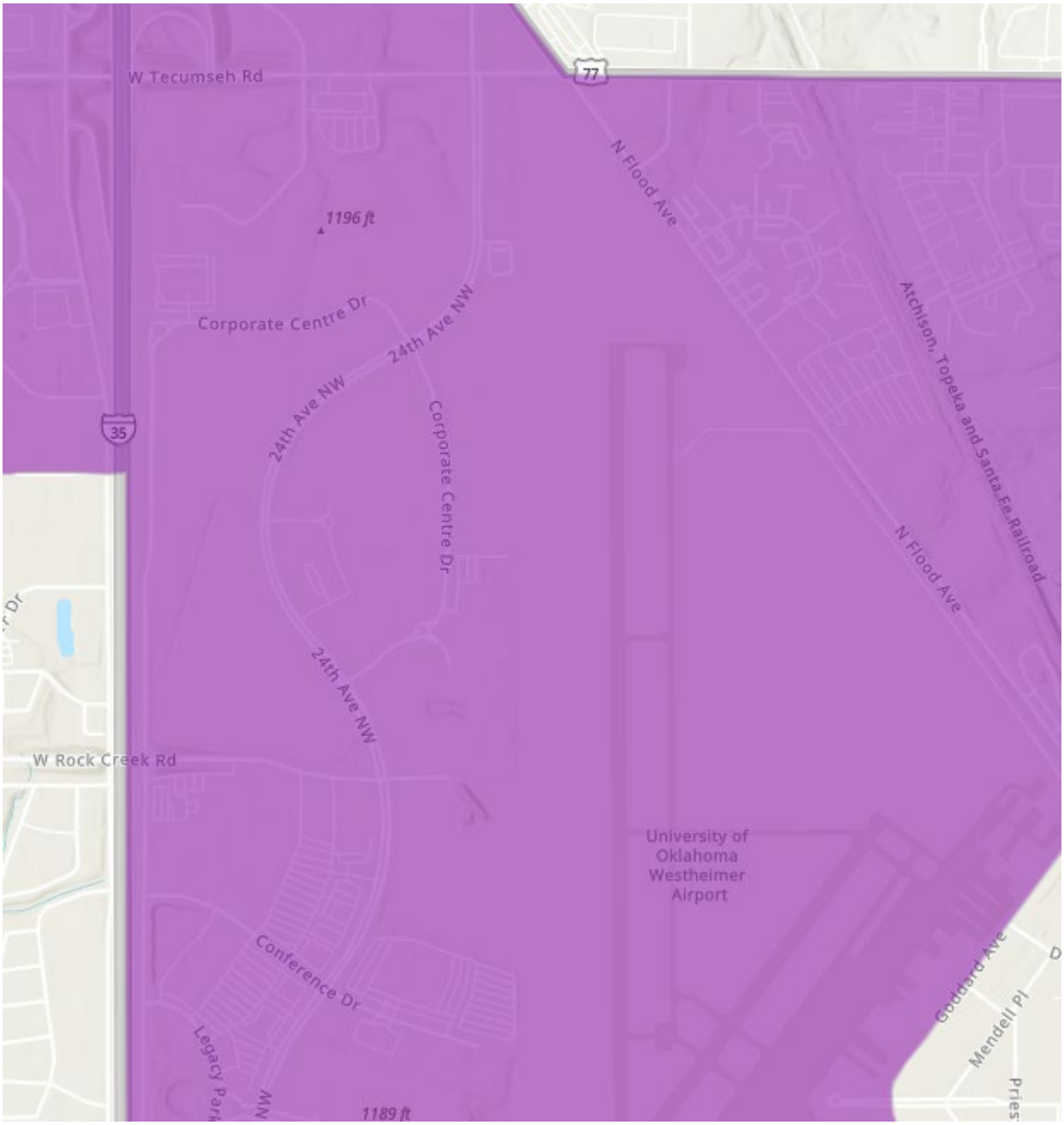
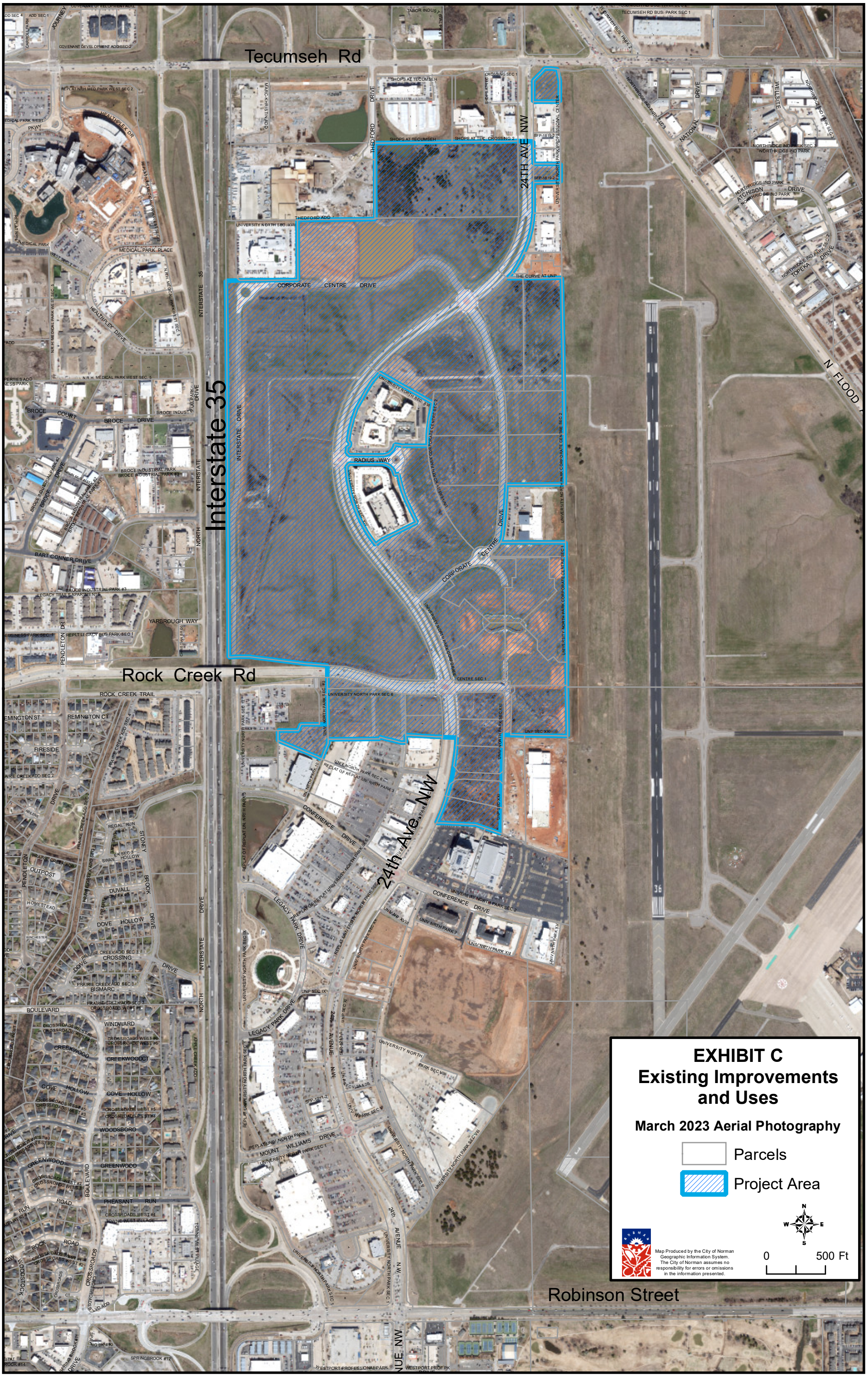
W
CORPORATE CENTRE DRIVE
UNIVERSITY NORTH PARK CORPORATE CENTRE SEC 1
UNIVERSITY NORTH PARK SEC 6
UNIV NORTH PARK SEC 6
REPLAT OF REPLAT UN. NRTH PARK 3
CONFERENCE DRIVE
UNIVERSITY NORTH PARK SEC 2
LEGACY PARK DRIVE
UNIVERSITY NORTH PARK SEC 1
UNIVERSITY NORTH PARK SEC V
UNIVERSITY NORTH PARK SEC VIII
THEDFORD ADD
UNIVERSITY NORTH SEC. XVII
SHOPS AT TECUMSEH
SHOPS AT TEC. CROSSING 2
CROSSING SEC 1
MARC-KHRISTIN ADD
THEDFORD DRIVE
24TH AVE NW
UNIVERSITY NORTH PARK PROFESSIONAL CENTER
THE CURVE AT UNP
RADIUS WAY
UNIVERSITY NORTH SEC. XIV
UNIVERSITY NORTH PARK CORPORATE CENTRE SEC 2
UNIVERSITY NORTH PARK CORPORATE CENTRE SEC 1
TABOR INDUS TRIAL PK #1
TECUMSEH RD BUS. PARK SEC 1
TECUMSEH BUS. PARK 2
NORTHRIDGE IND PARK SEC 3
NATIONAL DRIVE
WELLSITE
NORTHRIDGE IND PARK SEC 3
NORTHRIDGE IND PARK
ATCHISON DRIVE
NORTHRIDGE IND PARK SEC 2
TOPEKA DRIVE
N FLOOD
REPLAT NRH MED PARK WEST SEC 2
HEALTHPLEX DR
REPLAT NRH MEDICAL PARK WEST SEC 2
MEDICAL PARK PLACE
N.R.H. MEDICAL PARK WEST SEC 5
HEALTHPLEX DRIVE
N.R.H. MEDICAL PARK WEST SEC. 5
BROCE COURT
BROCE DRIVE
BROCE INDUSTRIAL PARK #3
BART CONNER DRIVE
LEGACY TRAILS APARTMENTS
YARBROUGH WAY
PENDLETON DR
REPLT LEGACY BUS PARK SEC 1
BUSINESS PARK SEC. 1
ROCK CREEK TRAIL
REMINGTON CT
FIRESIDE
PRAIRIE CREEK ADD SEC 4
PRAIRIE CREEK ADD SEC 2
PRAIRIE CREEK ADD SEC 3
PRAIRIE CREEK ADD SEC 8
PRAIRIE CREEK ADD SEC 3 CROSSROADS WEST #6
PRAIRIE CREEK ADD SEC 3 CROSSROADS WEST #5
PRAIRIE CREEK ADD SEC 3 CROSSROADS WEST #4
PRAIRIE CREEK ADD SEC 3 CROSSROADS WEST #3
PRAIRIE CREEK ADD SEC 3 CROSSROADS WEST #2
PRAIRIE CREEK ADD SEC 3 CROSSROADS WEST #1
PRAIRIE CREEK ADD
OUTPOST
HOMESTEAD
DUVALL CREEK #3
DOVE HOLLOW
BISMARC
BOULEVARD
WINDWARD
CREEKWOOD
CREEKWOOD CT
COVE HOLLOW
WOODSBORO
GREENWOOD
PHEASANT RUN
TOWNE WEST VILLAGE
ROCK ROAD
CROSSROADS BLVD ADD
APPLE CREEK ADD
SPRINGBROOK #12
WESTPORT PROFESSIONAL PARK
WESTPORT PROF PK
UNIVERSITY NORTH PARK SEC IX
UNP SEC IX
UNIV NRTH PARK 7
UNIV NRTH PARK XIII
UNIV NRTH PARK XV
UNIV NP XVIII
UNIVERSITY NORTH PARK SEC 2
UNIVERSITY NORTH PARK SEC 1
UNIVERSITY NORTH PARK SEC VIII
UNIVERSITY NORTH PARK SEC V
MOUNT WILLIAMS DRIVE
REPLAT UNIV. NORTH PARK 1
SFP-1011-2
SFP-1819-2
SFP-1819-1
SFP-1113-1
UNIV NORTH PARK SEC 12
UNIV NORTH PARK SEC 13
UNIV NORTH PARK 10
REPLAT OF REPLAT UNIVERSITY NORTH PARK SEC 3
REPLAT UNIVERSITY NORTH PARK SEC 1
UNIVERSITY NORTH PARK SEC 1
24th AVENUE N.W.
UNIVERSITY NORTH PARK SEC 1
UNIVERSITY NORTH PARK SEC V
UNIVERSITY NORTH PARK SEC VIII
UNIVERSITY NORTH PARK SEC 1
UNIVERSITY NORTH PARK SEC 1
UNIVERSITY NORTH PARK SEC 1

EXHIBIT B

ENTERPRISE ZONE BOUNDARY MAP




Tecumseh Rd
Rock Creek Rd
Robinson Street
Interstate 35
24th Ave NW
EXHIBIT C
Existing Improvements and Uses
March 2023 Aerial Photography
Parcels
Project Area
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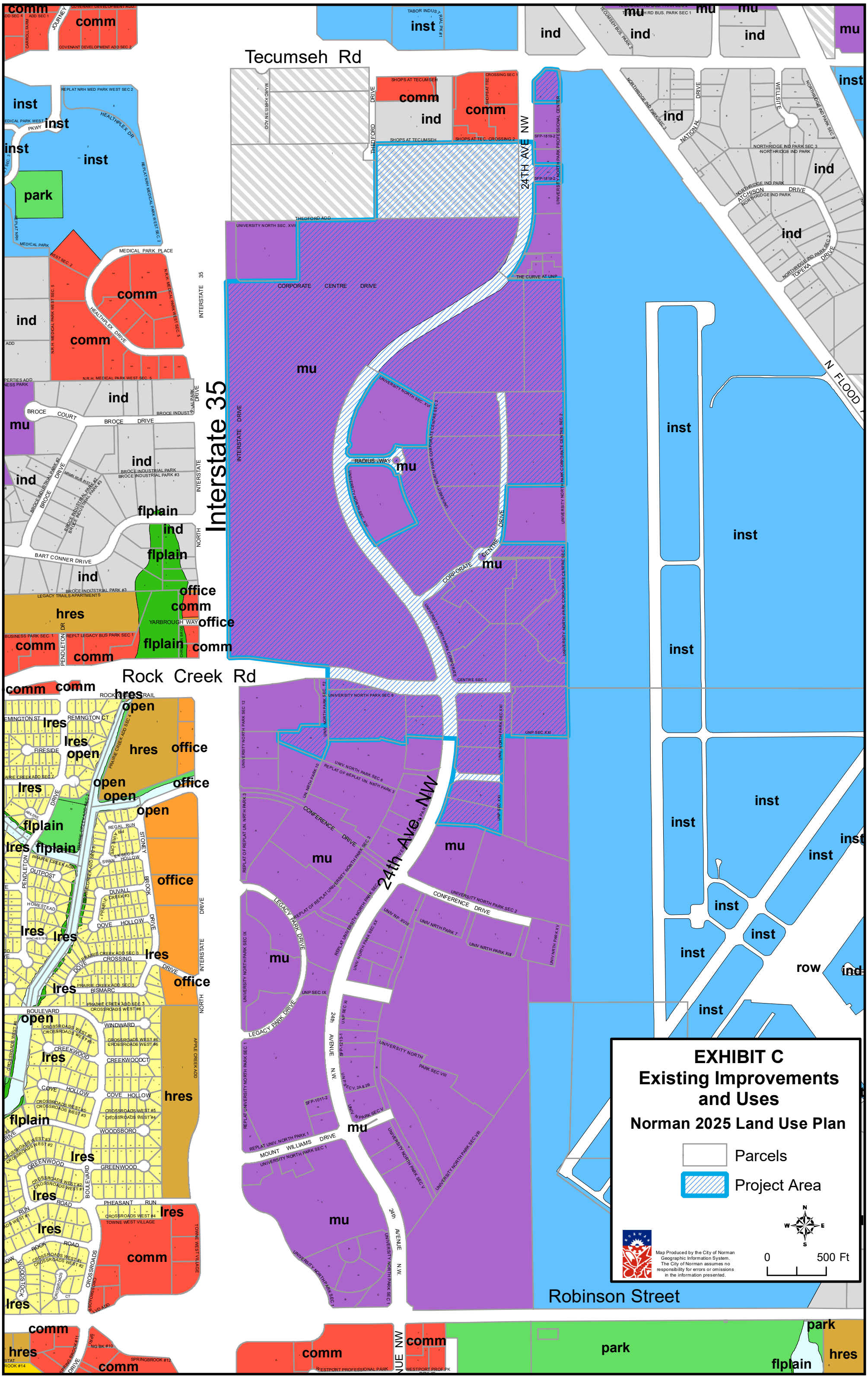
EXHIBIT C
Existing Improvements and Uses
Norman 2025 Land Use Plan
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Map Produced by the City of Norman Geographic Information System. The City of Norman assumes no responsibility for errors or omissions in the information presented.
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CONFERENCE DRIVE
LEGACY PARK DRIVE
MOUNT WILLIAMS DRIVE
THE CURVE AT UNP
RADIUS WAY
MEDICAL PARK PLACE
HEALTHPLEX DRIVE
BROCE COURT
BROCE DRIVE
BART CONNER DRIVE
YARBROUGH WAY
PENDLETON DR
THEDFORD DRIVE
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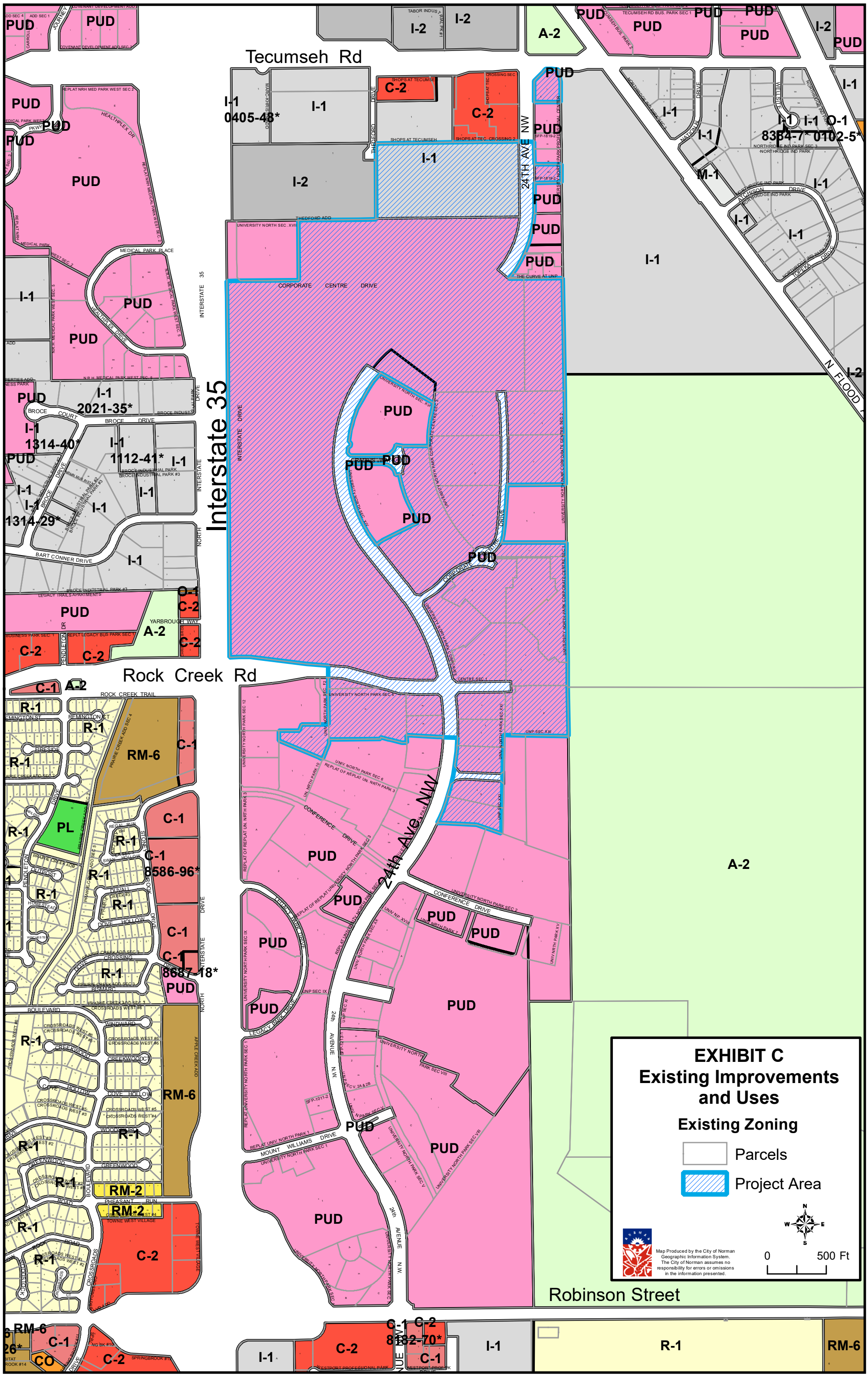
EXHIBIT C
Existing Improvements and Uses
Existing Zoning
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Map Produced by the City of Norman Geographic Information System. The City of Norman assumes no responsibility for errors or omissions in the information presented.
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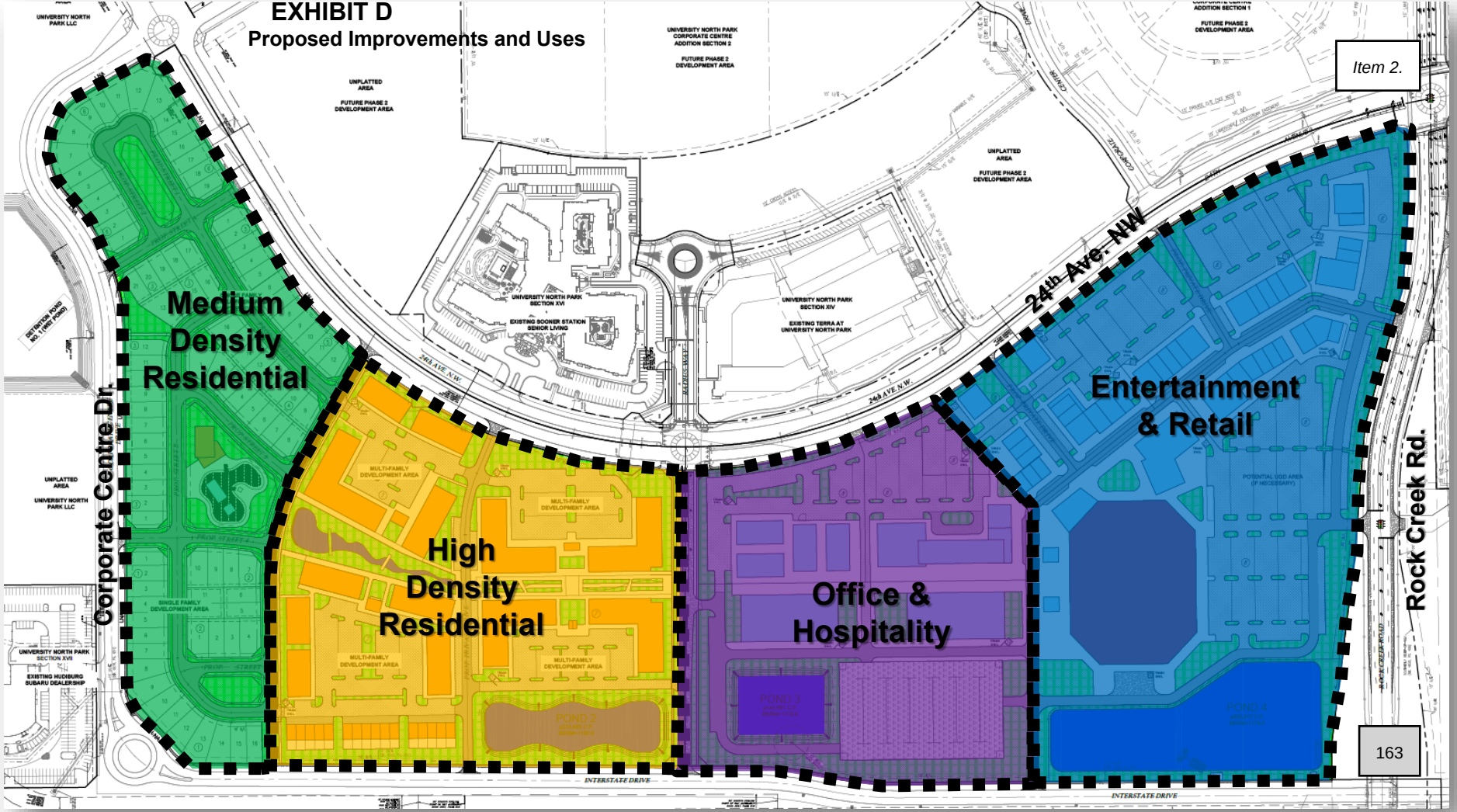
EXHIBIT D
Proposed Improvements and Uses



Oklahoma Department of Commerce

Economic Impact of Norman TIF District

Research and Economic Analysis Division

Aldwyn Sappleton and Jon Chiappe
4-3-2024

Economic Impact Methodology Summary

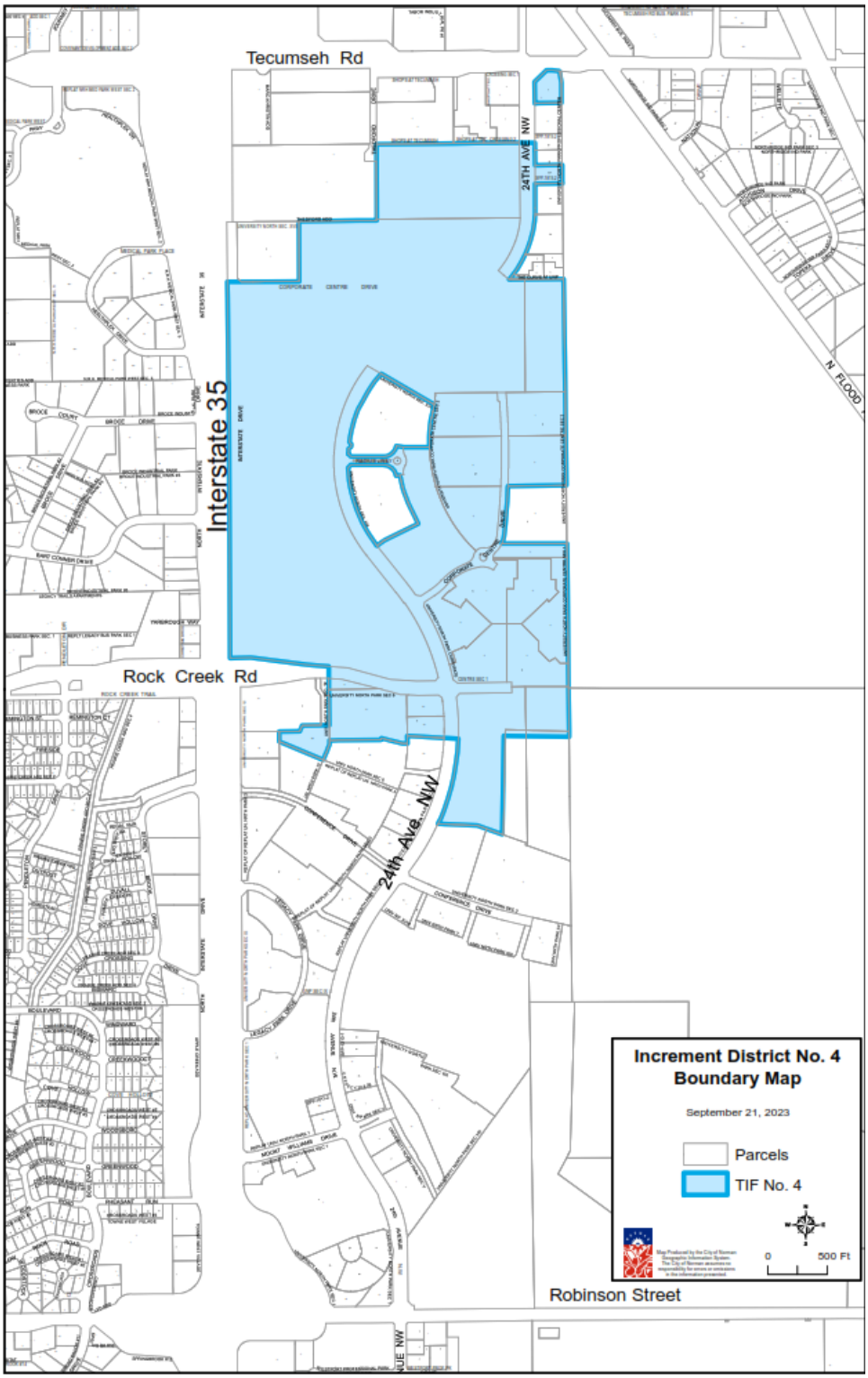
This report is based on estimates from key stakeholders that have provided building and operations costs of facilities included in the OU Foundation plan (See Appendix 2), along with proposed Norman Economic Development Coalition (NEDC) developments that have provided some level of commitment should the tax increment finance (TIF) area (see appendix 1) and arena be approved. The NEDC development primarily consist of a restaurant, a recreational/entertainment facility and a Weather Museum. The impact result reflects how each development has a staggered timeline that may not span the full life of the TIF. The National Weather Museum is a great example of an operation that was estimated to only capture 13 to 15 years of payments during the TIF. However, the impacts do span further outside timeline of the TIF. The estimate on the operations involved significant planning and adjustments to primarily include projects or operations that have a strong chance of meeting the proposed timelines in the development. Some operations did not have sales estimates but did have property tax calculations due to lack of scaling details. In this report there were no additional estimates on likely personal property that should be purchased to furnish and facilitate business operations within the proposed operations. Property values are estimated to increase 3% each year but are heavily offset by a depreciation schedule plus NPV discount rates to factor the time-value of money or cost of capital. A similar 3% growth was assumed for sales tax in the larger sales scenarios, but the discount rate fully covers that increase with an additional dampening effect evident in the net present value calculations.

The key figures for employment and GDP were generated using the REMI PI+ economic impact modeling tool. This tool is a dynamic policy model that takes into consideration cannibalization, business cycle, inflation and other regional and national factors. The GDP dollars communicated are in 2012 chained dollars, but inputs were pegged to 2022 dollar value. This economic impact report also considers the construction activities proposed in the overall TIF development (see appendix 1). Construction impacts are temporary in nature and will fade away shortly after construction activities have ended and workers move on to other geographies and/or projects. This report will look at employment, wages and GDP sales generated by the construction, and ongoing operation of businesses proposed by OU Foundation developers and the three NEDC prospects. Economic impacts are primarily influenced by three categories: direct, induced and indirect impacts. An analysis of the construction activities and ongoing operations of the University North Park developments (TIF area) yielded strong economic results. The results communicate the combined impacts from direct, indirect and induced activities. The direct impacts are measured by the direct jobs and investment listed by the developers. Those workers directly employed by proposed businesses earn wages that they in turn spend in the local economy (induced impacts from employee wages) to pay for food entertainment, housing and such. Indirect impacts occur when the proposed businesses spend significant dollars at local suppliers like Target, Crest, Home Depot, Lowes and others, on supplies to support their day-to-day operations. The impact results communicate the combined direct, indirect and induced impacts as a result of the proposed operations in the TIF.

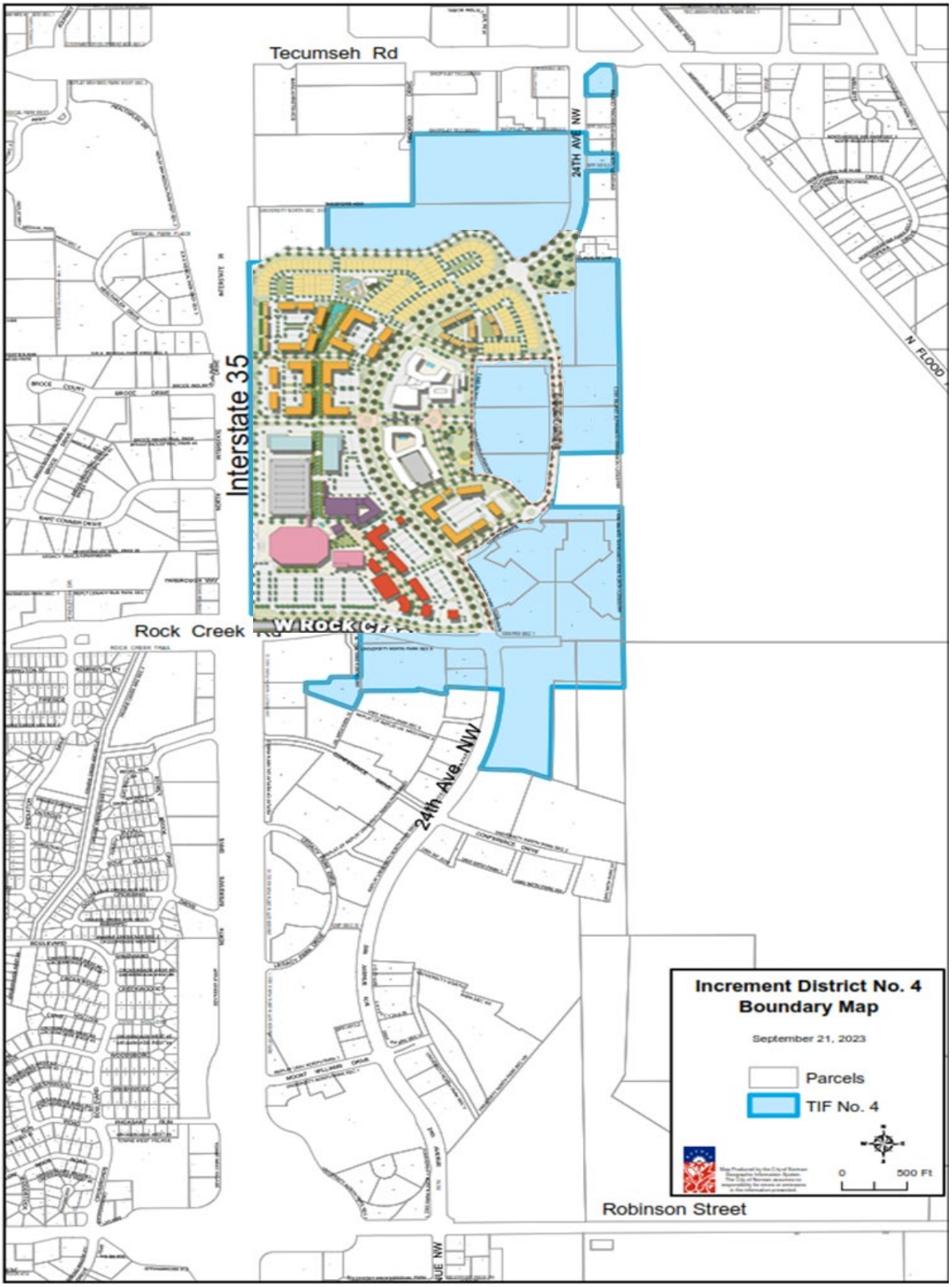
The estimates for property taxes and sales taxes are based on the direct estimates of sales or items subjected to sales tax during construction and operations of the facilities proposed to be located in the TIF. Additional developments outside the planned and measured impacts would yield higher results. Also, if the developments do not occur then estimated tax revenue and development costs would be reduced somewhat proportionally depending on the type of business operation. The exclusion of an Arena would have an outsized negative impact on the overall viability of the development.

The maps in Appendices 1 and 2 cover the proposed Project Area, but the current economic impact estimates are focused on planned developments within the Project Area.

Appendix 1: Map of proposed TIF District 4.



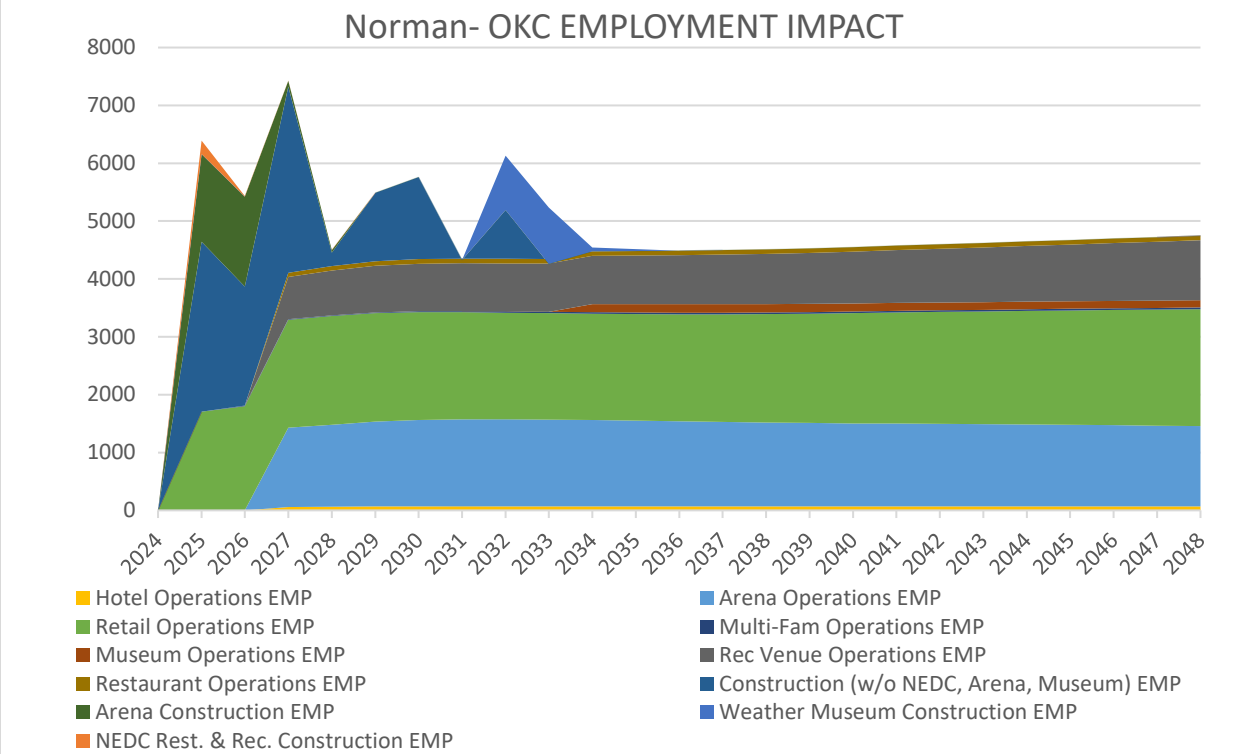
Appendix 2: Map of the OU Foundation Property overlayed onto TIF District 4.



Employment Impacts

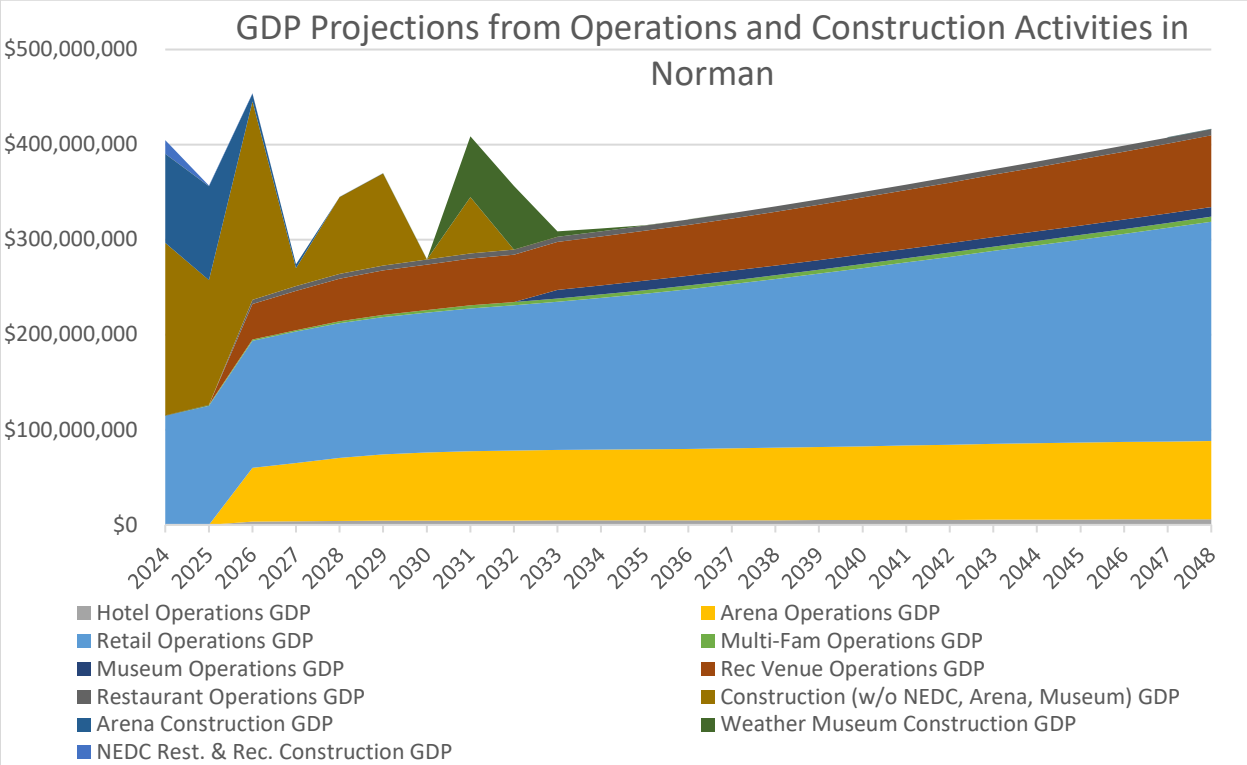
Employment impacts are estimated to top well over 7,400 jobs during peak construction periods. Construction without the NEDC projects would reduce the overall jobs impact to over 6,600 jobs. As illustrated in the chart below, those construction activities are temporary in nature and will fade over time, leaving sustained impacts that occur from the day-to-day operations of the proposed businesses in the TIF area. The construction employment increases roughly 8 to 10 years into the TIF based on estimated construction of the weather museum. After temporary construction activities have faded, the jobs impact from the current development plan is estimated to average over 4,600 jobs.

The full scale of jobs growth projected in this impact report will not be limited to Norman; surrounding communities and the state of Oklahoma are poised to be impact with net new overall job growth.



Gross Domestic Product (GDP)

The proposed NEDC and OU Foundation developments are estimated to add significant dollars in the local economy through construction activities and then the on-going operations of the businesses located in the TIF district. As with employment, construction activities are temporary in nature and contribute to significant spikes in the first half of the TIF – as construction fades, the longer-term effects from the day-to-day business will remain. Peak construction shows a high $454M in GDP added to the local economy. In post construction years that addition to GDP averages over $350M per year from normal operations.



The impact without the NEDC projects would be roughly $411M at peak construction and an average of $285M in GDP in the post construction years of the TIF.

FISCAL IMPACT

Ad Valorem

Total Potential Property Tax

Based on the initial value of the infrastructure planned by OU, NEDC and other developers the estimated property tax on those facilities are expressed in the chart below. The chart is reflective of lower property taxes over time due to depreciated property values. Personal property like machinery and equipment unique to business operations were not included with this analysis.

OU Foundation Valuations

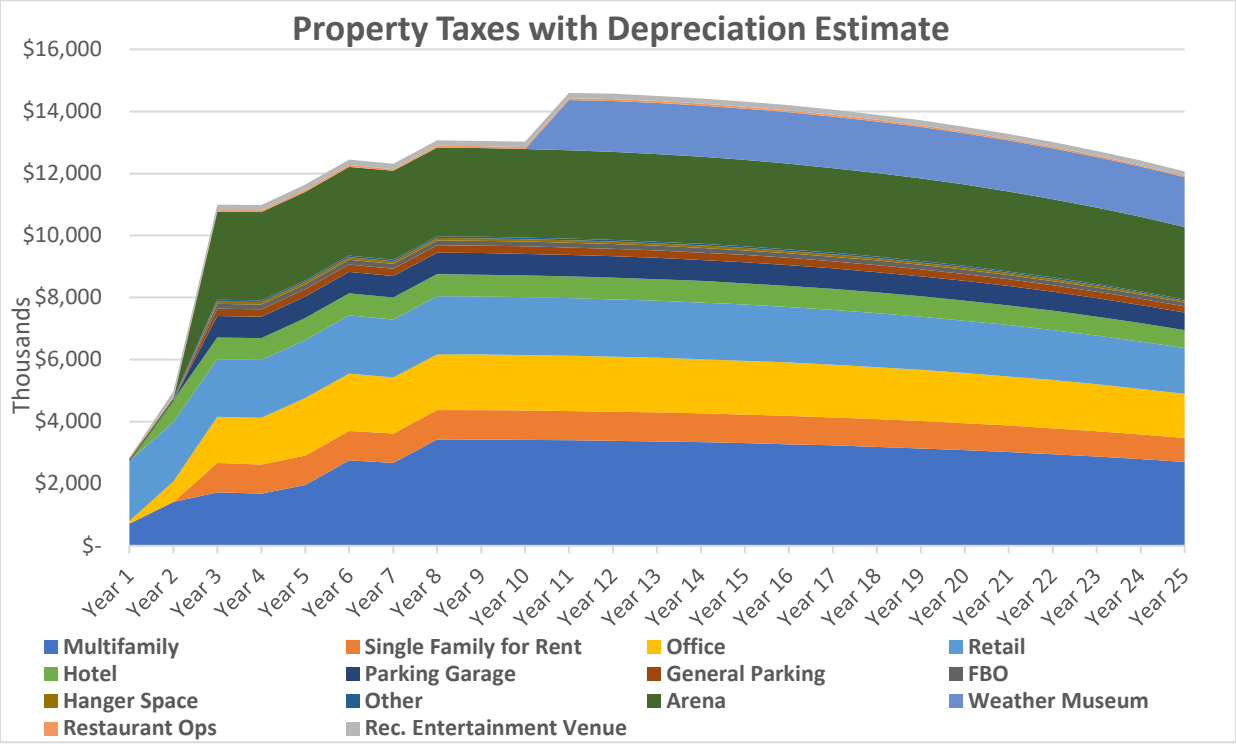
Over the life of the TIF, over $277 milion is estimated to be generated from property taxes alone. Without depreciation, that total potential tax would be much higher at $425 million.

- Total Potential Property Tax $425,213,366 (arena pays taxes thru a PILOT)
- Total with Depreciation $280,593,521
- **Total NPV (5%) with Depreciation** **$169,264,657**

With NEDC Properties Valuations

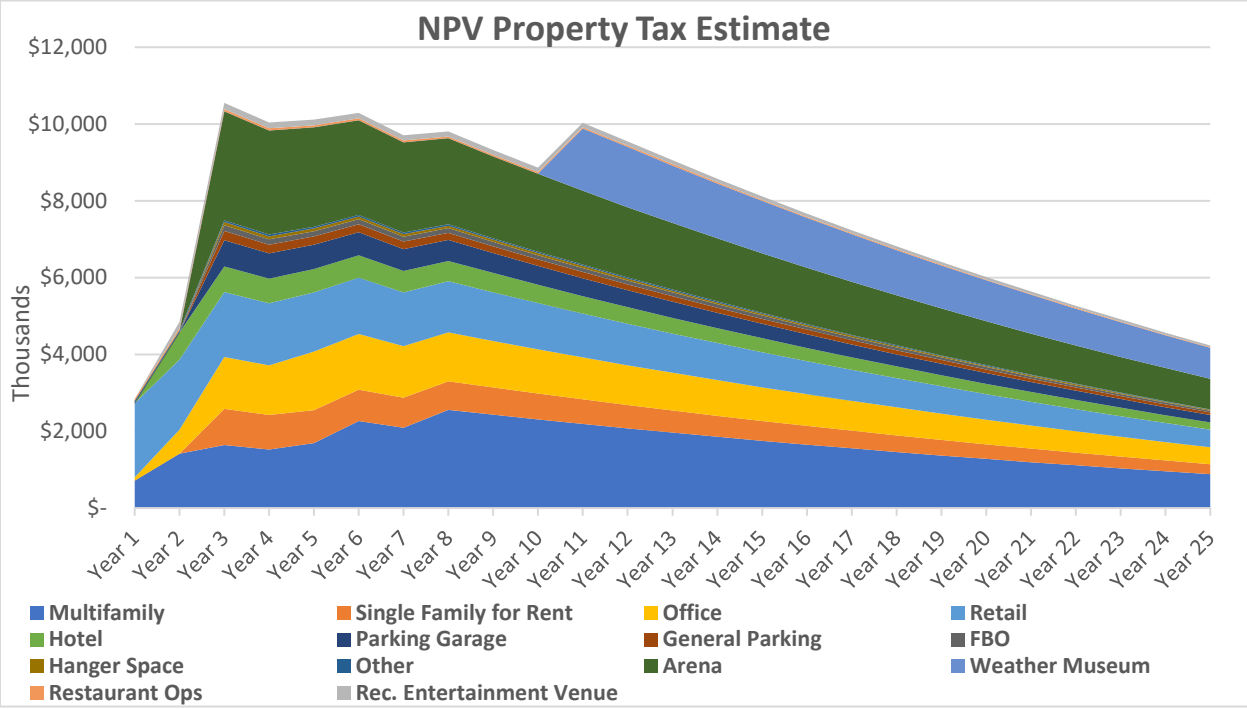
Over the life of the TIF, over $310 milion is estimated to be generated from property taxes alone. Without depreciation, that total potential tax would be much higher at $455 million.

- Total Potential Property Tax $463,145,932 (arena pays taxes thru a PILOT)
- Total with Depreciation $310,621,784
- **Total NPV (5%) with Depreciation** **$190,506,418**



Net Present Value (NPV) of Direct Property Taxes

The Net Present Value of Property Taxes factoring depreciation over the life of the TIF would lead to a relatively smaller return on taxes over time, mainly due to the time-value of money. The chart below shows peak taxes generated over the life of the TIF when projects come online. The overall NPV is over $169M for the original OU Foundation plan and over $190 million in property taxes with NEDC projects added.



- Total Potential Property Tax $425,213,366 (arena pays taxes thru a PILOT)
- Total with Depreciation $280,593,521
- **Total NPV (5%) with Depreciation** **$169,264,657**

With National Weather Experience Museum $115M facility

- Total Potential Property Tax $30,073,439 (15 Years of TIF start 2033)
- Total with Depreciation $24,646,488
- **Total NPV (5%) with Depreciation** **$17,922,737**

With NEDC Tecumseh Restaurant – Email commitment from large restaurant group

- Total Potential Property Tax $2,050,527 (23 Years of TIF)
- Total with Depreciation $1,416,866
- **Total NPV (5%) with Depreciation** **$889,661**

With NEDC Recreational Entertainment Venue – LOI received

- Total Potential Property Tax $5,808,599 (23 Years of TIF)
- Total with Depreciation $3,964,910
- **Total NPV (5%) with Depreciation** **$2,429,363**

Summary of Property Taxes- NEDC

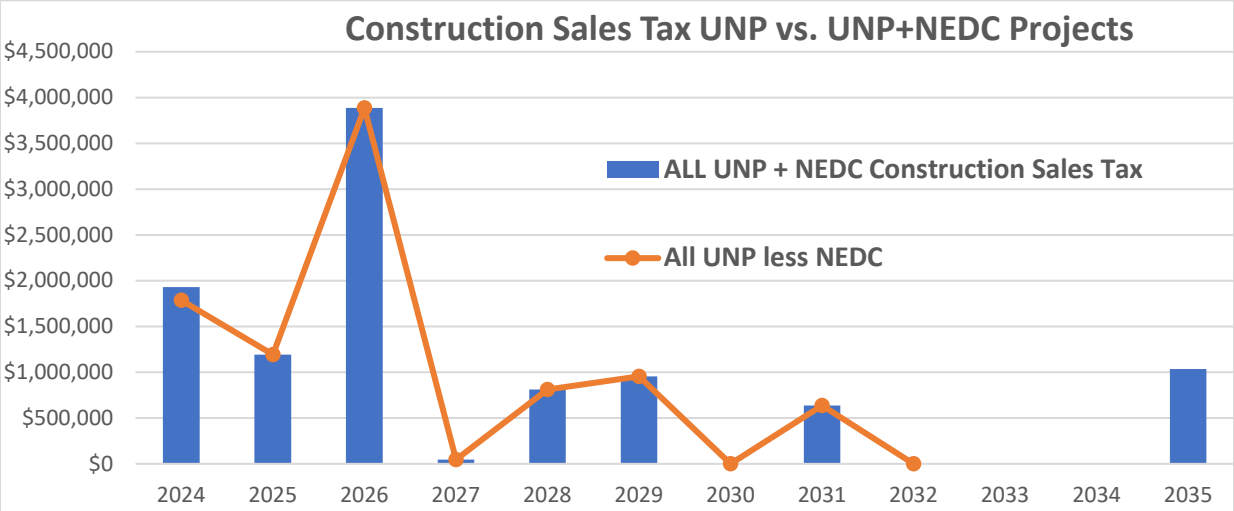
- Total Potential Property Tax $37,932,566 (Museum et al- All Private Ownership and/or pays taxes thru a PILOT)
- Total with Depreciation $30,028,263
- **Total NPV (5%) with Depreciation** **$21,241,761**

Grand Total Property Tax Estimate

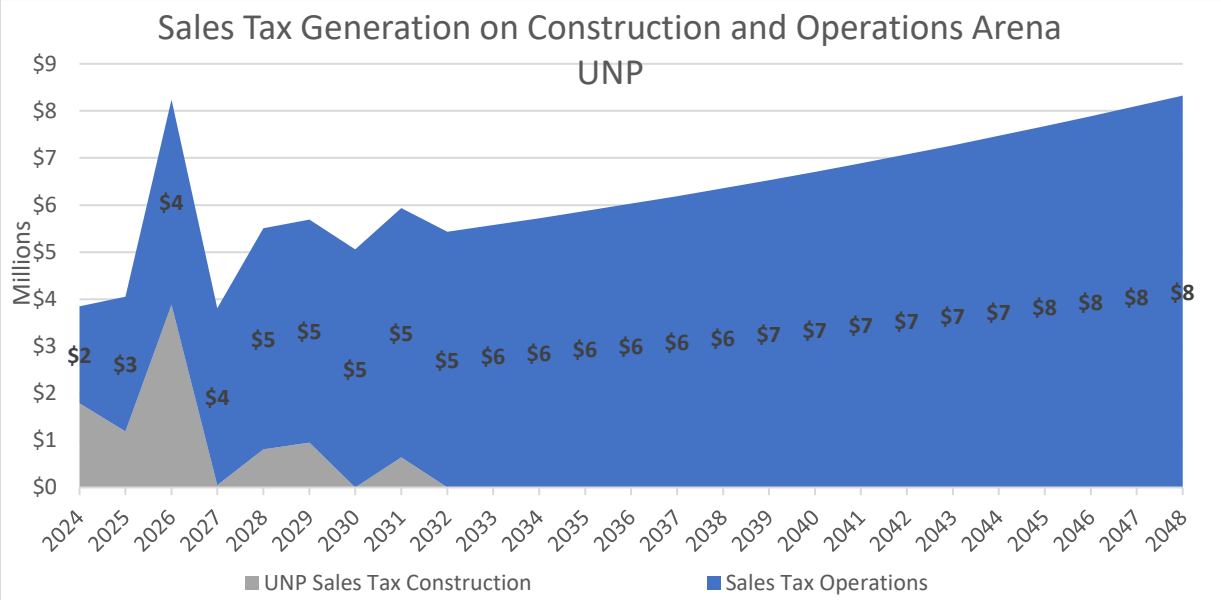
- Total Potential Property Tax $463,145,932 (arena pays taxes thru a PILOT)
- Total with Depreciation $310,621,784
- **Total NPV (5%) with Depreciation** **$190,506,418**

Sales Tax Estimates

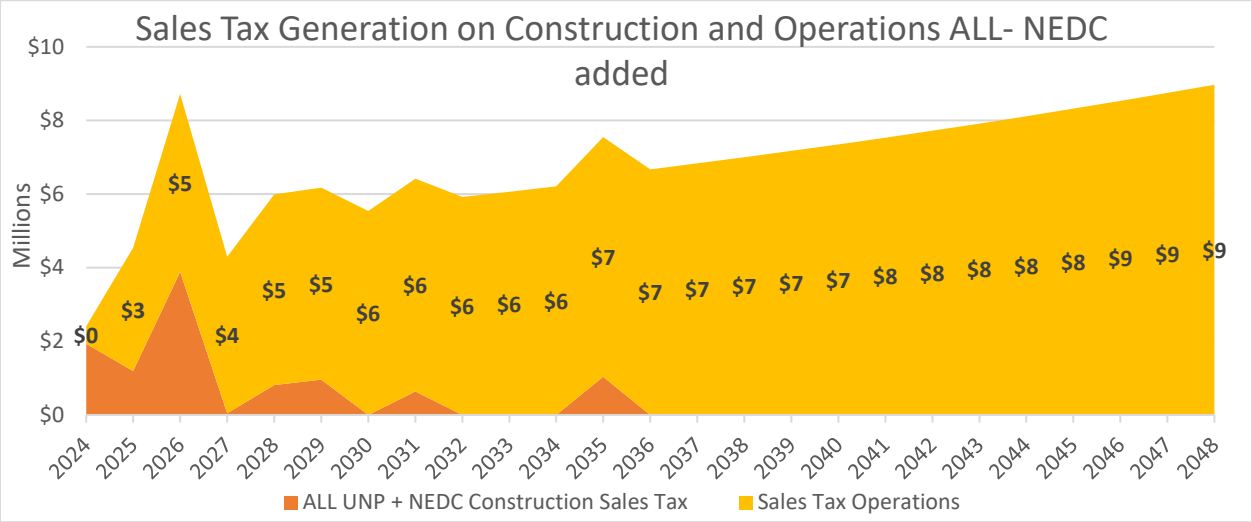
With a preliminary look at only construction sales taxes so far, we are estimating that just under $9 to $10.5 million in local sales taxes will be generated from construction activities through the proposed developments. This estimate assumes roughly 30-35% of the construction costs are spent in the TIF district on building materials that are subject to sales taxes. Other sources such as RSMeans show materials cost at over 45% for multifamily production as an example. The chart below shows construction sales tax with and without the NEDC projects based on a conservative material cost ratio.



Should Norman apply and get approval for programs such as the Leverage Act, the full amount of construction sales tax could potentially be leveraged and matched by the state. Additionally, sales taxes from operations over the life of the TIF is estimated to be a steady number. When considering all sales subjected to sales taxes, roughly $148M is estimated to be generated from the Arena and other projects in the OU Foundation plan for the University North Park area (see chart below).



With NEDC properties and the Weather Center Museum, roughly $12M in net new sales taxes are estimated to be generated over the life of the TIF. The total sales tax from operations is estimated to be over $160M over the life of the TIF. When the construction sales taxes are added, the grand total sales tax is estimated to be over $157M without the NEDC projects and over $170M in sales tax with all UNP, Arena and NEDC projects combined (see chart below).



Again, based on performance, those funds could be leveraged to maximize matching state funds.

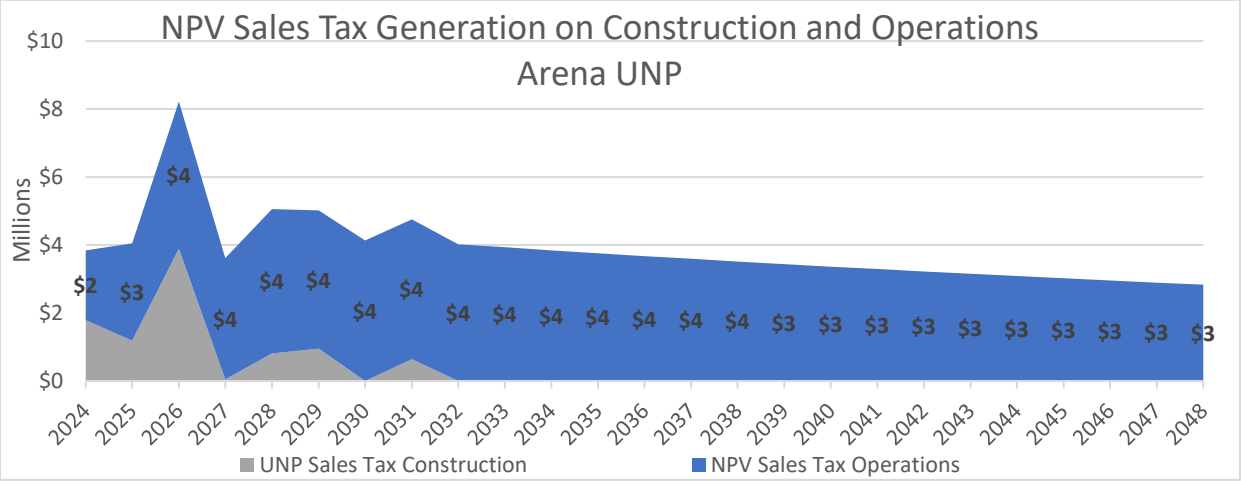
Summary estimate of overall sales tax generation through the life of the TIF

- UNP OU Foundation developments including the Arena
  - **$148M** in operations sales tax
  - **$157M** in construction and operations sales tax

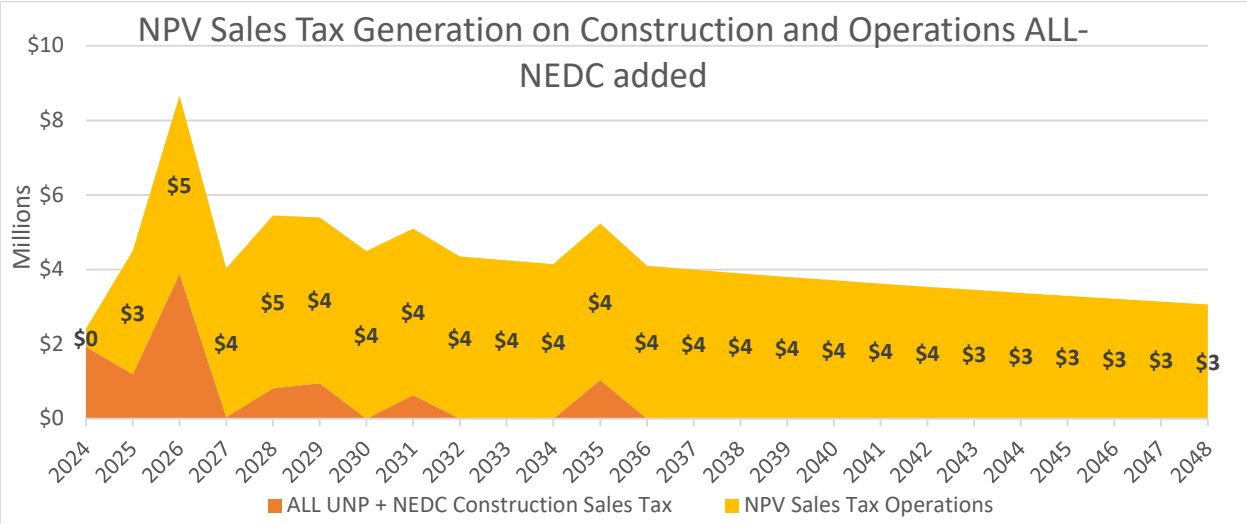
- All NEDC developments and OU Foundation development projections
  - **$160M** in operations sales tax
  - **$170M** in construction and operations sales tax

NPV Sales Tax Breakdown

When considering the net present value of those sales tax dollars estimated to be generated over the life of TIF, the sales tax revenue for the Arena plus the original UNP developments reduces to $87M. When construction sales tax revenues are added in the total, NPV rises to $96M total for operations and constructions sales tax.



With the addition of the NEDC projects, including the Museum, Rec facility and restaurant, the total NPV estimate tax revenue will increase over the life of the TIF to $94M without construction sales tax and $104M with construction sales taxes added in.



Summary estimate of overall NPV sales tax generation through the life of the TIF

- **NPV** Arena plus UNP original developments
  - **$87M** in operations sales tax
  - **$96M** in construction and operations sales tax
- **NPV** All NEDC developments along with Arena and UNP projections
  - **$94M** in operations sales tax
  - **$104M** in construction and operations sales tax

Summary of Property and Sales Tax generation estimate

- UNP original developments plus Arena
  - **$280M** in property taxes
  - **$157M** in construction and operations sales tax
    - **$148M** in operations sales tax
  - **$438M Total Sales and Property Taxes**

- All NEDC developments along with Arena and UNP projections
  - **$310M** in property tax
  - **$170M** in construction and operations sales tax
    - **$160M** in operations sales tax
  - **$481M Total Sales and Property Taxes**

NPV Summary of Property and Sales Tax generation estimate

- **NPV** Arena plus UNP original developments
  - $169M in property taxes
  - **$96M** in construction and operations sales tax
    - **$87M** in operations sales tax
  - **$266M Total Sales and Property Taxes**

- **NPV** All NEDC developments along with Arena and UNP projections
  - **$190M** in property taxes
  - **$104M** in construction and operations sales tax
    - **$94M** in operations sales tax
  - **$295M Total Sales and Property Taxes**

EXHIBIT F

hunden partners

Cleveland County Multi-Purpose Event Venue

Market Demand, Financial Feasibility & Impact Study

May 3, 2024

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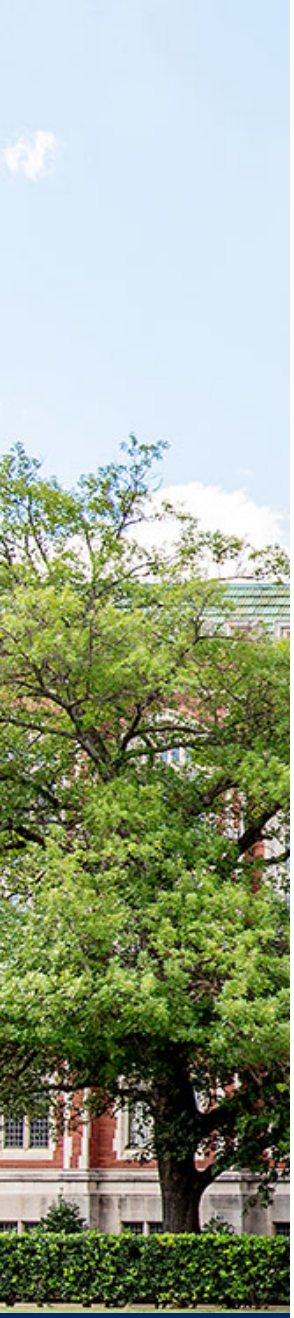

Introduction

The Cleveland County Industrial Development Authority engaged Hunden Partners to provide a financial feasibility and economic and fiscal impact study related to a proposed event venue and mixed-use entertainment district (Project) in Cleveland County, Oklahoma. This report includes a cost-benefit analysis of the Project, followed by recommendations for the mixed-use entertainment district immediately adjacent to the performance venue based on market conditions and best practices. The following highlights the key goals of the study:

- **Analyze** the destination and real estate metrics, including marketing and visitor metrics, current market performance statistics, and product offerings.
- **Review** existing research, development plans and other planning documents.
- **Identify** relevant local and national trends and comparable developments focusing on the best practices for arena anchored mixed-use districts.
- **Prepare Projections** for the economic, fiscal and employment impacts of the Project.

Executive Summary

Key Questions

- **Will the Project generate a net increase in out-of-town visitors to Cleveland County?**
- **Will net new, or recaptured, spending be generated in Cleveland County from the Project?**
- **What impact, if any, will financing the event venue have on the local taxpayer?**
- **Will there be cannibalization of spending in the surrounding retail stores, restaurants, hotels and entertainment venues?**
- **Are there concerts, family shows, and other events that could be held at the event venue that are currently not being accommodated in the market and if so, how many?**
- **Are there other comparable projects across the country that are successful and if so, what makes them successful?**

Project Overview

Executive Summary

The Project is located adjacent to I-35 and it includes the entirety of the approximately 269-acre proposed Rock Creek Entertainment District TIF #4, which includes about 121 acres of OU Foundation land, approximately 60 acres of land controlled by NEDC, and about 88 acres owned by others.

Hunden's analysis assesses the OU Foundation Development Program provided by Team Norman and the potential development that would likely occur on the additional land within the Rock Creek Entertainment District TIF #4.

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Executive Summary

Project Assumptions

This report assesses the financial feasibility and economic impact of a performance arena and event venue anchoring a compelling mixed-use entertainment district. Hunden was provided the OU Foundation Development Program from Team Norman, which is designated as the "Original Development."

In addition, Hunden made market-based projections of development that would occur on the additional land surrounding the development program proposed for the OU Foundation land. This additional development would increase the property and sales tax revenue for the Rock Creek Entertainment District TIF #4.

The table to the top right shows the OU Foundation Development Program and the program recommended by Hunden for the additional land, together forming Rock Creek Entertainment District TIF #4.

Cleveland County Development Program Summary (All Phases, 10-Year Build Out)
Rock Creek TIF #4 Entertainment District

Use	Original Development* 121 Acres	Additional Development within TIF#4 148 Acres	Rock Creek TIF#4 District Full Buildout 269 Acres	Unit
Performance Arena	10,500	-	10,500	Capacity
Retail & Restaurant	275,500	55,000	330,500	Square Feet
Hotel	150	120	270	Rooms
Multifamily	1,424	220	1,644	Units
Single Family For Rent	177	-	177	Units
Office	564,322	-	564,322	Square Feet
FBO	48,000			
Hangar Space	60,000	-	60,000	Square Feet
National Weather Experience	-	100,000	100,000	Square Feet
Central Community Plaza	38,000	-	38,000	Square Feet
Parking (Structured & Surface)	4,665	Parking Analysis Req.	-	Spaces

*Development program provided by OU Foundation & Team Norman
Source: Hunden Partners, OU Foundation, Team Norman

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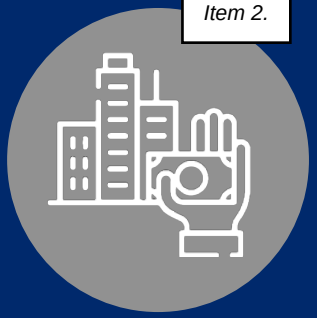
Executive Summary

Economic Impact Summary



Hunden's analysis assessed economic impact in two ways. First, Hunden assessed the conceptual net new economic impact the Project would generate for Cleveland County. Second, Hunden assessed the on-site fiscal impact which would contribute directly to the revenue streams of the Rock Creek Entertainment District TIF #4.

Conceptual Net New Impact to Cleveland County

- The conceptual net new impact from the Project shows the net new direct, indirect and induced spending, earnings and FTE jobs generated by the Project over a 25-year timeframe.
- The conceptual net new impact projections take into account cannibalized and recaptured spending that would likely occur.
- Hunden utilized the IMPLAN input-output multiplier model, which determines the level of additional activity in the Cleveland County economy due to the Project.

On-Site Fiscal Impact

- The on-site fiscal impact includes the tax generation that would occur from the development within the Rock Creek Entertainment District TIF#4. Hunden assumed that these include the ad valorem generated from commercial development within the district as well as the sales tax generated from on-site spending.

Conceptual Net New Impact to Cleveland County

25-Year Impact Summary

Over a 25-year period, the mixed-use entertainment district is expected to generate the impacts summarized in the table to the right for Cleveland County. These impacts are net new to the County and account for cannibalization and recaptured spending.

Hunden estimates that the OU Foundation Development Program will generate $3.7 billion in net new spending, $1.6 million in net new earnings, 1,513 FTE jobs, $2.9 million in county taxes, $546 million in City of Norman taxes, and $6,7 million of City of Moore taxes in the overall economy over a 25-year timespan.

Based on Hunden's market assessment for the additional development for the Project located in the Rock Creek Entertainment District TIF #4, the Project has the potential to generate an estimated $4.5 billion in net new spending, $1.8 billion in new earnings, 1,804 FTE jobs, $3.6 million in county taxes, $608 million in City of Norman taxes and $8.3 million in City of Moore taxes.

Construction impacts of the original development program would be robust. The Project is estimated to support 1,988 construction jobs within the county.

Construction Impacts - Original Development

Development Cost - Estimated	(milli
Labor (60%)	$7
Materials (40%)	$482
Total	$1,205
% Labor in Cleveland County	22%
% Materials In Cleveland County	11%
Construction Jobs in Years In-County	1,988
Taxes Generated	(millions)
State Sales Tax (4.5%)	$19.5
State Income Tax (wtd. 4.7%)	$33.3
Local Sales Tax (4.25%)	$2.3
Total	$55.1

*Total development cost was provided by OU Foundation and is based on Fair Market Value upon full-build out of the development

Source: Hunden Partners

Item 2.

25-Year Impact Summary | Cleveland County

	Original	Additional Development	Full Buildout TIF#4
Net New Spending	(millions)	(millions)	(millions)
Direct	$2,328	$516	$2,844
Indirect	$835	$164	$998
Induced	$534	$142	$677
Total	$3,697	$822	$4,520
Net New Earnings	(millions)	(millions)	(millions)
From Direct	$996	$136	$1,133
From Indirect	$328	$60	$389
From Induced	$253	$55	$307
Total	$1,577	$252	$1,829
Net New FTE Jobs	Average	Average	Average
From Direct	922	166	1,088
From Indirect	363	68	431
From Induced	227	58	285
Total	1,513	291	1,804
Net New Taxes	(millions)	(millions)	(millions)
Cleveland County			
Sales Tax (0.125%)	$2.9	$0.6	$3.6
Norman			
City Sales Tax (4.25%)	$92	$20	$112
City Hotel Tax (8%)	$8	$6	$13
Property Tax	$446	$36	$482
Total	$546	$62	$608
Moore			
City Sales Tax (3.875%)	$6.3	$1.4	$7.7
City Hotel Tax (5%)	$0.4	$0.3	$0.6
Total	$6.7	$1.7	$8.3

Source: Hunden Partners

On-Site Tax Impacts

25-Year On-Site Tax Impacts

The Rock Creek Entertainment District TIF #4 would utilize the on-site incremental property tax and and sales tax impact generated by the uses within the district.

The OU Foundation Development Program is estimated to generate $446 million in on-site property taxes and $116 million in sales tax revenue over a 25-year timeframe.

Additional development within the TIF is expected to occur on non-OU Foundation land. When accounting for this, the total on-site property taxes generated increase to an estimated $482 million and sales tax revenues increase to and estimated $138 million.

Hunden also showed the estimated on-site hotel occupancy tax revenue for the entire Project over a 25-year timeframe which totals $31 million for the City of Norman.

Hunden acknowledges that there would be a loss to the City of Norman general fund from the sales tax that will no longer be generated at Lloyd Noble. The sales tax generated at the new performance venue/arena will contribute to the Rock Creek TIF #4. However, Hunden expects this will be negated by positive benefits shown in the 25-Year Conceptual Impacts, which shows the estimated level of net new spending within the greater Cleveland County economy.

The Rock Creek Entertainment District TIF #4

25-Year On-Site Tax Impacts

	Original Development	Additional Development	Full Buildout TIF#4
TIF Capturable Taxes	(millions)	(millions)	(millions)
Property Tax	$446	$37	$482
Sales Tax	$116	$22	$138
Total Onsite Tax Impact	$561	$58	$620
	(millions)	(millions)	(millions)
City On-Site HOT Tax	$20	$11	$31

Source: Hunden Partners

The 25-year on-site tax impacts have not discounted back to present value and therefor do not represent the actual value of capital available for the construction of components of the Project. The local sales tax rate capturable within the TIF is 3% (Norman General Fund & City Capital Projects)

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Headlines

1. **Market supported residential and commercial uses.** Market demand supports residential and commercial development within the Project.

2. **Market Need for a mid-sized event venue in the OKC metropolitan area.** Nationally, medium-sized venues with a capacity of between 2,500 to 10,000 seats are in demand. Promoters said that acts that want to play the OKC market but can't sell out the Paycom Center are forced to either perform in a venue that is too small to profitably meet demand for the entertainment act or alternatively avoid the market completely. Further, modern event venues which feature the closure of upper concourse levels to create a more intimate concert atmosphere have found success in routing many more shows through their doors.

3. **Impact of Concerts.** Privately managed collegiate venues that fill the calendar with entertainment acts have been shown to induce substantially more visitors to each market assessed, generating spending that 'but for' these performances, would not have occurred.

4. **Destination Hub.** Norman is lacking a central 'hub' of activity, or a destination for visitors and residents. There is a genuine opportunity for this Project to be that central hub.

5. **Catalyst for additional development.** The Project has the potential to be a catalyst for additional development within Norman and Cleveland County.

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Executive Summary

Answers to the Key Questions

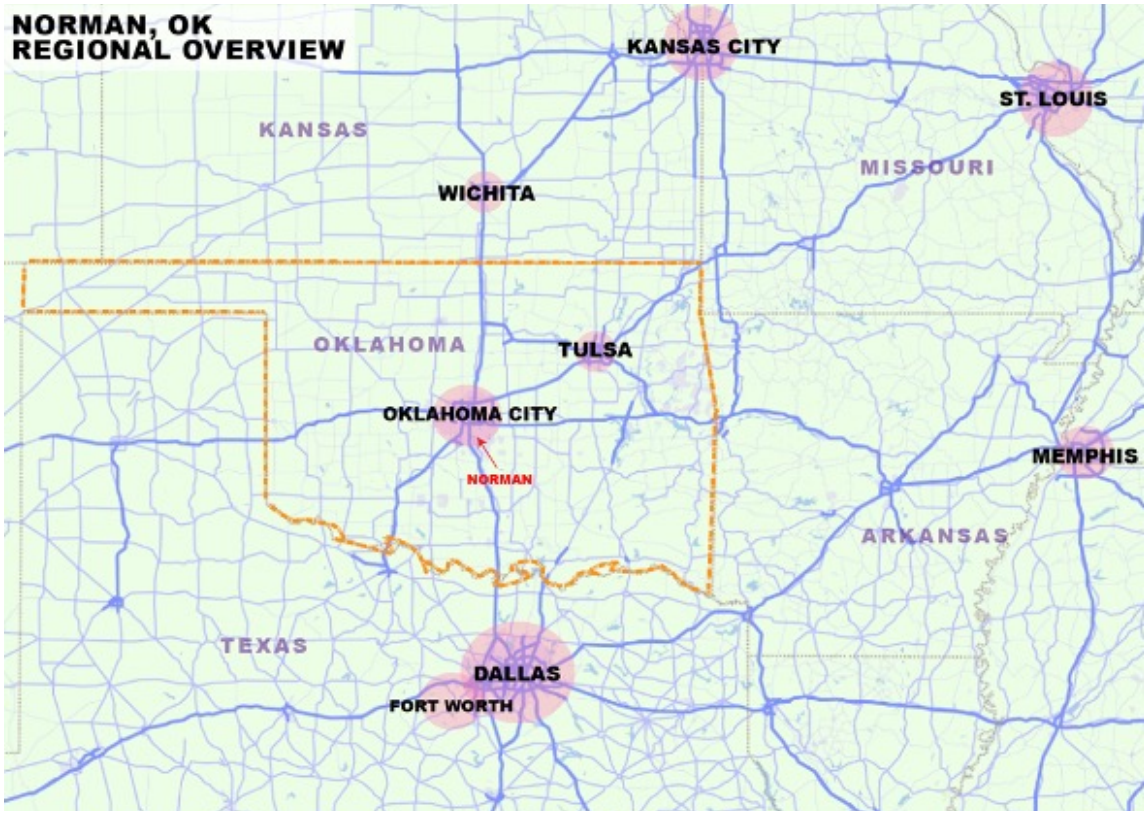
- **Will the Project generate a net increase in out-of-town visitors to Cleveland County? Yes, largely driven by the increase in promoted concerts, family shows, and other events and overall destination draw.**
- **Will net new, or recaptured, spending be generated in Cleveland County from the Project? Yes.**
- **What impact, if any, will financing the Event Venue have an on the local taxpayer? Based on the development program provided by the OU Foundation, Hunden expects that there is a strong opportunity for the Project to have no impact to the local taxpayer.**
- **Will there be cannibalization of spending in the surrounding retail stores, restaurants, hotels and entertainment venues? Yes, Hunden accounted for the cannibalization of spending but believes the Project will recapture a comparable amount of spending that currently leaves Norman and goes to OKC.**
- **Are there concerts, family shows, and other events that could be held at the Event Venue that are currently not being accommodated in the market and if so, how many? Based on Hunden's market assessment the venue is projected to host 25 concerts, family shows and comedy acts upon stabilization.**
- **Are there other comparable projects across the country that are successful and if so, what makes them successful? Yes, typically the success is driven by strong management and a flexible design that accommodates a variety of event types.**

Economic, Demographic & Tourism

FOCUS

Evaluate the Project site area and Norman's position as a center of economic activity, related to resident population and business location growth, accessibility, and as a destination for visitors.

- Located in central Oklahoma, approximately 20 miles south of Oklahoma City, Norman has emerged as Oklahoma's third largest city.
- The project site is located in a prime location, offering easy access to major transportation routes such as Interstate 35, U.S. Highway 77 and State Highway 9.
- The population reaches nearly 1.5 million within a one-hour drive time of Norman and nearly 11 million with a three-hour drive time. The three-hour drive time captures markets such as Tulsa, Dallas, Texas, and Wichita, Kansas.
- Traffic counts are robust along the I-35 corridor with an average of 69,000 cars per day traveling both north and southbound.



Population & Growth

Population growth across the Oklahoma City MSA significantly outperformed the US and state of Oklahoma average from 2010 to 2023.

University of Oklahoma

The University of Oklahoma brings in significant activity to Cleveland County and the city of Norman, offering the area the potential to grow its tourism assets. The area has a variety of offerings that cater to a variety of markets, including young families and adults.

Leakage

Norman residents and visitors will travel to Oklahoma City for additional entertainment and dining options due to the lack of supply within the City of Norman.

The average distance of an entertainment venue from the project site is approximately 18 miles away.

Education & Skills

The educational attainment level for bachelor's and master's degrees in Norman are higher than the US, state and county averages. Areas with higher educational attainment levels often comprise of higher-paying careers and stronger public schools, which help to attract more affluent families and individuals.

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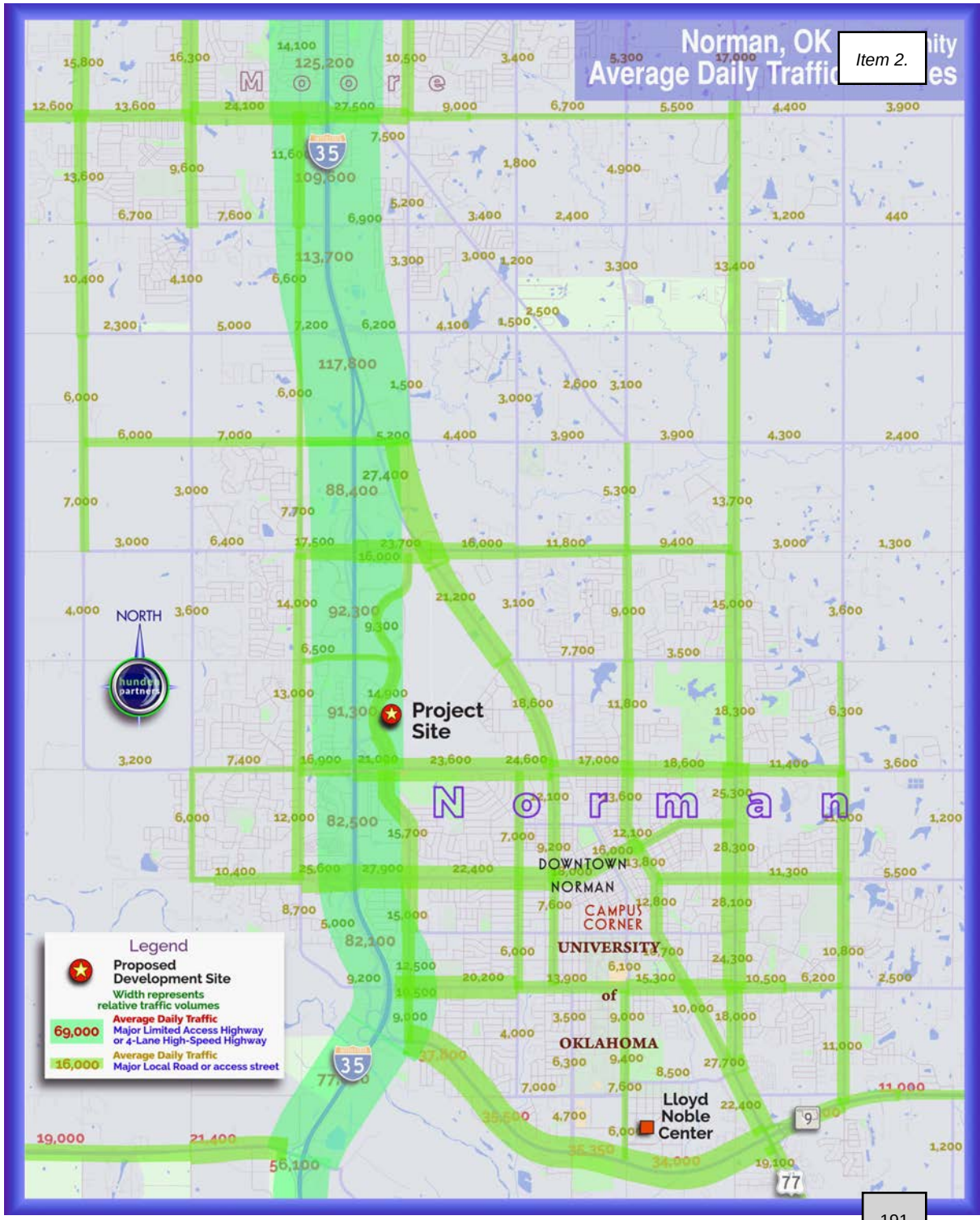
Local Traffic Counts

I-35 will remain one of the busiest thoroughfares in the entire southern side of the metro area and south of downtown OKC. The development and event venue will be seen easily by the area's travelers and commuters.

- Traffic counts bolster the strength of the site as a location for a large event venue.
- Even with the new toll turnpikes being built near and around Norman's east side, those new highways will never have nearly the traffic volumes and visibility that I-35 has currently. The south end of the metro-area highway loop should help traffic from the west and east sides get to an event venue in Norman, once built.
- The site is better than the current Lloyd Noble Center for travelers going to games, although college kids will no longer have an on-campus event venue to go to, and it may lack some of the college campus vibe.
- Norman's event venue will be able to get mid-sized shows that the entire central Oklahoma market can easily get to.



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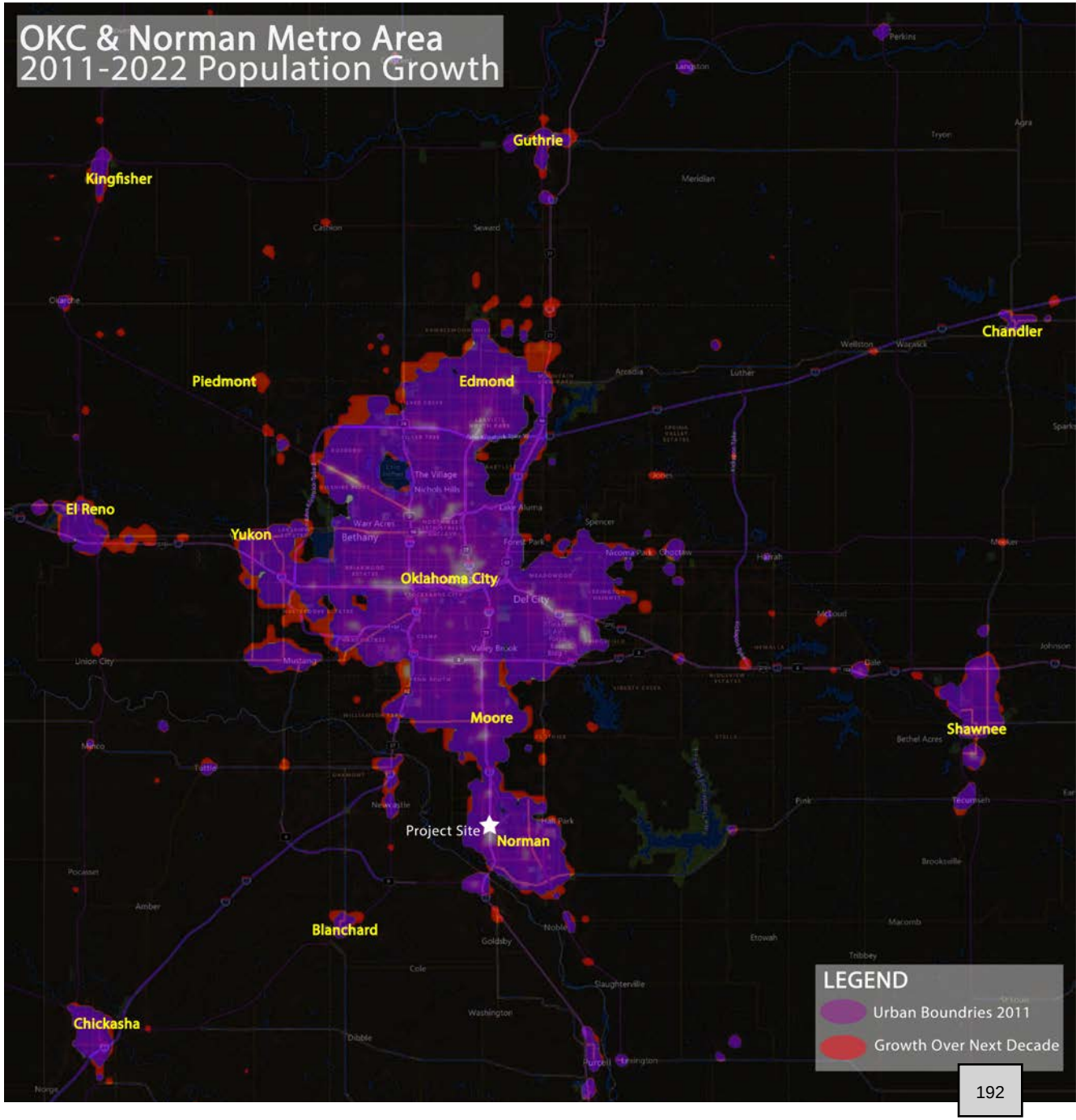
Regional Area Growth

Over the past 11 years the OKC & Norman metro area has grown significantly, which is a good sign for an arena development's future stability.

- Residential growth is occurring at the greatest rate on the north and west sides of Oklahoma City (in and around Edmond).
- The south side is also experiencing expansion, notably in the spaces between Norman and Moore, and on Norman's east periphery.
- Overall, an event venue's marketplace is the entire media broadcast marketplace, not a specific submarket or side of town, and the events will attract its audience from anyplace within that market, as long as it is familiar and easily accessible from a major highway.
- This location's high visibility potential enhances the venue's prospects of attracting touring shows because of the logistical needs of funneling a large number of vehicles to and from the Site, as well as for loading trucks required to transport touring acts.



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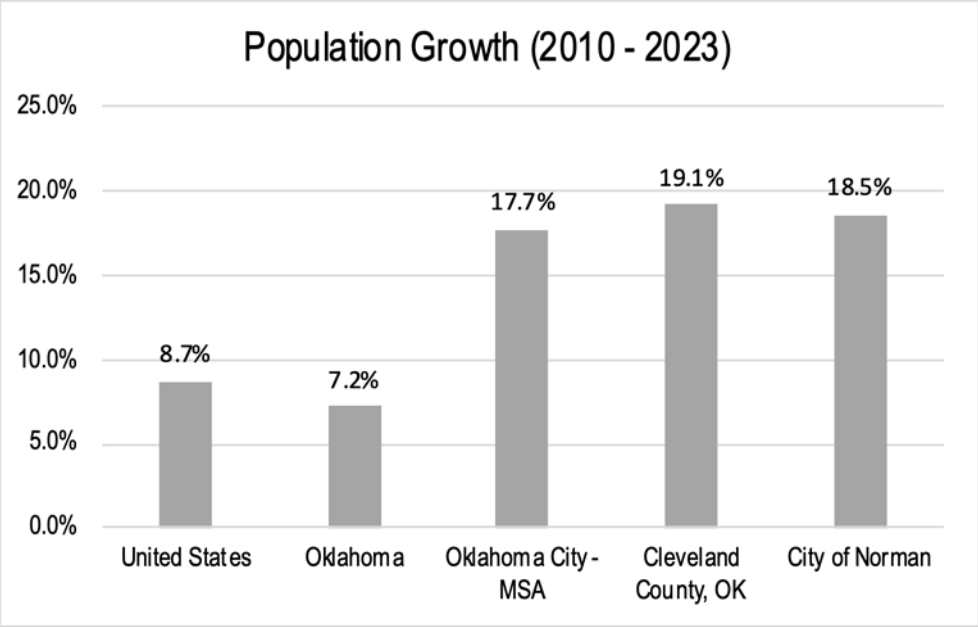
Economic, Demographic & Tourism

Item 2.

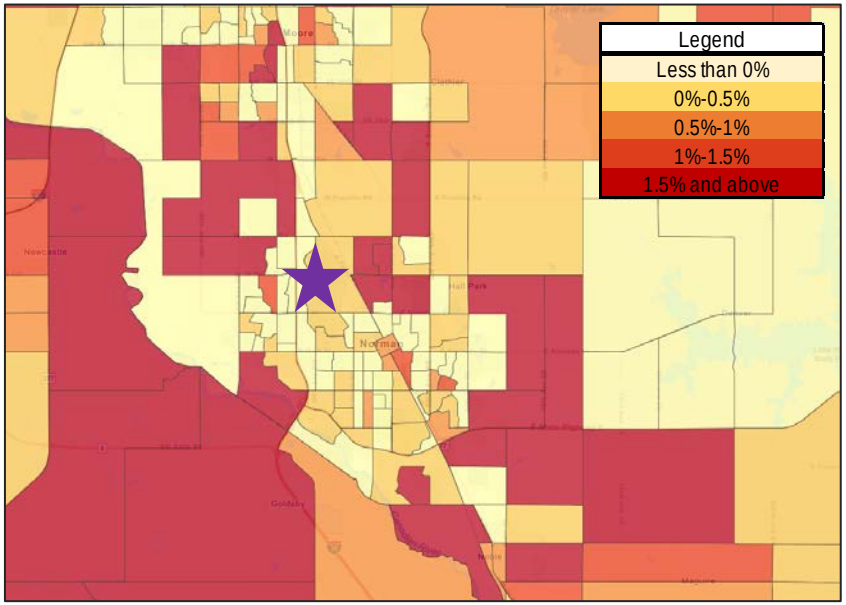
Population & Growth

- Although downtown Norman sees minimal population growth and a lower median household income than surrounding areas, cities such as Goldsby, Hall Park and Newcastle are seeing significant population growth and median household incomes above $89,000. Several of these areas can help generate consistent activity for the project.
- In comparison to the state of Oklahoma, Norman has higher median household incomes. Paired with its educational attainment levels, this data indicates that Norman and Cleveland County are home to several affluent neighborhoods. With higher levels of disposable income, households are more likely to spend money on entertainment and events related to the Project.

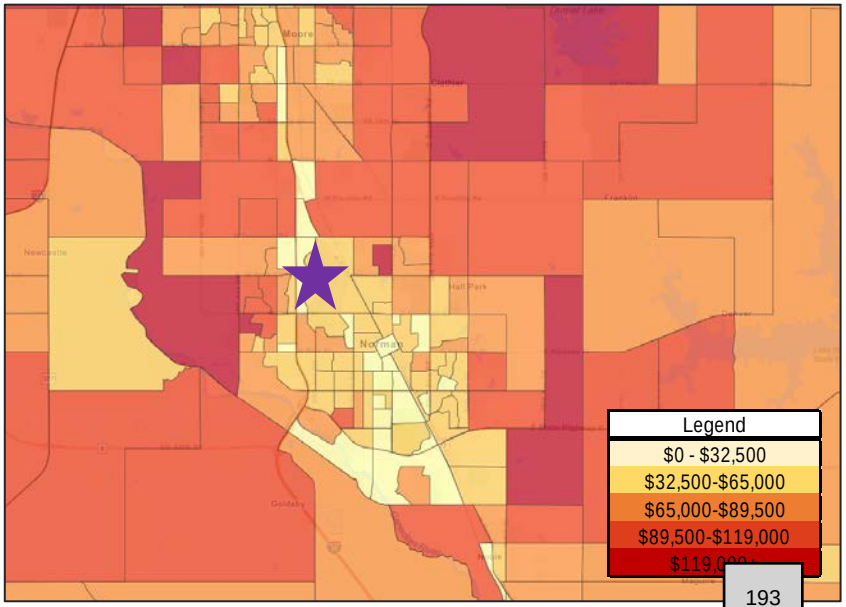


Population Growth Projection

2023 - 2028



Median Household Income 2023



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University of Oklahoma

Year Founded: 1890

Current Enrollment: 32,676

Highest Degree: Doctorate

Core Campus Acreage: 3,326 acres

University of Oklahoma (OU) is a public research university, located on three campuses in Norman, Oklahoma. It has the largest enrollment within the state of Oklahoma.

- **In State Tuition**: $36,412
- **Out of State Tuition:** $53,482
- **Athletic Conference:** Big 12 Conference, SEC (2024)

OU has seen an increase in total enrollment since 2020, with more than a three percent increase from 2022 to 2023 in the fall semester. Total enrollment for fall 2023 was approximately 32,676 students and approximately 29,920 students in the spring. The City of Norman, like many college towns, face challenges with seasonality of student populations.

As of 2024, OU has joined the Southeastern Conference (SEC) which is expected to significantly impact the athletics environment.

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Lloyd Noble Center Visitation Analysis

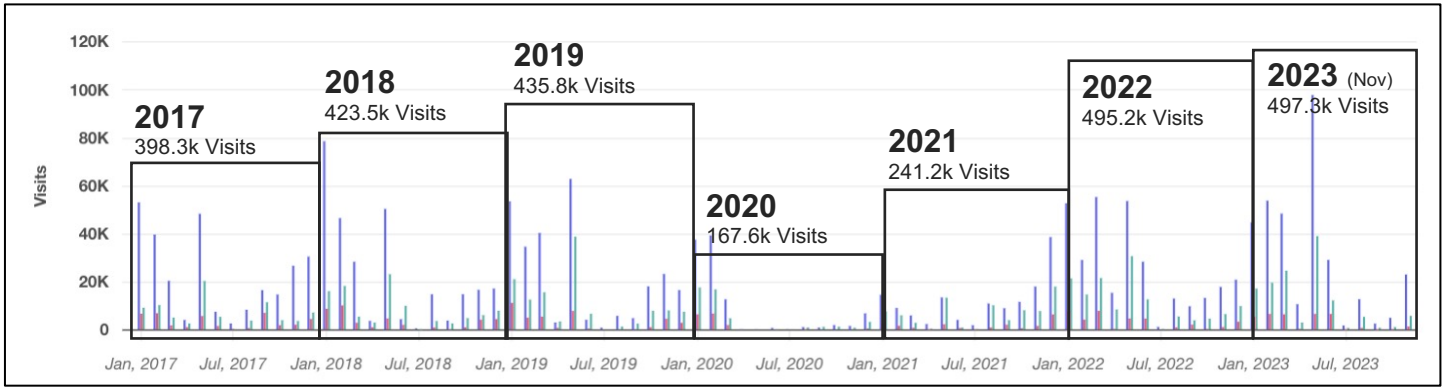
Hunden utilizes Placer.ai which is a geofencing platform that monitors selected points of interest (POIs). The following points highlight key headlines from the geofencing analysis of the Lloyd Noble Center in 2022:

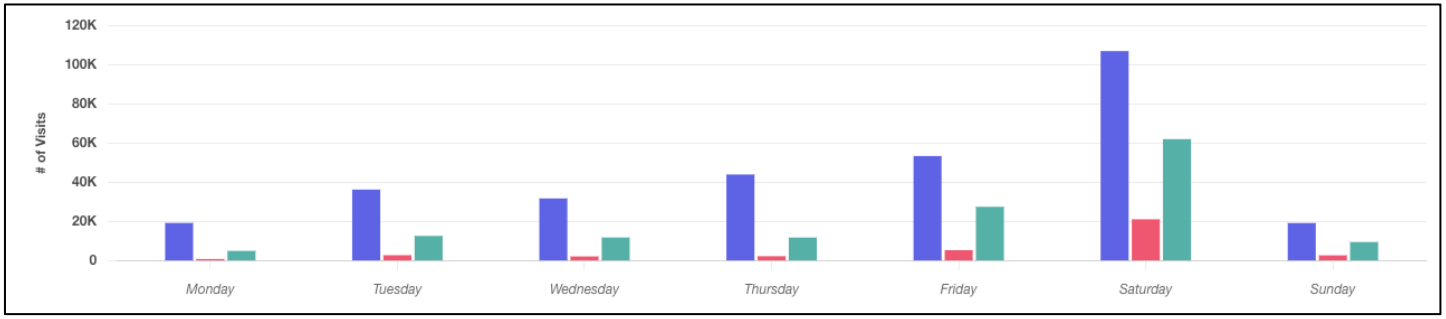
Nearly 64 percent, or 311,258, of total visits to the Lloyd Noble Center came from within 50 miles. Long distance visitation from over 100 miles encompassed nearly 29 percent of total visits, with 141,047 total visits.

Lloyd Noble Center - Total Visitation
January 1st, 2022- December 31st, 2022

Visitor Origins by Distance from Site (Colors correspond to charts & maps)	Total Visits: Est. Number of Visits	Total Visits: Percent of Total Visits	Total Unique Customers: Est. Number of Customers	Total Unique Customers: Percent of Total Customers	Avg. Visits per Customer
Locals - Within 50 miles	311,258	63.5%	162,061	57.8%	1.92
Regional Distance - Over 50 miles & Less Than 100 miles	38,241	7.8%	26,995	9.6%	1.42
Long Distance only - Over 100+ miles	141,047	28.8%	91,529	32.6%	1.54
Total Visits	490,546	100.0%	280,585	100.0%	1.75

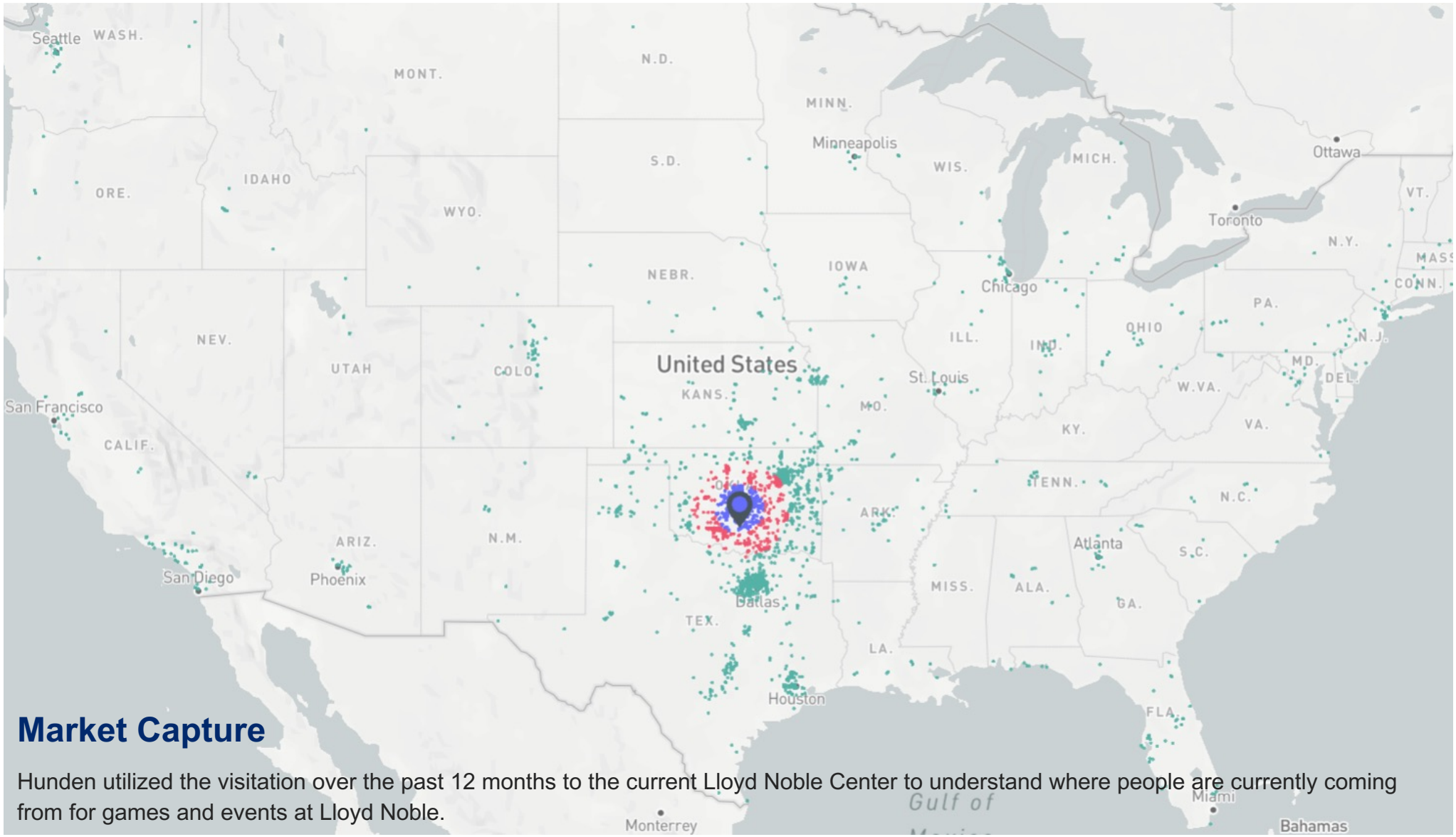
Source: Placer.ai





Performance Venue, Entertainment & Events Market

Item 2.



Market Capture

Hunden utilized the visitation over the past 12 months to the current Lloyd Noble Center to understand where people are currently coming from for games and events at Lloyd Noble.

Placer registers a new “home” for a cell phone owner after 30 days of being at a new city every night. Thus, for each arena there is a slight overestimation of out-of-county and out-of-state visits during the initial events of the school year.

Key Highlights

Economic, Demographic & Tourism

Norman Snapshot

Local market area characteristics such as population, demographics, a diversified economy, access and attractions influence the potential demand for tourism developments as well as the overall attractiveness of an area to any potential visitor or group.

The project site is located in a prime location, with easy access through major interstates. The three-hour drive time captures markets such as Tulsa, Dallas, Texas, and Wichita, Kansas, which indicates the Project can drive tourism from major markets both in and out of state.

The University of Oklahoma brings in significant activity to Cleveland County and the city of Norman, offering the area the potential to grow its tourism assets. The student population is continuously growing, with a current enrollment of over 32,000 students.

Norman and Cleveland County are home to several affluent neighborhoods. With higher levels of disposable income, households are more likely to spend money on entertainment and events related to the Project.

Currently, there is significant leakage of spending from Norman and the surrounding area to OKC for entertainment and dining.

Easy Access

Population Growth

High Educational Attainment

High Median Household Income

Performance Venue, Entertainment & Events Market

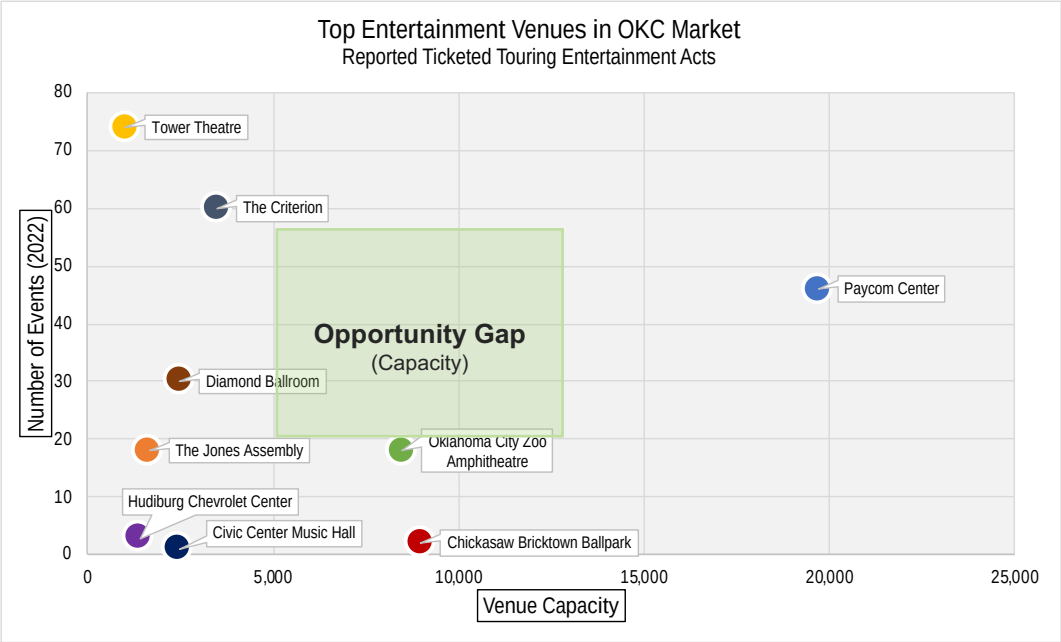
Key Market Indicators

Pollstar compiled data between November 2021 and November 2022 to publish their Concert Market Rankings report. The following bullets summarize Oklahoma City's performance throughout the period.

- OKC ranked 42nd overall in reported gross dollars of ticket sales. Over the period, there was a reported $28.26 million in ticket sales (383,781 reported tickets sold).
- Across 85 shows reported, the average ticket price was $73.63.

2023 POLLSTAR CONCERT MARKET RANKINGS

RANK	RANK CHANGE	MARKET	2022 REPORTED GROSS	2022 REPORTED TICKETS SOLD	2022 AVG. TICKET PRICE	2022 AVG. TICKET PRICE CHANGE	2022 REPORTED SHOWS	2023 DMA RANK	DMA CHANGE
37	-11	Jacksonville	$ 42,568,649	634,134	$ 67.13	6%	302	47	-4
38	3	Salt Lake City	$ 38,454,385	619,892	$ 62.03	19%	283	34	-4
39	3	Greenville-Spartanburg	$ 36,390,876	509,173	$ 71.47	37%	312	37	-2
40	49	Greensboro-Winston Salem	$ 32,015,006	378,757	$ 84.53	76%	190	46	1
41	56	Knoxville	$ 29,518,974	389,997	$ 75.69	46%	149	62	–
42	17	Oklahoma City	$ 28,256,082	383,781	$ 73.63	53%	85	41	3
43	38	Little Rock	$ 27,748,330	330,390	$ 83.99	81%	67	57	2
44	-4	Columbus	$ 27,644,508	371,655	$ 74.38	6%	252	32	1
45	35	Boise	$ 26,877,242	409,406	$ 65.65	26%	287	106	-5
46	-3	Louisville	$ 26,113,121	361,788	$ 72.18	22%	81	49	–
47	-9	Cincinnati	$ 24,865,505	410,073	$ 60.64	9%	183	36	–



Oklahoma City Arena, Amphitheatre & Entertainment Venue Supply
500+ Capacity

Venue	Location	Venue Type	Capacity	Miles from Project Site	2022 Shows (Played and Scheduled)
Paycom Center	Oklahoma City, OK	Arena	19,711	16.6	46
Bennett Event Center	Oklahoma City, OK	Auditorium/Theatre	18,600	20.7	–
Remington Park	Oklahoma City, OK	Outdoor Venues	15,000	21.8	–
Jim Norick Arena	Oklahoma City, OK	Arena	12,500	20.4	–
Lloyd Noble Center	Norman, OK	University Arena	12,000	7.0	–
Chickasaw Bricktown Ballpark	Oklahoma City, OK	Stadium	9,000	16.9	2
Oklahoma City Zoo Amphitheatre	Oklahoma City, OK	Amphitheatre	8,500	20.9	18
Oklahoma Expo Hall	Oklahoma City, OK	Auditorium/Theatre	4,000	21.5	–
The Criterion	Oklahoma City, OK	Auditorium/Theatre	3,500	17.0	60
Diamond Ballroom	Oklahoma City, OK	Club	2,500	11.9	30
Civic Center Music Hall	Oklahoma City, OK	Auditorium/Theatre	2,477	17.5	1
The Jones Assembly	Oklahoma City, OK	Club	1,672	18	18
Hudiburg Chevrolet Center	Midwest City, OK	Auditorium/Theatre	1,401	20	3
Cowboys OKC	Oklahoma City, OK	Club	1,400	19	–
OCCC Visual and Performing Arts Center	Oklahoma City, OK	Auditorium/Theatre	1,067	15	–
Tower Theatre	Oklahoma City, OK	Auditorium/Theatre	1,042	18	74
Beer City Music Hall	Oklahoma City, OK	Club	500	18	–
Average			*500*	*18*	–

Source: Pollstar

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Performance Venue, Entertainment & Events Market

Venue Supply

One large prominent indoor venue, Paycom Center Arena, which attracts top national arena touring acts. For a market the size of Oklahoma City, the supply of large venues is adequate; however, in the medium-size capacity range there is not much. There are many strong performers and acts that cannot necessarily sell out Paycom Center and seek spaces within the 2,500 – 10,000 capacity range. This is especially evident in secondary cities and markets.

There is a gap in the market for a medium-sized indoor entertainment venue. Neither of the proposed Projects will truly be directly competitive to the Project.

New Developments

OKC Fairgrounds Coliseum

The 7,000-seat arena is currently under construction with plans for completion by 2025. The new facility will replace the aging Jim Norick Arena and be focused on accommodating large ag and equine shows. On average, the Fairgrounds host more than 2.5 million people every year with nearly 200 events which generates robust economic impact for the city. The project is paid for through MAPS 3 and 4 funds and hotel tax revenues.

Replacement of Paycom Center

City leadership announced in July 2022 preliminary plans for the development of a new arena for the OKC Thunder. Paycom Center is approaching 22 years old, with its only major renovating occurring in 2008. Plans for financing have not been determined but preliminary costs of $900 million have been floated, with a contribution of an estimated $50 million from Thunder ownership. A proposed opening of 2029-30 season has been targeted.

Key Highlights

Entertainment Market

The proposed entertainment venue and surrounding mixed-use district would generate many new events to the Norman market that are currently not being accommodated in Lloyd Noble Center. In conversations with promoters that cover the Oklahoma City market it was indicated that there is no strong indoor venue that is scalable within the medium size range.

OKC is in a strong position geographically for the routing of acts. Performers playing markets in Texas that are moving to the north or vice versa can add a stopover in OKC for a show. Tulsa is a competitive market given that the BOK Center does not have an NBA/NHA anchor tenant.

A venue similar to Moody Center or Dickies Arena in terms of scalability and size would perform well in the OKC market. **A venue of this size would not be directly competitive with a potential new arena for the Thunder** that would replace Paycom Center.

The proposed venue would be able to conservatively host approximately 25 – 30 ticketed non-university events. Many of these would not be at the full capacity of the venue, half house or closed upper bowl would be an attractive configuration for touring acts.

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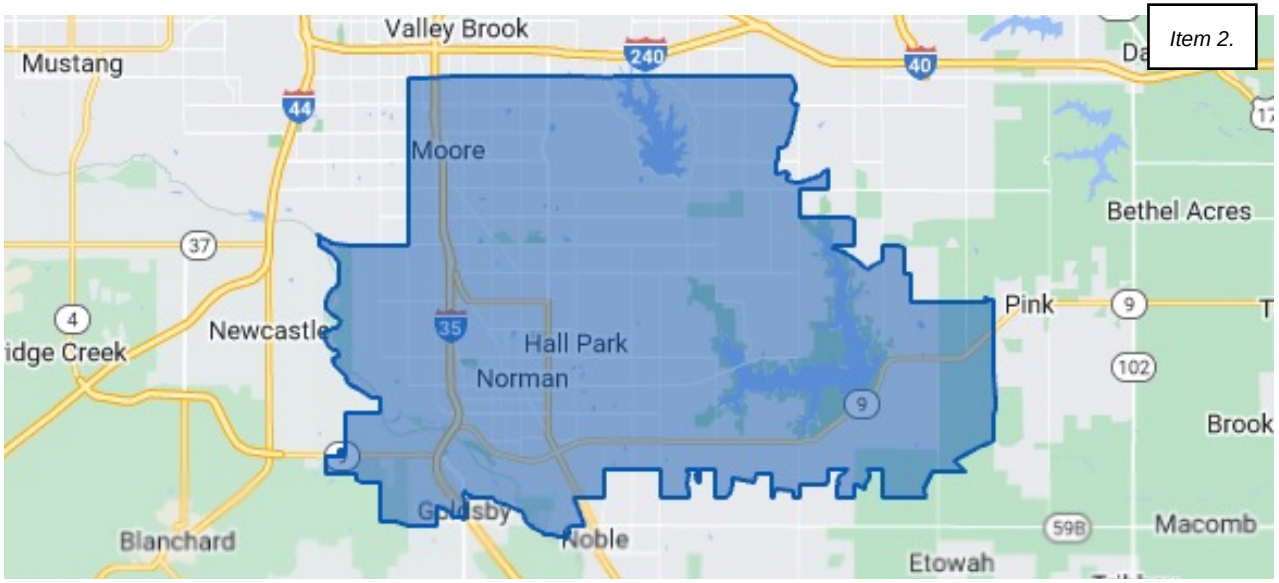
Hotel Submarket

Hunden utilizes CoStar, which owns Smith Travel Research (STR) to assess the hotel performance in the market. The Norman/Moore submarket consists of close to 4,000 rooms spread across 37 properties. Just south of the project site, is a 124-room Residence Inn that is under construction, and a 102-room Home2Suites is proposed.

62 percent of the supply are Upscale and Upper Midscale properties, with limited Luxury and Upper Upscale supply. Twelve-month occupancy within the submarket is approximately 3.3 percent lower than the broader market, and twelve-month RevPAR (a product of occupancy and rate) has decreased, while the broader market's RevPAR continues to increase.

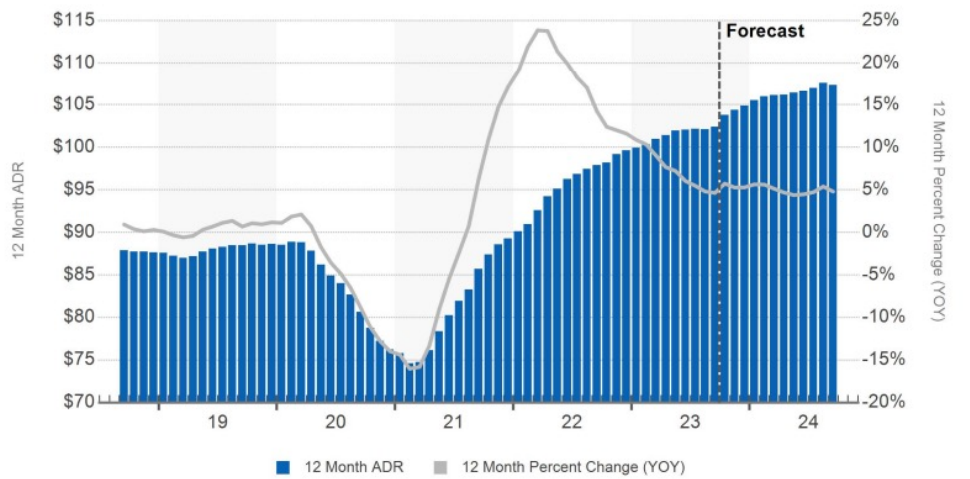
While ADR within the submarket is projected to continue to increase, occupancies are projected to decrease further in 2024.



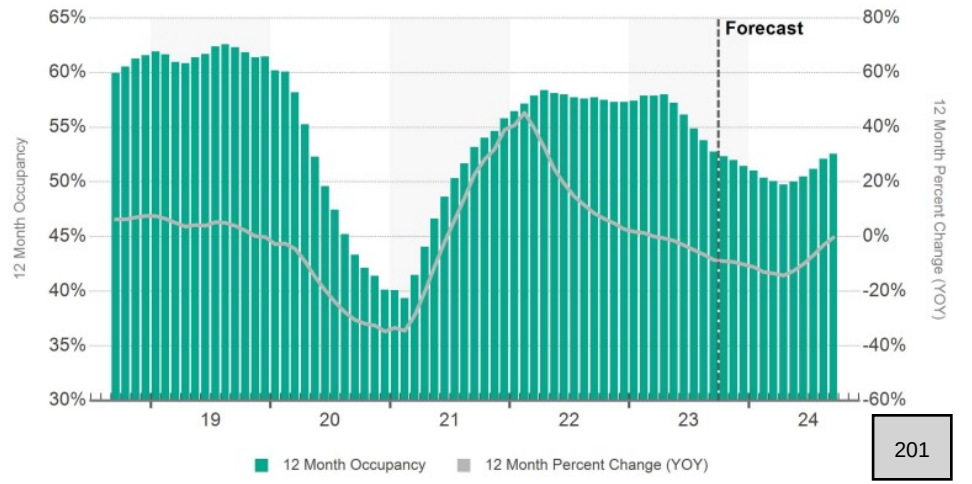
12 Mo Occupancy	12 Mo ADR	12 Mo RevPAR	12 Mo Supply	12 Mo Demand
52.7%	$102.38	$53.99	1.4M	733.2K

Class	Rooms	12 Mo Occ	12 Mo ADR	12 Mo RevPAR	12 Mo Delivered	Under Construction
Luxury & Upper Upscale	390				0	0
Upscale & Upper Midscale	2,470	50.9%	$108.10	$54.98	0	124
Midscale & Economy	1,098	50.2%	$66.97	$33.64	0	0
Total	**3,958**	**52.7%**	**$102.38**	**$53.99**	**0**	**124**

ADR



OCCUPANCY



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Hotel Market Analysis

- Hunden identified a hotel competitive set within Norman, selected based on quality and vicinity to the Project site.
- Hotel occupancy within the competitive set has yet to recover to pre-pandemic levels; however, average daily rate (ADR) has hit new peaks, leading to an overall increase of RevPAR compared to pre-pandemic levels.
- Stabilization of recent growth in ADR is expected and is exhibited in year-to-date ADR growth of 3.3 percent.

Norman, OK Competitive Hotel Supply

Property Name	Miles from Site	Rooms	Year Opened	Chain Scale
Embassy Suites by Hilton Norman Hotel & Conference Center	0.1	283	2008	Upper Upscale
Holiday Inn Express & Suites Norman	0.1	116	2015	Upper Midscale
Hampton by Hilton Inn & Suites Norman Conference Center Area	0.1	104	2020	Upper Midscale
StoneHill Norman, Trademark Collection by Wyndham	1.0	116	2016	Upper Midscale
Comfort Inn & Suites Norman Near University	1.1	73	2008	Upper Midscale
Courtyard Norman	1.2	113	2009	Upscale
Hilton Garden Inn Norman	1.3	121	2008	Upscale
Fairfield Inn & Suites Norman	2.0	74	1995	Upper Midscale
La Quinta Inns & Suites Oklahoma City Norman	2.5	117	1997	Upper Midscale
Country Inn & Suites by Radisson, Norman, OK	2.6	77	2007	Upper Midscale
Total / Average		1,194	2008	

Source: CoStar, Smith Travel Research

Historical Supply, Demand, Occupancy, ADR, and RevPar for Competitive Hotels | Norman, OK

Year	Annual Avg. Available Rooms	Available Room Nights	% Change	Room Nights Sold	% Change	% Occupancy	% Change	ADR	% Change	RevPar	% Change
2015	955	348,666	--	236,301	--	67.8	--	$103.96	--	$70.46	--
2016	1,023	373,258	7.1%	231,384	-2.1%	62.0	-8.5%	$104.68	0.7%	$64.89	-7.9%
2017	1,090	397,850	6.6%	252,027	8.9%	63.3	2.2%	$102.28	-2.3%	$64.79	-0.1%
2018	1,090	397,850	0.0%	279,784	11.0%	70.3	11.0%	$99.20	-3.0%	$69.76	7.7%
2019	1,090	397,850	0.0%	274,806	-1.8%	69.1	-1.8%	$101.75	2.6%	$70.28	0.8%
2020	1,133	413,506	3.9%	164,670	-40.1%	39.8	-42.3%	$91.35	-10.2%	$36.38	-48.2%
2021	1,194	435,810	5.4%	234,976	42.7%	53.9	35.4%	$106.65	16.7%	$57.50	58.1%
2022	1,194	435,810	0.0%	253,562	7.9%	58.2	7.9%	$118.33	11.0%	$68.84	19.7%
2023 YTD (Sept.)	1,194	325,962	0.0%	202,247	4.5%	62.0	4.5%	$121.87	3.3%	$75.62	8.0%
CAGR (2015-22)	3.57%	3.57%		1.04%		-2.02%		1.97%		-0.33%	

Source: Smith Travel Research, Hunden Partners

Occupancy
62%
YOY
▲ 4.5%

ADR
$121.87
YOY
▲ 3.3%

RevPAR
$75.62
YOY
▲ 8.0%

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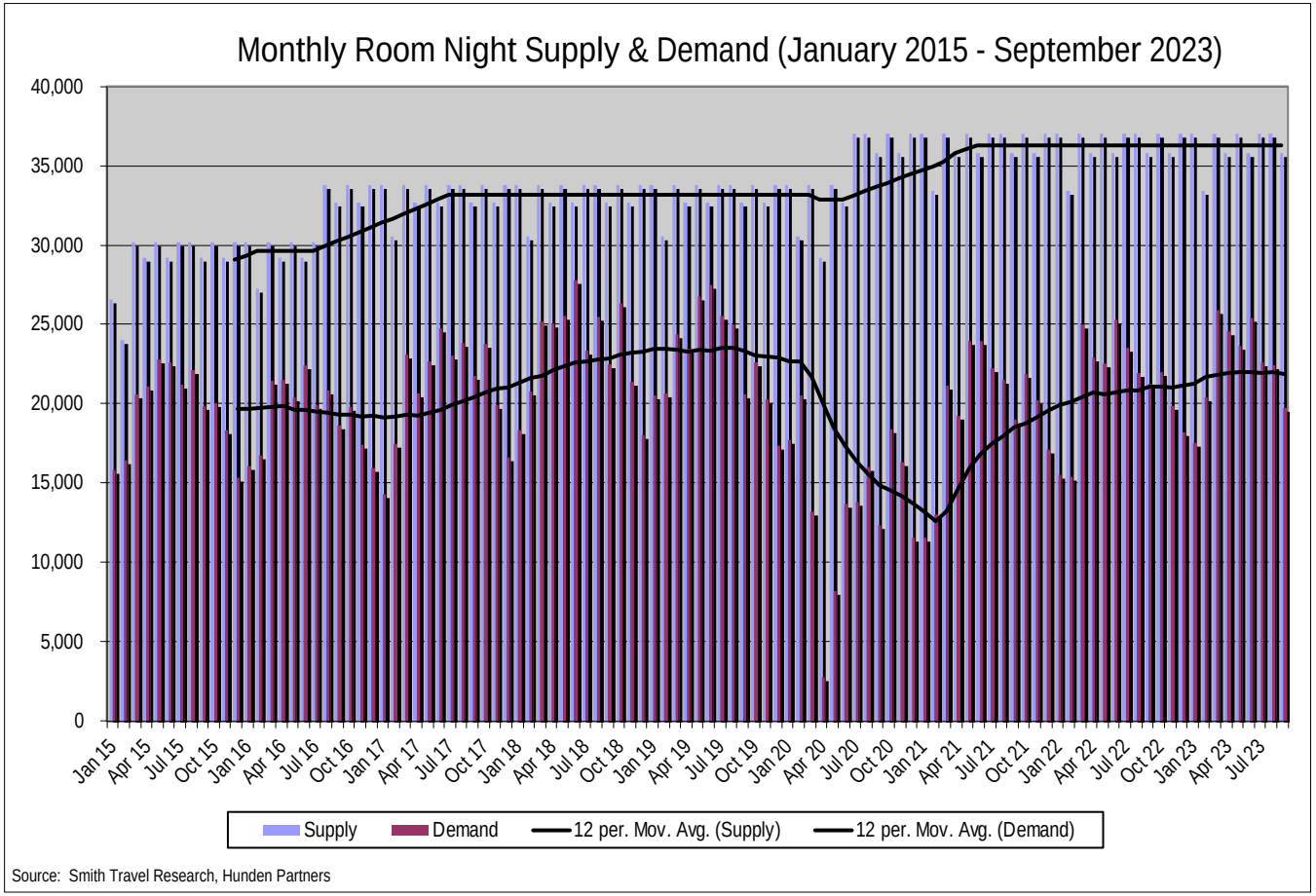
Supply & Demand

The supply of room nights in the local competitive set was relatively constant leading up to the COVID-19 pandemic. Once the pandemic occurred in 2020, there was significant depleted demand. Since the pandemic, additional supply was introduced to the market, though absorption has been slow, with demand yet to recover to pre-pandemic levels.

Hotel room demand shows consistent seasonal trends with winter months seeing significantly lower demand.



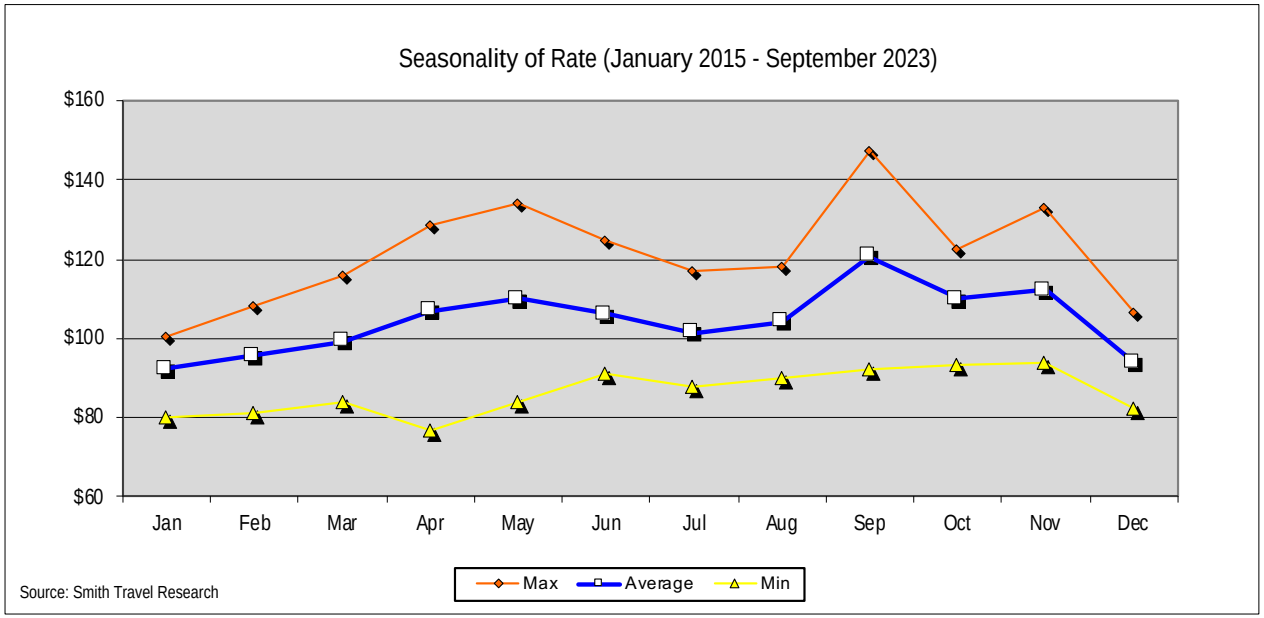
Source: Smith Travel Research, Hunden Partners

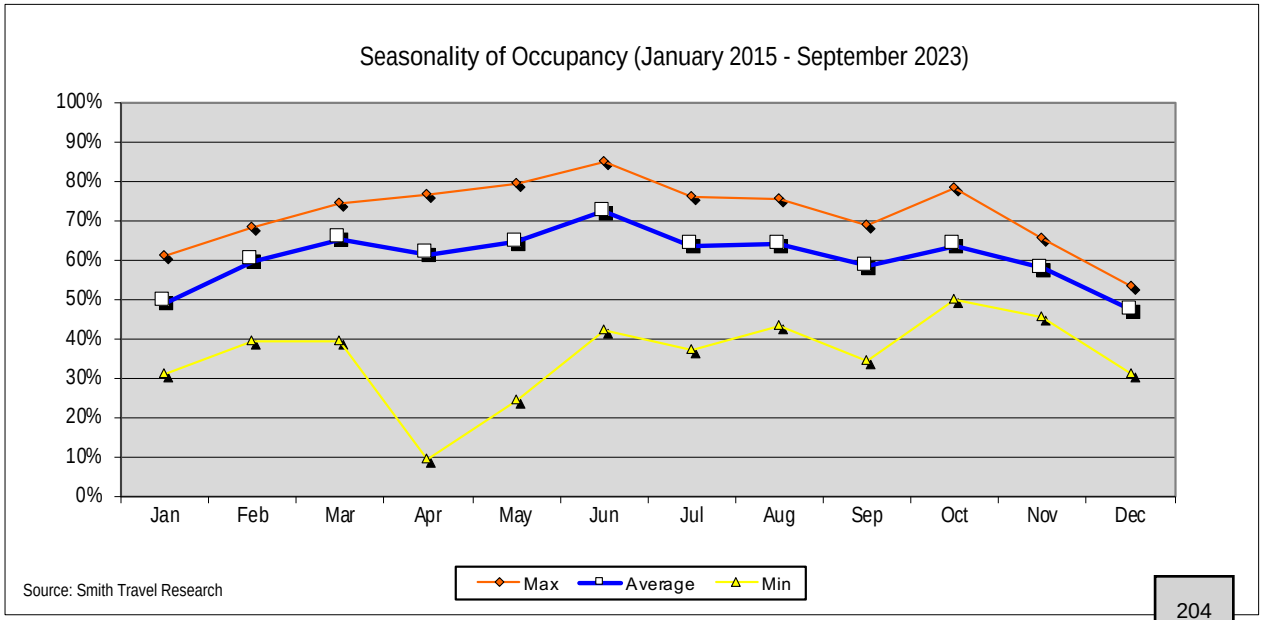
Seasonality
ADR & Occupancy

The adjacent tables detail the seasonal performance of the competitive set since January 2015.

As shown, the competitive set experiences its highest rates during the the months of May, September and November. This is likely due to travel induced from OU sporting and academic events such as home football games and graduation. The winter months are historically more affordable.

Though rates peaked in May, September and November, occupancy did not, showing high rates may be associated with major events rather than extended periods of increased demand. Highest occupancies occurred in June and were lowest in the winter months.





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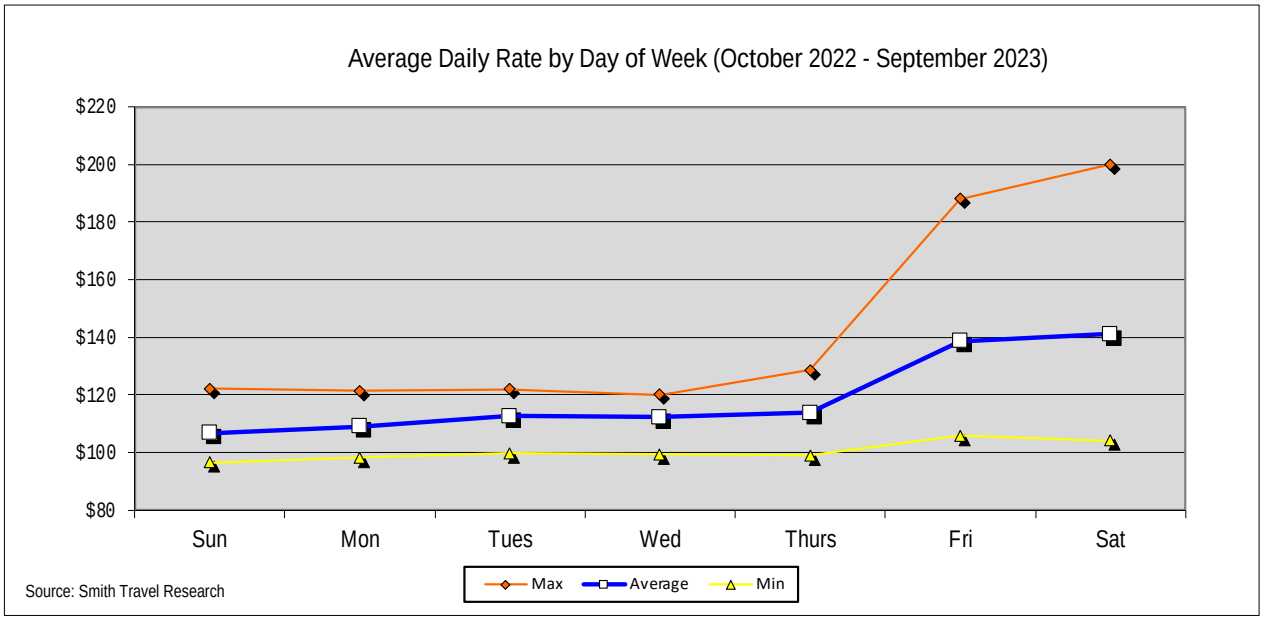
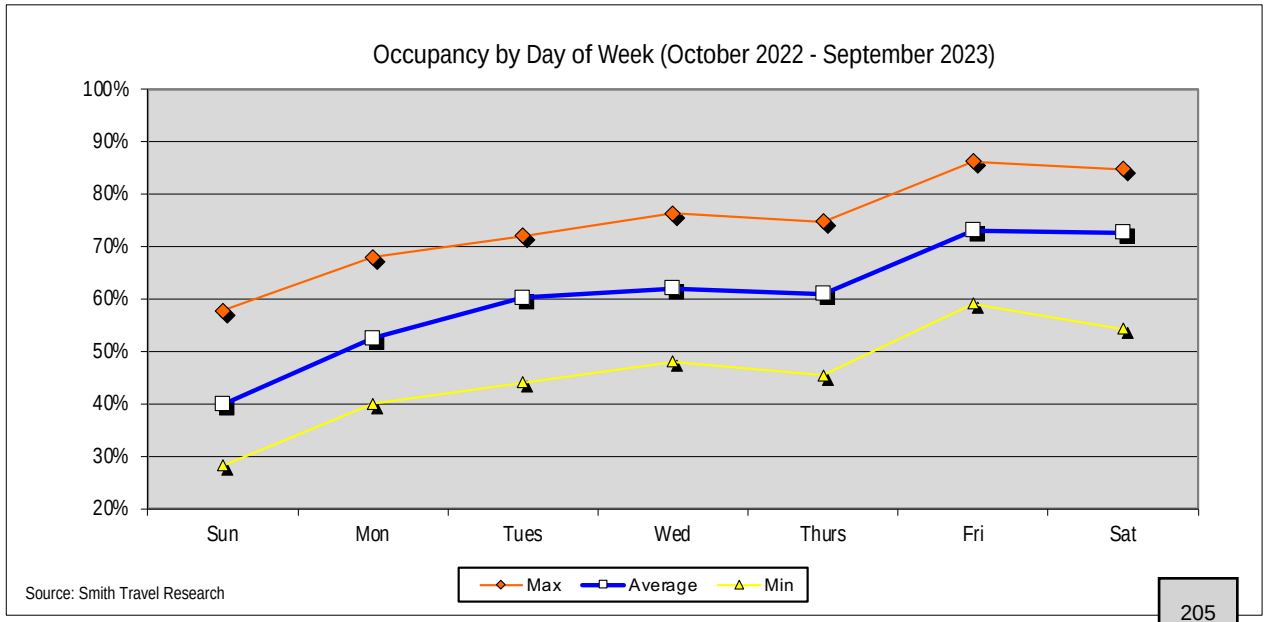
Day of Week
ADR & Occupancy

The adjacent tables detail the weekly performance of the local competitive set from October 2022 through September 2023.

Typically, group and corporate travel occurs from Sunday through Thursday, while leisure travel occurs on Fridays and Saturdays. The highest rates in the competitive set are on the weekends, which suggests strong leisure demand.

In addition, occupancy is highest on weekends, suggesting the need for more weekday demand generators to diversify the mix of hotel business.





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Heat Chart
ADR & Occupancy

The adjacent tables detail the weekly performance of the local competitive set by month from October 2022 through September 2023.

As shown, both rate and occupancy were highest on weekends, which suggest strong leisure demand. Highest rates occurred in May, September, and November, while highest occupancies occurred from March through June.

Low weekday occupancy and rate suggest lower corporate and group demand. Throughout the year, Sundays and Mondays recorded the weakest occupancies and rates.

ADR by Day of Week by Month - October 2022 - September 2023

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Avg
Oct - 22	$105	$105	$108	$110	$110	$141	$134	$117
Nov - 22	$101	$107	$111	$105	$113	$165	$189	$133
Dec - 22	$98	$98	$102	$103	$100	$113	$119	$107
Jan - 23	$97	$98	$100	$99	$99	$106	$104	$101
Feb - 23	$100	$101	$109	$104	$102	$118	$115	$108
Mar - 23	$106	$109	$111	$113	$115	$125	$124	$116
Apr - 23	$109	$111	$118	$117	$119	$157	$149	$129
May - 23	$122	$121	$122	$120	$129	$156	$158	$134
Jun - 23	$122	$118	$119	$120	$119	$136	$136	$125
Jul - 23	$104	$108	$113	$115	$118	$129	$124	$117
Aug - 23	$101	$111	$121	$118	$116	$117	$117	$116
Sep - 23	$105	$113	$110	$114	$116	$188	$200	$147
Average	$107	$109	$113	$112	$114	$139	$141	

Sources: Smith Travel Research

Occupancy Percent by Day of Week by Month - October 2022 - September 2023

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Avg
Oct - 22	41.8%	53.7%	63.4%	63.4%	61.3%	68.6%	67.3%	59.4%
Nov - 22	28.2%	46.1%	54.4%	55.9%	52.3%	74.0%	77.9%	55.5%
Dec - 22	35.1%	41.3%	46.4%	48.8%	45.4%	59.1%	63.0%	49.2%
Jan - 23	34.9%	41.7%	44.1%	48.1%	49.6%	64.5%	54.3%	47.4%
Feb - 23	37.4%	60.1%	72.0%	61.2%	54.8%	74.3%	67.6%	61.1%
Mar - 23	47.5%	62.5%	69.1%	66.9%	74.3%	86.3%	79.6%	70.1%
Apr - 23	41.1%	56.2%	70.5%	76.4%	72.7%	84.0%	82.6%	68.6%
May - 23	45.5%	55.2%	59.3%	60.0%	65.6%	81.0%	84.8%	63.9%
Jun - 23	57.8%	67.9%	69.8%	72.5%	71.3%	78.5%	76.4%	70.9%
Jul - 23	40.9%	47.4%	58.8%	64.3%	74.8%	71.9%	74.7%	61.1%
Aug - 23	37.7%	58.8%	62.1%	65.0%	60.8%	64.3%	73.5%	60.5%
Sep - 23	30.9%	40.0%	53.4%	62.6%	48.7%	70.6%	71.3%	55.1%
Average	39.9%	52.4%	59.9%	62.1%	61.1%	73.1%	72.7%	

Sources: Smith Travel Research

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Key Highlights

Hotel Market

The proposed entertainment venue and surrounding mixed-use district would generate new hotel demand to Norman. With mostly limited-service properties near the Project site, there is an opportunity to develop additional boutique or full-service hotels as part of the overall development plan. As Norman hotels exhibit weak weekday demand, proposed office development at the Project site, if successful, could aid in increasing weekday corporate hotel demand. Year-round programming of the entertainment venue and the district itself can also help generate incremental weekday overnight stays. Below highlights Hunden's additional findings on the local hotel market.

There are only 374 upper upscale rooms in the broader Norman / Moore submarket, and no luxury products. Overall, the submarket's 12-month RevPAR has decreased by approximately four percent, though the competitive set has a 2023 YTD RevPAR that increased eight percent, which is higher when compared to the broader OKC market.

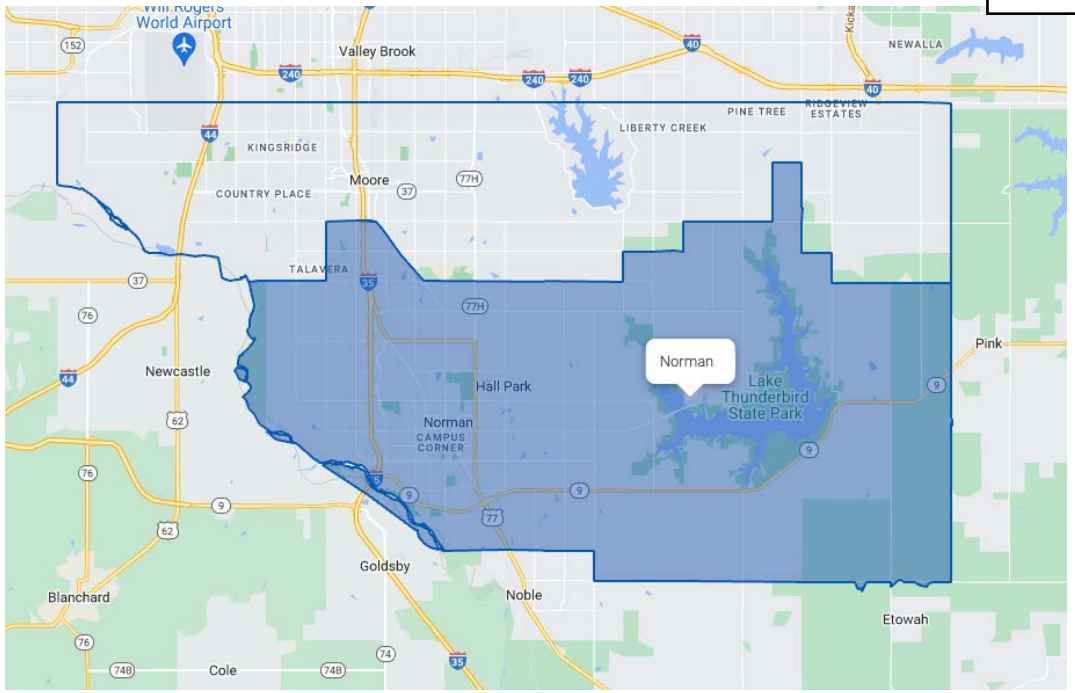
There have been minimal new hotel deliveries in Norman over the last few years with the exception of the 91-room NOUN Hotel and 104-room Hampton Inn. A 124-room Residence Inn is nearing completion in Norman directly south of the Project site.

While the 283-room Embassy Suites has a significant amount of meeting spaces, including a 28,800 SF ballroom, 7,200 SF junior ballroom, and over 6,000 SF of meeting rooms, it is in need of major improvements. A new high-quality hotel that offers additional on-site amenities would complement the proposed entertainment venue. Management has indicated that the property is scheduled for renovation in 2025.

Multifamily Submarket

Submarket Analysis

- Norman is seeing high population growth in the past decade, with the submarket's vacancy being at 7.1 percent, which is below the market average of 10.4 percent.
- University of Oklahoma (OU) heavily influences the Norman multifamily submarket. Norman overall offers great retail offerings, easy access and convenient commutes along I-35, and established neighborhoods.
- Student housing is a competitor to market-rate communities. Most market-rate developments have been focused along the interstate, which has direct access to downtown Oklahoma City.
- 4 & 5-Star properties possess the highest share in the submarket, with over 5,000 units currently available. 1 & 2-Star rated properties have the highest vacancy rate, which suggests that the submarket consists of a more affluent population that places an emphasis on quality.
- The selected multifamily competitive set was decided based on their location, quality, and year built. This may help to offer an idea of how a new multifamily project would perform in Norman, OK. The newest property has noticeably higher vacancy rates, suggesting a long lease-up period before stabilization.



12 Mo. Delivered Units	12 Mo. Absorption Units	Vacancy Rate	12 Mo. Asking Rent Growth
0	(14)	7.1%	4.3%

KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	3,451	4.9%	$1,234	$1,228	0	0	0
3 Star	5,504	7.1%	$923	$917	0	0	0
1 & 2 Star	3,870	9.0%	$816	$811	4	0	0
Submarket	**12,825**	**7.1%**	**$983**	**$978**	**4**	**0**	**0**

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.1%	7.3%	6.9%	12.7%	2015 Q2	4.2%	2021 Q3
Absorption Units	(14)	130	27	614	2010 Q4	(449)	2022 Q4
Delivered Units	0	160	0	654	2016 Q1	0	2023 Q3
Demolished Units	0	13	10	260	2016 Q2	0	2023 Q3
Asking Rent Growth (YOY)	4.3%	2.7%	4.1%	9.7%	2021 Q4	-6.5%	2010 Q1
Effective Rent Growth (YOY)	4.5%	2.7%	4.1%	10.6%	2021 Q4	-6.4%	2010 Q1
Sales Volume	$47M	$29.3M	N/A	$146.1M	2023 Q1	$0	2007 Q4

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Multifamily Submarket

Comparable Market Developments

Sooner Station and University North Park
Built: 2021
Vacancy: 18.7%
Unit Mix: 88 Studio, 71 1-Bed, 30 2-Bed
Avg Asking Rent: $3,556, $4.16 PSF

Artisan Crossing
Built: 2021
Vacancy: 3.8%
Unit Mix: 129 1-Bed, 117 2-Bed
Avg Asking Rent: $1,354, $1.38 PSF

Carlstone
Built: 2020
Vacancy: 2.3%
Unit Mix: 74 1-Bed, 14 2-Bed
Avg Asking Rent: $2,503, $3.26 PSF

TERRA at University North Park
Built: 2018
Vacancy: 5.8%
Unit Mix: 40 Studio, 105 1-Bed, 138 2-Bed, 20 3-Bed
Avg Asking Rent: $1,404, $1.64 PSF

Legacy Trail Apartments
Built: 2017
Vacancy: 4.5%
Unit Mix: 29 1-Bed, 59 2-Bed, 120 3-Bed
Avg Asking Rent: $1,288, $1.12 PSF

Anatole at Norman
Built: 2016
Vacancy: 7.2%
Unit Mix: 157 1-Bed, 73 2-Bed
Avg Asking Rent: $1,252, $1.45 PSF

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Multifamily Submarket

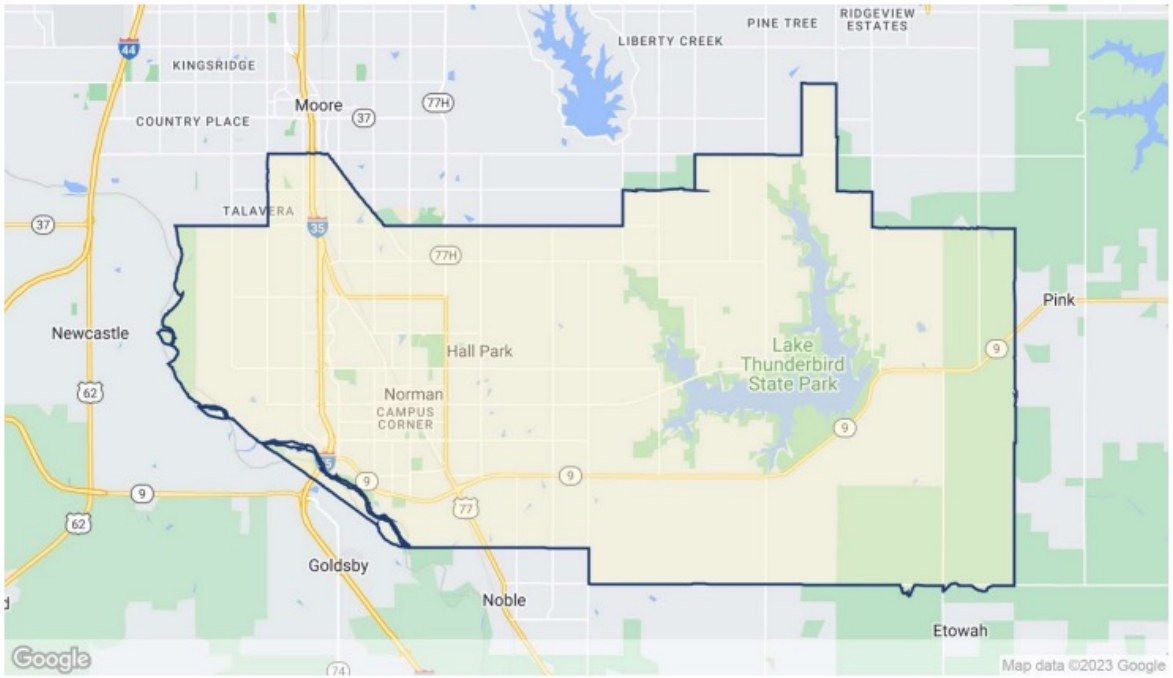
Supply, Demand & Development Pipeline

- The Norman submarket has on average 156 units delivered to the market on an annual basis. There have been zero units delivered to the submarket since 2021. This alludes to a slow multifamily delivery to the market based on historic averages.
- One of the properties delivered to the market within the past two years is a 189-unit complex located in University North Park. Currently there is an 18.7 percent vacancy rate, so properties in the submarket have a prolonged lease-up period.
- The other property recently delivered to the market is a 246-unit facility that has a 3.8 percent vacancy rate.
- According to the Overall Supply & Demand table to the right, with the delivery of zero units in 2023, there will be no increase in the submarket inventory.
- In the future, it is projected that there will be mostly positive absorption with future deliveries until 2027.

Item 2.

All-Time Annual Avg. Units	Delivered Units Past 8 Qtrs	Delivered Units Next 8 Qtrs	Proposed Units Next 8 Qtrs
156	0	0	0

PAST 8 QUARTERS DELIVERIES, UNDER CONSTRUCTION, & PROPOSED



OVERALL SUPPLY & DEMAND

	Inventory			Absorption		
Year	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	12,779	(12)	-0.1%	8	0.1%	-
2026	12,791	(12)	-0.1%	41	0.3%	-
2025	12,803	(11)	-0.1%	(7)	-0.1%	1.6
2024	12,814	(11)	-0.1%	21	0.2%	-
2023	12,825	0	0%	131	1.0%	0
YTD	12,825	0	0%	139	1.1%	0
2022	12,825	0	0%	(476)	-3.7%	0
2021	12,825	246	2.0%	376	2.9%	0.7
2020	12,579	0	0%	201	1.6%	0
2019	12,579	(45)	-0.4%	127	1.0%	-
2018	12,624	347	2.8%	537	4.3%	0.6
2017	12,277	208	1.7%	74	0.6%	2.8
2016	12,069	256	2.2%	(2)	0%	-
2015	11,813	368	3.2%	257	2.2%	1.4
2014	11,445	256	2.3%	143	1.2%	1.8
2013	11,189	170	1.5%	141	1.3%	1.2
2012	11,019	396	3.7%	390	3.5%	[illegible]
2011	10,623	0	0%	1	0%	[illegible]

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Key Highlights

Multifamily Submarket

The proposed entertainment venue and surrounding mixed-use district would generate a higher quality of life for the citizens of Norman, especially for prospective students at the university. With a limited number of multifamily properties near to the Project site, there is an opportunity to develop additional Class A and B housing units as part of the overall development plan. As the Norman submarket has low vacancies and stable rent growth, there is potential to accompany a growing community and student population in newer multifamily facilities.

4 & 5-Star properties possess the highest share in the submarket, with over 5,000 units currently available. 1 & 2-Star rated properties have the highest vacancy rate, which suggests that the submarket consists of a more affluent population that places an emphasis on quality.

OU heavily influences the Norman multifamily submarket. Overall, Norman offers great retail offerings, easy access to and a convenient commute along I-35, and established neighborhoods.

Student housing is a competitor to market-rate communities. Most market-rate developments have been focused along the interstate, which has direct access to downtown Oklahoma City.

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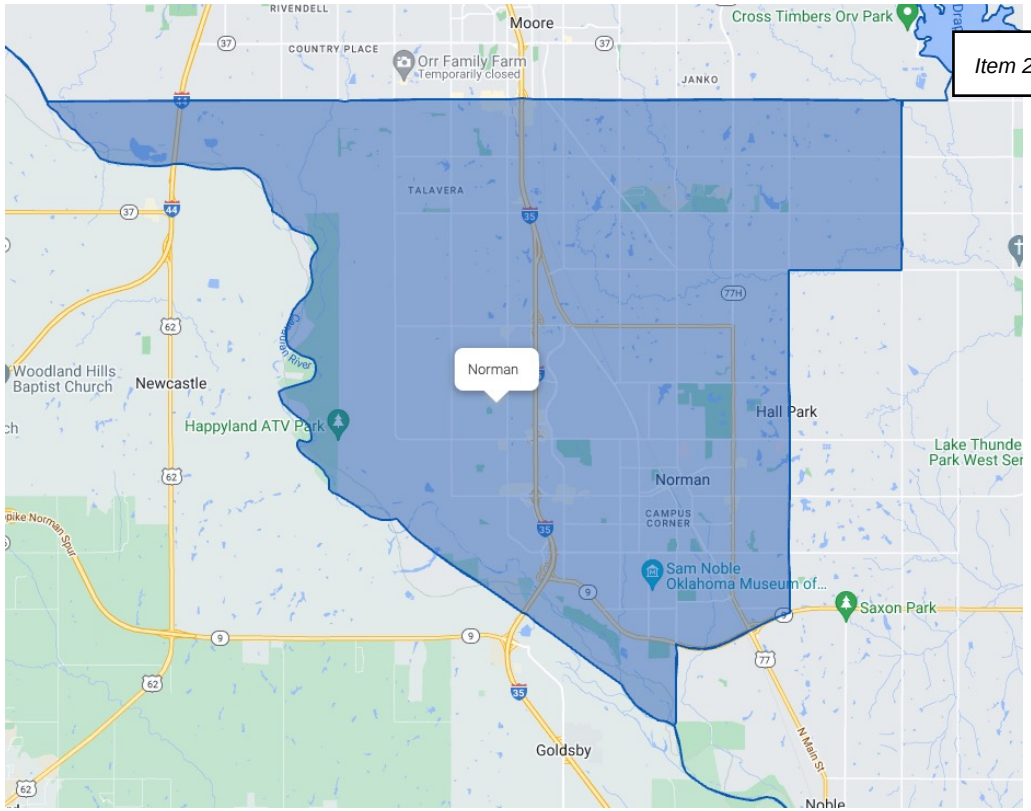
Office Submarket

Item 2.

Submarket Analysis

- The Norman office submarket has a vacancy rate of 6.9 percent and has increased 1.4 percent in the past year, which is higher than that of the Oklahoma City market of 0.6 percent.
- 1 and 2-star spaces are the most abundant subtype with nearly 2.1 million SF in the category. The submarket is in line with Oklahoma City when it comes to rents, with the average being $19.50/SF.
- Within the past 3 years 84 sales have taken place, with 19 of those being within this past year. Sales have averaged approximately $147/SF.
- The majority of construction completed within the past 8 quarters are along I-35 near the Project site, as well as construction that is currently underway and proposed.
- Franklin Business Park has seen the most recent deliveries along Adams Road, with the most recent being October 2023.
- Annual sales volume is at an average of $30 million within the past five years, with the highest deal reaching nearly $50.8 million within a 12-month period.



Norman Office

12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	12 Mo Rent Growth
69.1K	(18.1K)	7.6%	2.5%

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	271,656	7.9%	$25.75	4.2%	(4,651)	0	0
3 Star	1,836,077	8.8%	$20.76	11.9%	(22)	11,002	8,900
1 & 2 Star	2,174,230	6.6%	$17.59	7.1%	(12,896)	0	0
Submarket	**4,281,963**	**7.6%**	**$19.47**	**9.0%**	**(17,569)**	**11,002**	**8,900**

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.9%	6.0%	7.8%	8.8%	2019 Q1	3.2%	2015 Q1
Net Absorption SF	(18.1K)	77,730	12,859	211,744	2015 Q3	(59,023)	2017 Q4
Deliveries SF	69.1K	83,090	36,691	247,587	2019 Q1	4,358	2013 Q4
Rent Growth	2.5%	2.0%	0.9%	9.2%	2008 Q1	-7.3%	2017 Q3
Sales Volume	$9.7M	$14.2M	N/A	$50.8M	2019 Q3	$669.5K	2008 Q2

Office Submarket

Comparable Market Developments

Cornerstone Home Lending, Inc
Built: 2020
Vacancy: 0.0%
RBA: 6,653 SF
CoStar Est. Rent: $21.17-25.88 PSF

Mustang Extreme Environmental Services
Built: 2018
Vacancy: 0.0%
RBA: 5,422 SF
Est. Rent: $17.16-20.97 PSF

Landmark Fine Home
Built: 2018
Vacancy: 0.0%
RBA: 7,009 SF
Asking Office Rent: $18.55-22.68 PSF

Walker H D & J K Trust
Built: 2018
Vacancy: 0.0%
Size: 111,693 SF
Asking Rent: $18.46-22.56 PSF

GulfTex Energy IV, LP
Built: 2017
Vacancy: 50.0%
Size: 3,450 SF
Asking Rent: $20.00 PSF

Valliance Bank
Built: 2012
Vacancy: 0.0%
Size: 15,279 SF
Asking Rent: $17.32-21.17 PSF

Office Submarket

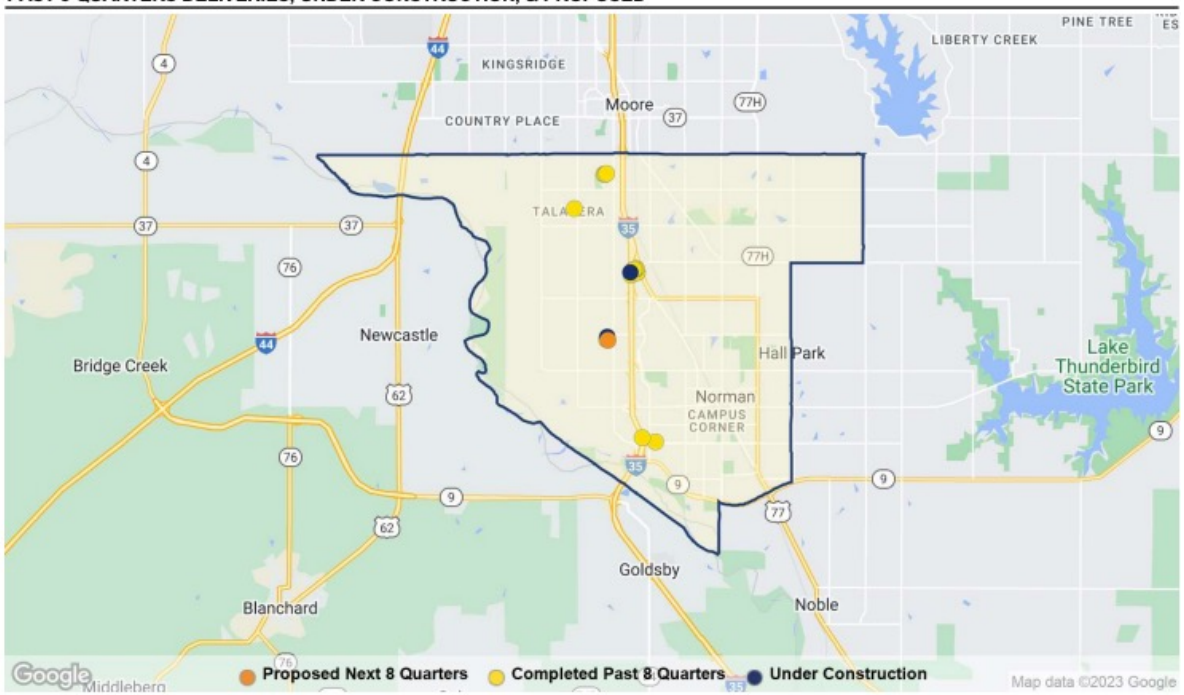
Supply, Demand & Development Pipeline

- The Norman submarket has on average 82,148 square feet delivered to the market on an annual basis. There have been a total of 110,187 square feet delivered to the submarket over the past two years. This is a bit slower in office delivery to the market based on historic averages.
- According to the Overall Supply & Demand table to the right, there is an expected delivery of 5,000 square feet to the submarket over the next two years.
- The supply projection for the next year is negative as it is predicted that there will be no deliveries when in fact there will be a decrease in the supply of office in the submarket. After 2024, the following three years are positive, indicating an increase of deliveries and supply in the market.
- Alongside the decrease in supply, it is projected that there will be negative absorption for the next coming year, then numbers should rise and see a positive absorption in the three years to follow.

All-Time Annual Avg. Square Feet	Delivered Square Feet Past 8 Qtrs	Delivered Square Feet Next 8 Qtrs	Proposed Square Feet Next 8 Qtrs
82,148	110,187	8,900	5,0

Item 2.

PAST 8 QUARTERS DELIVERIES, UNDER CONSTRUCTION, & PROPOSED



OVERALL SUPPLY & DEMAND

	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	4,375,625	45,437	1.0%	39,493	0.9%	1.2
2026	4,330,188	34,777	0.8%	34,604	0.8%	1.0
2025	4,295,411	10,973	0.3%	12,151	0.3%	0.9
2024	4,284,438	2,475	0.1%	(35,704)	-0.8%	-
2023	4,281,963	57,576	1.4%	(17,520)	-0.4%	-
YTD	4,281,963	57,576	1.4%	(42,573)	-1.0%	-
2022	4.224.387	45.611	1.1%	90.905	2.2%	0.5
2021	4,178,776	74,277	1.8%	67,988	1.6%	1.1
2020	4,104,499	144,416	3.6%	188,362	4.6%	0.8
2019	3,960,083	144,322	3.8%	146,613	3.7%	1.0
2018	3,815,761	151,548	4.1%	82,477	2.2%	1.8
2017	3,664,213	74,903	2.1%	(59,023)	-1.6%	-
2016	3,589,310	66,910	1.9%	111,125	3.1%	0.6
2015	3,522,400	129,068	3.8%	89,081	2.5%	1.4
2014	3,393,332	128,804	3.9%	158,925	4.7%	0.8
2013	3,264,528	4,358	0.1%	63,427	1.9%	0.1
2012	3,260,170	88,456	2.8%	60,776	1.9%	
2011	3,171,714	20,289	0.6%	30,031	0.9%	

Key Highlights

Office Market

The Norman office submarket has been stable in terms of growth and development of the total square footage offered in the submarket. The current vacancy rate is at 6.9 percent and has increased 1.4 percent in the past year. The average office property size in the submarket is 6,700 SF where the median office property size is around 5,000 SF. Norman is plentiful in terms of smaller office buildings with fewer larger office complexes.

1 and 2 Star are the most abundant subtype with nearly 2.1 million SF in the category. The submarket is in line with Oklahoma City when it comes to rents, with the average being $19.50/SF.

The Norman office submarket has a vacancy rate of 6.9 percent and has increased 1.4 percent in the past year, which is higher than that of the Oklahoma City market of 0.6 percent.

The Comparable Market Developments Set shows properties that display opportunity with a large Master Plan like the recommendations. Franklin Business Park has seen the most recent deliveries along Adams Road.

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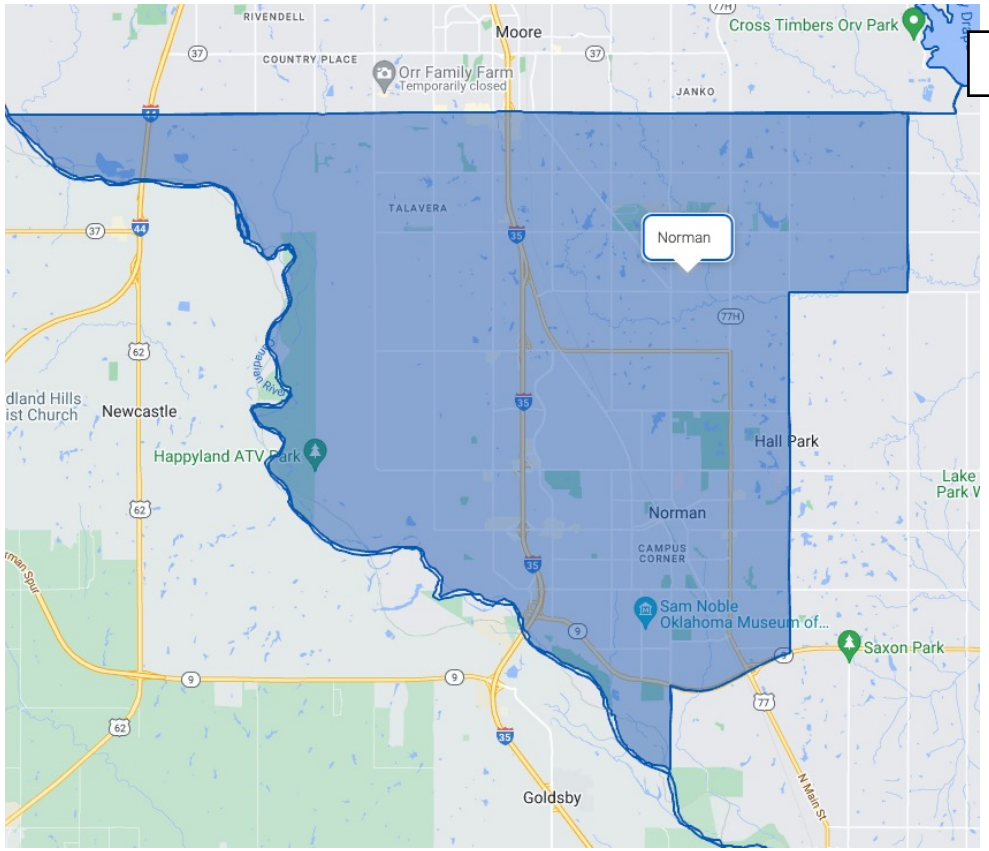
Retail Submarket

Submarket Analysis

- The Norman retail submarket has seen negative net absorption over the past 12 months of nearly 68,000 SF. Vacancy rates are also at a rise of 0.9 percent over the same period and are currently at 6.6 percent.
- Within the submarket, general retail is the largest subtype with approximately 6.2 million SF under construction.
- There have been 83 sales within the past 3 years, and 17 of those sales have taken place within the past year and averaged about $260/SF.
- Rents are at approximately $18.80/SF and continue to increase.
- The market price is up since the fourth quarter of last year and the level average is above that of the Oklahoma City metro.



12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	12 Mo Rent Growth
52.1K	(46.6K)	6.5%	1.9%

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Malls	693,640	15.0%	$21.43	6.1%	0	0	0
Power Center	1,283,409	6.7%	$21.61	9.1%	0	0	0
Neighborhood Center	1,876,531	7.7%	$16.38	8.3%	(27)	0	0
Strip Center	367,695	11.0%	$19.32	11.3%	8,476	0	0
General Retail	6,119,611	5.0%	$18.47	6.1%	4,160	0	6,180
Other	159,943	0%	$23.18	0%	0	0	0
Submarket	**10,500,829**	**6.5%**	**$18.77**	**7.0%**	**12,609**	**0**	**6,180**

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.9%	3.9%	6.9%	6.6%	2023 Q3	2.1%	2015 Q4
Net Absorption SF	(46.6K)	147,878	17,408	665,781	2007 Q1	(194,780)	2020 Q2
Deliveries SF	52.1K	182,162	55,751	678,007	2007 Q1	23,722	2021 Q2
Rent Growth	1.9%	2.3%	1.0%	4.6%	2022 Q3	-0.5%	2009 Q2
Sales Volume	$12.9M	$51.5M	N/A	$231.2M	2015 Q2	$4.8M	2009 Q3

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Retail Submarket

Comparable Market Developments

Brookhaven Village Building E
Built: 1985
Vacancy: 27.5%
Size: 63,341 SF
CoStar Est. Rent: $22.00 PSF

Parkway Plaza
Built: 1996
Vacancy: 44.8%
Size: 112,917 SF
Est. Rent: $24.00 PSF

University Town Center
Built: 2013
Vacancy: 0.0%
Size: 64,360 SF
Asking Office Rent: $22.43 PSF

Madison Square
Built: 2008
Vacancy: 0.0%
Size: 88,000 SF
Asking Rent: $18.00 PSF

Shops at Tecumseh
Built: 2018
Vacancy: 0.0%
Size: 18,379 SF
Asking Rent: $25.00 PSF

Alameda Square Shopping Center
Built: 1984
Vacancy: 27.5%
Size: 93,858 SF
Asking Rent: $12.98 PSF

Retail Submarket

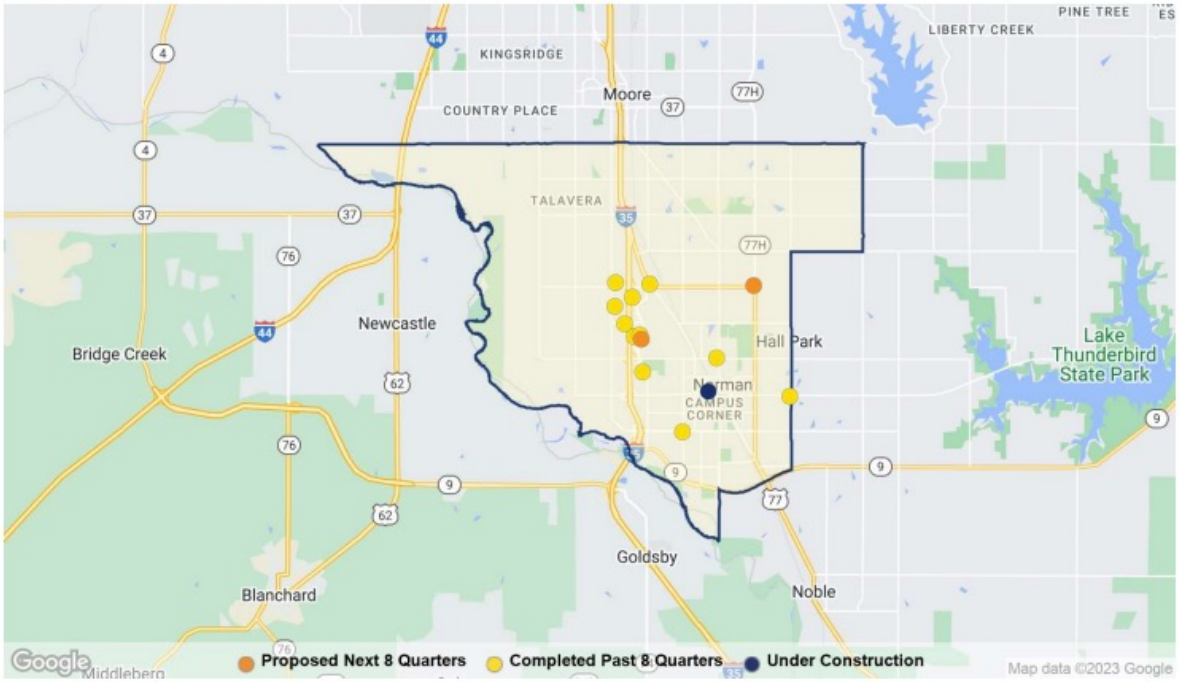
Supply, Demand & Development Pipeline

- The Greater Norman submarket has on average 176,540 square feet delivered to the market on an annual basis. There has been 194,998 square feet delivered to the submarket over the past two years. This is above the retail delivery average in the market based on historic averages.
- When analyzing the next two years, there is 6,180 square feet that will be delivered to the market and 116,400 square that is proposed to be delivered in the next two years.
- The proposed 116,400 square feet is divided between two properties. The 66,400 square foot property will be an addition to University Town Center. The 50,000 square foot property will be located on East Tecumseh Road.
- According to the Overall Supply & Demand table shown to the right, there is negative absorption levels projected for the next year in the submarket, until numbers stabilize and become positive in the three years to follow. Based on positive absorption of new supply in the coming years, there is opportunity for additional retail development.

Item 2.

All-Time Annual Avg. Square Feet	Delivered Square Feet Past 8 Qtrs	Delivered Square Feet Next 8 Qtrs	Proposed Square Feet Next 8 Qtrs
176,540	194,998	6,180	116,[illegible]

PAST 8 QUARTERS DELIVERIES, UNDER CONSTRUCTION, & PROPOSED



OVERALL SUPPLY & DEMAND

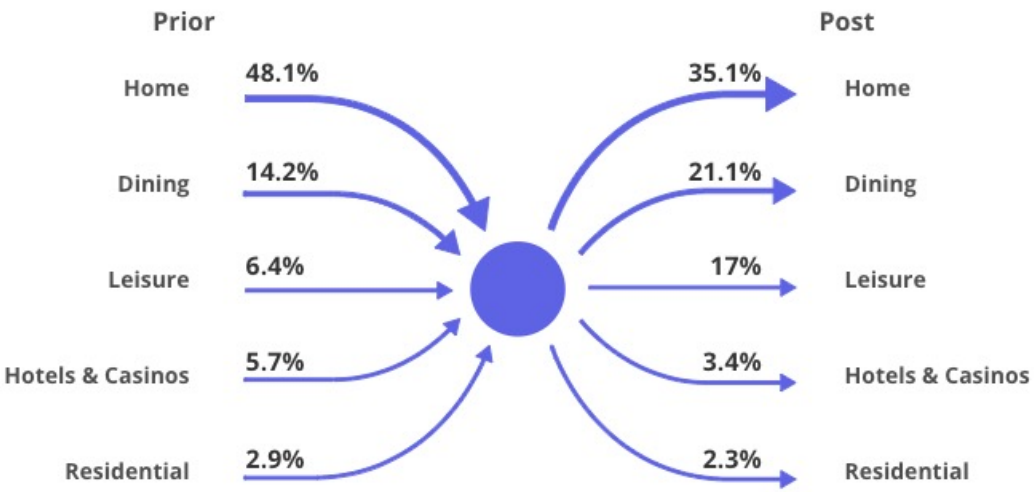
	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	10,665,412	71,807	0.7%	52,831	0.5%	1.4
2026	10,593,605	60,312	0.6%	46,746	0.4%	1.3
2025	10,533,293	35,527	0.3%	26,833	0.3%	1.3
2024	10,497,766	(3,063)	0%	(32,237)	-0.3%	-
2023	10,500,829	50,500	0.5%	(62,933)	-0.6%	-
YTD	10,500,829	50,500	0.5%	(61,884)	-0.6%	-
2022	10,450,329	101,780	1.0%	115,034	1.1%	0.9
2021	10,348,549	204,902	2.0%	76,174	0.7%	2.7
2020	10,143,647	42,115	0.4%	102,405	1.0%	0.4
2019	10,101,532	29,241	0.3%	(124,157)	-1.2%	-
2018	10,072,291	183,026	1.9%	57,201	0.6%	3.2
2017	9,889,265	28,656	0.3%	31,345	0.3%	0.9
2016	9,860,609	137,688	1.4%	99,047	1.0%	1.4
2015	9,722,921	77,085	0.8%	194,162	2.0%	0.4
2014	9,645,836	110,670	1.2%	95,498	1.0%	1.2
2013	9,535,166	341,445	3.7%	416,836	4.4%	0.8
2012	9,193,721	120,920	1.3%	93,224	1.0%	[illegible]
2011	9,072,801	218,913	2.5%	169,871	1.9%	[illegible]

Retail Visitation

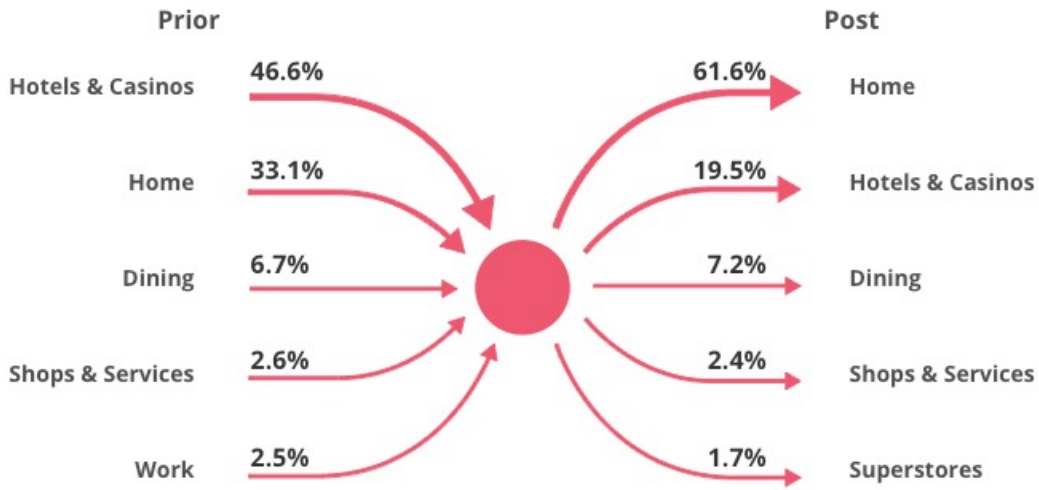
Retail Visitation Analysis

With the incorporation of Placer.ai as a visitation tracking tool, Hunden has analyzed prior and post points of interests and the “Favorite Places” of the Lloyd Noble Center and Riverwind Casino. Favorite Places is defined as a list of other local places that visitors to a certain property have also visited during the selected time frame. The Top Five most popular points of interest for both subject properties are all in the retail industry, classified as malls or shopping centers. Additionally, Leisure and Dining are seen as most popular for visitors to frequent before and after visiting the Lloyd Noble Center and Riverwind Casino.

Lloyd Noble Center



Riverwind Casino



Lloyd Noble Center "Favorite Places"

Rank	Point of Interest	Miles Away	# of Visitors
#1	University Town Center	4.2	154,000
#2	Penn Square Mall	24.1	118,500
#3	Will Rogers World Airport	16.7	93,400
#4	Gaylord Family Oklahoma Memorial Stadium	1.3	91,400
#5	Target	4.0	89,100

Source: Placer.ai

Riverwind Casino "Favorite Places"

Rank	Point of Interest	Miles Away	# of Visitors
#1	University Town Center	4.2	114,700
#2	Penn Square Mall	24.0	104,00
#3	Westgate Marketplace	20.7	99,700
#4	Newcastle Casino	8.6	82,300
#5	Will Rogers World Airport	15.8	73,700

Source: Placer.ai

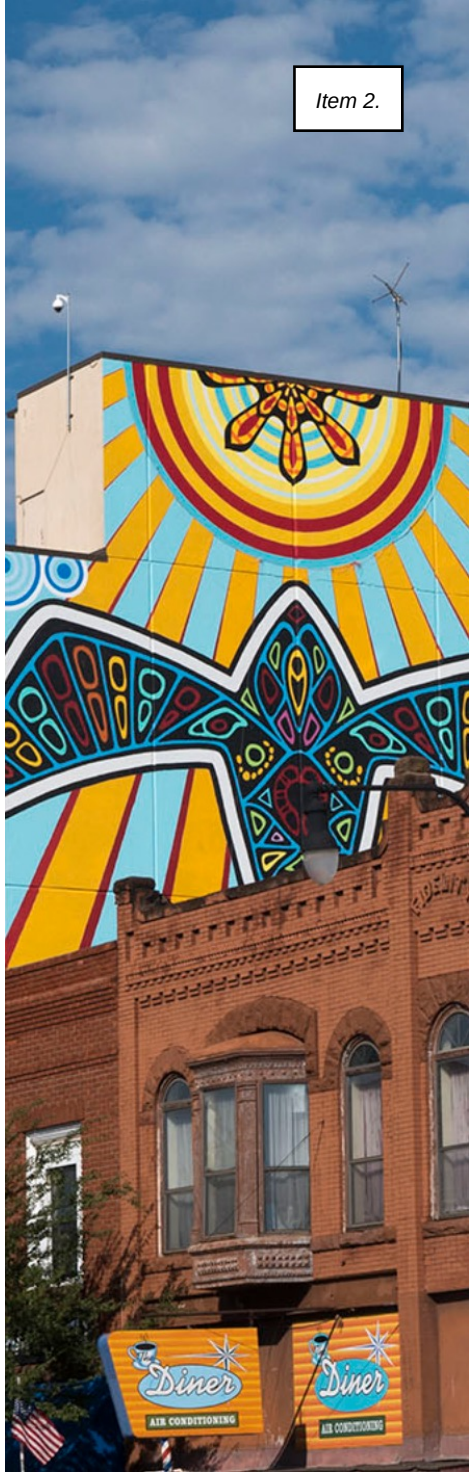
Retail / Dining Nodes

Norman, OK Major Retail & Dining Nodes - Ranked by Total 2022 Visits

Area	2022 Visits	2022 Visitors	Visits Per Customer	Visits Over 100 Miles	% Visits over 100 Miles	Restaurants	Retailers	Adjacent Hotel Rooms
University Town Center	4,900,000	944,800	5.19	703,800	14.4%	22	41	503
Campus Corner	3,300,000	545,100	6.05	1,100,000	33.3%	23	22	91
Parkway Plaza	2,300,000	595,800	3.86	277,600	12.1%	2	13	194
Historic Downtown	1,900,000	504,100	3.77	483,300	25.4%	42	50	16
Redbud Plaza	1,800,000	427,800	4.21	148,400	8.2%	4	17	135
Sooner Mall	1,500,000	562,400	2.67	142,300	9.5%	7	52	283
Brookhaven Village	935,500	231,300	4.04	146,500	15.7%	6	22	0
Robinson Crossing	821,600	310,900	2.64	152,000	18.5%	4	28	0
Total	17,457,100	4,122,200	4.23	3,153,900	18.1%	110	245	1,222

Source: Placer.ai

- Norman has a number of major retail and dining nodes, with multiple nodes located adjacent to or near the Project site.
- University Town Center (UTC), located directly south of the Project site, generated an estimated 4.9 million visits in 2022 with 503 walkable hotel rooms over three properties. The UTC POI that resulted in these visitation statistics does not include roads or large surface parking areas.
- Campus Corner, located on OU's campus, generated the highest number of estimated long-distance visits.
- Commercial tenants at these major nodes include mostly big box, chain, or fast casual concepts that do not drive long-distance visitation.
- Downtown Norman has the highest density of unique and locally driven restaurants and retailers, often sought after by visitors looking for a unique, historic or walkable setting.
- Downtown OKC offers additional high-end retail in its traditional mall settings, along with additional retail centers located outside the downtown core.
- The Project presents the opportunity to attract unique and experiential restaurant and retail concepts that drive long-distance visitor spending and impacts. "Eatertainment" concepts are attractive to both residents and families and those visiting Norman or the district for major events.
- Though most of these nodes have walkable hotels, these are mostly limited-service properties, and offerings within these nodes themselves are not cause enough to generate new overnight demand.



Key Highlights

Retail Market

The proposed entertainment venue and surrounding mixed-use district will generate a much larger customer segment to the area that in turn will further support retail centers and mall developments. As Norman expands on the multi purpose event center, there will be large demand for the visitors to this facilities to dine and shop locally after attending a show, conference or sporting event.

The Norman retail submarket has seen negative net absorption over the past 12 months of nearly 68,000 SF. Vacancy rates have also risen 0.9 percent over the same period and are currently at 6.6 percent.

Within the submarket, general retail is the largest subtype with approximately 6.2 million SF under construction.

The Comparable Market Developments Set displays properties that are extensive in size, have large visitation, and have low vacancies. One of the latest major deliveries to the market was the Shops at Tecumseh and has performed strongly with full-occupancy.

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Entertainment

Riverwind Casino

Reaves Park

HeyDay

Westwood Aquatic Center

The table to the right details popular arts, amateur sports, and entertainment assets with associated estimated 2022 visitation.

- There are a wide variety of entertainment driven assets in Norman, including casinos, family-entertainment retail, outdoor sports and recreation, and arts facilities.
- These types of assets not only service the local community, but aid in generating long-distance visitation and spending.
- The future planned National Weather Center Museum would also drive tourism and spending to the district.
- Though OKC has additional arts and entertainment offerings, the Project can infuse additional entertainment assets to help activate the district on a year-round basis and generate additional economic impacts and taxes.

Norman, OK Arts & Entertainment Assets - Ranked by Total 2022 Visits

Facility	2022 Visits	2022 Visitors	Visits Per Customer	Visits Over 100 Miles	% Visits over 100 Miles
Riverwind Casino	1,600,000	328,400	4.87	286,900	17.9%
OU Arts District	585,600	82,400	7.11	222,900	38.1%
Reaves Sports Complex	481,100	198,300	2.43	86,400	18.0%
HeyDay Norman	406,000	235,800	1.72	52,900	13.0%
Griffin Sports Complex	316,200	65,200	4.85	37,400	11.8%
Sooner Bowling Center	195,000	95,000	2.05	24,000	12.3%
Robinson Crossing AMC Theatre	192,000	92,600	2.07	22,100	11.5%
Thunderbird Casino	154,300	30,800	5.01	14,400	9.3%
National Weather Center	86,500	10,100	8.56	36,700	42.4%
Westwood Family Aquatic Center	76,100	29,500	2.58	6,000	7.9%
Stratus Climbing, Yoga & Fitness	62,200	11,300	5.50	11,200	18.0%
Goldby Gaming Center	54,500	13,600	4.01	2,400	4.4%
Oklahoma Motor Sports Complex	47,800	23,700	2.02	12,300	25.7%
Calypso Cove Marina	23,400	11,100	2.11	2,500	10.7%
The Depot	18,200	15,900	1.14	5,300	29.1%
Sooner Theatre	18,100	9,800	1.85	2,500	13.8%
Total	4,317,000	1,253,500	3.44	825,900	19.1%

Source: Placer.ai

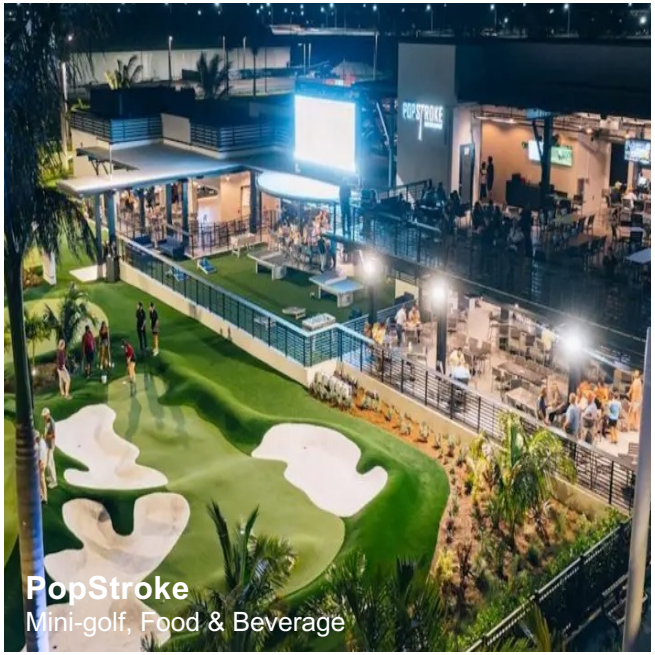
Family Entertainment / “Eatertainment”

Even with the planned entertainment venue for the Project, there are other sources of entertainment that are widely popular around the country that wouldn’t require as significant public investment or incentives as the proposed venue. These facilities are often developed as part of a broader mixed-use district to provide additional activities for visiting families and guests that can aid in extending stays and spending.

Eatertainment venues combine dining with entertainment options but are higher end experiences than traditional arcades or bowling alleys. Eatertainment venues are a one-stop experience for premium meals, fun activities and a destination for consumers to meet up with friends and family in a more active and engaging fashion than a standard restaurant. OKC offers such popular concepts as Topgolf and Chicken N Pickle.

These venues are often very successful in sports and entertainment districts because of their ability to accommodate large groups. Eatertainment venues are typically large in size, which is beneficial for meetings and events as they can host groups looking for entertainment and restaurant options. They can serve as an anchor for a sports or entertainment district.

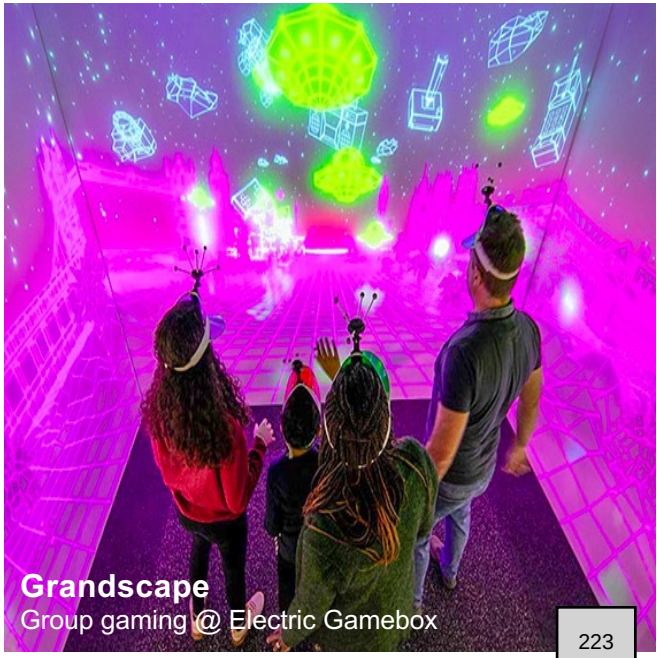
The images to the right show examples of these innovative concepts to show potential development opportunities in the area of experiential dining, sports, and family entertainment.



PopStroke
Mini-golf, Food & Beverage

Punch Bowl Social
Bowling, Gaming, Karaoke

Toca Social
Interactive Soccer, Food & Beverage



Grandscape
Group gaming @ Electric Gamebox

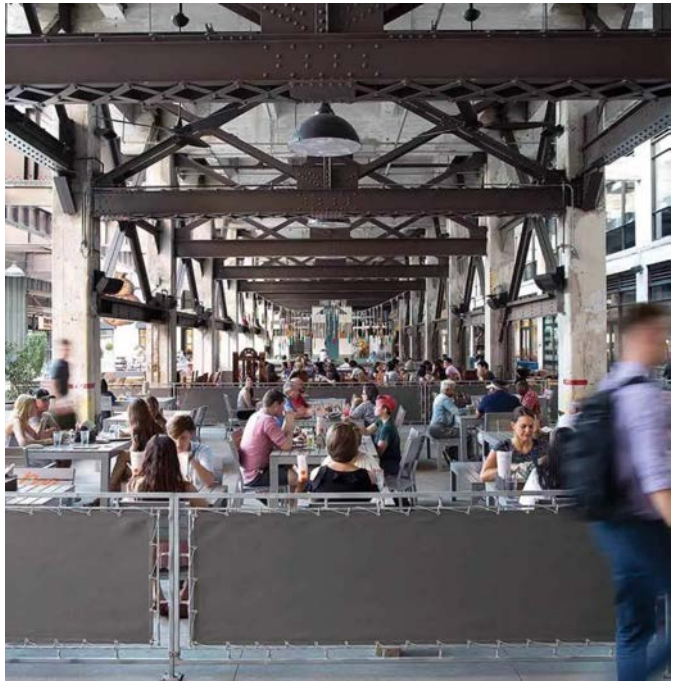
Food Halls

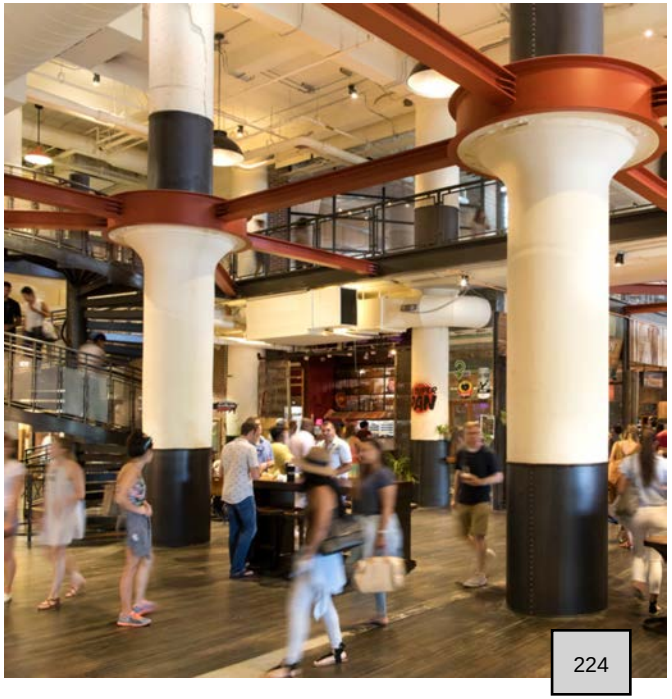
Food halls are an increasingly popular dining option that offer consumers a high-end, unique experience. Food halls consist of an assortment of food and beverage options and often are combined with retail shops and entertainment nodes to make the space a destination.

Restaurants in food halls focus on locally-developed start-ups as opposed to food courts that offer large national chains. The assortment of options that are offered attract large groups of people, fulfilling the desires of all consumers in the group and allowing them to enjoy a meal together. Food halls also often incorporate outdoor dining and event space often activated with live entertainment and events.

- Norman has number of breweries located mostly downtown. Additions to these can be infused into food halls as well as part of a district's overall food and beverage plan.
- The Collective, OKC's first food hall, features 11 kitchens, a 32-tap bar, and rooftop patio.

The pictures on the right show the Ponce City Market food halls in Atlanta, GA.





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Campus-Style Clustering

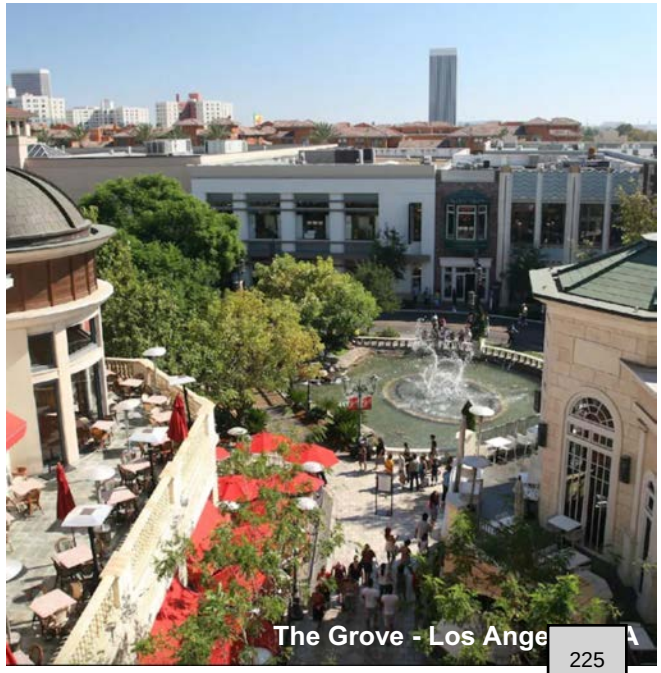
There are two main types of district design: linear street layout and campus-style clustering. The Project is best suited for campus-style clustering, features of which include:

- Large indoor spaces and rooftops create opportunities for scenic views and stand-out entertainment concepts
- Combine well with recreational trails and outdoor / activated plaza spaces
- Large building sizes offer multiple uses on different level, such as co-working offices, hotels, loft-style residences, meeting and event space, and small-shop marketplaces
- Often house city-markets with locally-made goods and fresh foods
- Are distinctly attractive for arts-based events, art installations, and become stops for tourists looking for something to augment their driving tours
- Groupings of buildings allows for clusters of theme-based retailers and uses, lifestyle retail, and hospitality/nightlife
- Creative lighting at night highlights the 18-hour day variety of uses and activities, looking vastly different than typical retail centers

The Paseo - Pasadena, CA

Midtown District - Carmel, IN

Ponce City Market - Atlanta, GA


The Grove - Los Ange

Key Highlights

Retail, Dining, and Entertainment

Based on Hunden's analysis of retail and dining nodes and existing entertainment assets, there are additional opportunities to enhance Norman's overall appeal to increase incremental revenues at the Project site. A dense and vibrant mixed-use district surrounding the proposed entertainment venue would aid in providing a sense of place, providing unique offerings beyond the mostly traditional retail and restaurant development currently in Norman. Below outlines key elements to successful districts that can be applied to the Project.

Create **a density of retail, restaurant, entertainment, multifamily, office, and hotel offerings** adjacent to major demand inducing assets such as arenas, stadiums or convention centers in order to create a critical mass of people 24/7.

Feature vehicular through-streets that allow cars to drive through the development for better visibility and access, just as a village "main street."

All-year programmed events that cater to all age groups will create a true community civic space, often in central park greens and inside food hall buildings during colder seasons.

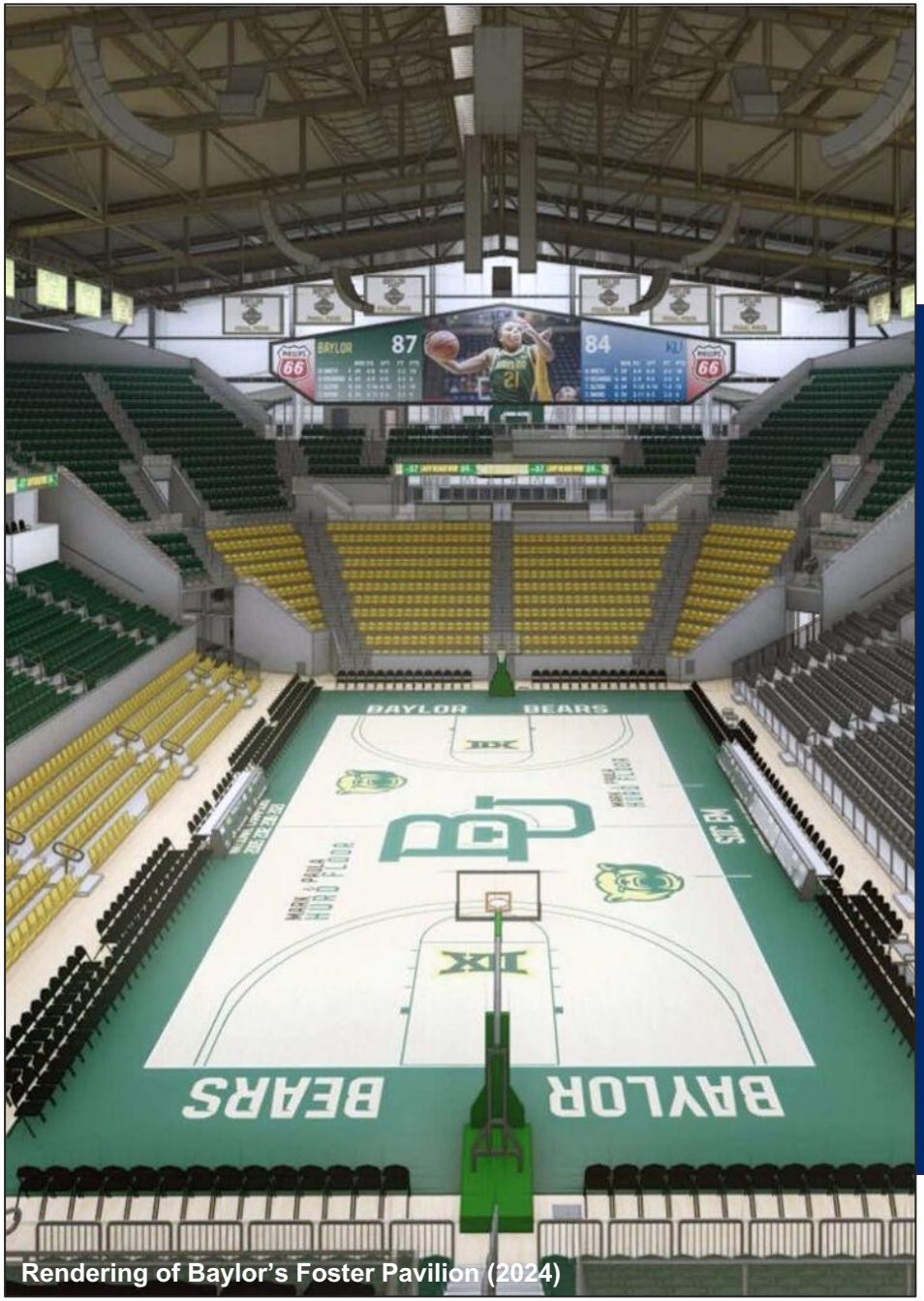
Case Studies Introduction

Hunden analyzed many University arenas across the country with the goal of answering many of the key questions outlined at the beginning of this report. Additionally, with OU joining the SEC in 2024, it is important to understand visitation trends of comparable universities within this conference.

New Developments: What can be learned from newly developed collegiate areas, or those under development currently? How does the mixed-use nature of many of the new developments influence these projects?

Public-Private Financing: How have collegiate arenas been financed?

Third-Party Operator: What is the impact of concerts, family shows and other events on the visitation to University arenas? How can a new arena's calendar be optimized to generate economic impact, that 'but for' the arena project, would not have occurred in the local area?



Rendering of Baylor's Foster Pavilion (2024)

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Case Studies

30.9

Average Number of Ticketed Non-University Events in 2022

55%

Average Public-Sector Funding Contribution

Foster Pavilion
Baylor University
Open: 2024
Seats: 7,000
Cost: $213 million
Public Share: 30.6%
Management: OVG360

KFC Yum! Center
University of Louisville
Open: 2010
Seats: 22,000
Cost: $238 million
Public Share: 54%
Management: ASM
Non-University Events (2022): 39

Moody Center
University of Texas - Austin
Open: 2022
Seats: 15,000
Cost: $375 million
Public Share: 0%
Management: OVG360
Non-University Events (2022): 72

Tsongas Center
University of Massachusetts
Open: 1998
Seats: 7,000
Cost: $24 million
Public Share: 90%
Management: OVG360
Non-University Events (2022): 11

Chesapeake Employers Insurance Arena
University of Maryland, Baltimore County
Open: 2018
Seats: 4,654
Cost: $85 million
Public Share: 0%
Management: OVG360
Non-University Events (2022): 27

Chaifetz Arena
St. Louis University
Open: 2008
Seats: 10,600
Cost: $80.5 million
Public Share: 10%
Management: OVG360
Non-University Events (2022): 21

Pinnacle Bank Arena
University of Nebraska
Open: 2013
Seats: 15,500
Cost: $181 million
Public Share: 100%
Management: ASM
Non-University Events (2022): 14

Addition Financial Arena
University of Central Florida
Open: 2007
Seats: 10,000
Cost: $107 million
Public Share: 0%
Management: Spectra
Non-University Events (2022): 32

Source: Various, Pollstar

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Visitation Analysis

Collegiate Arenas

Hunden assessed comparable arenas over the Big 12 and the SEC and those that were identified as comparable public-private developments with private professional management. This analysis leverages Placer.Ai geofencing data which utilizes cell phone data to provide estimates of visitation to specific points of interest (POI).

Collegiate Arena Visitation 2022

							In-County		Out-of-County		In-State		Out-of-State	
Venue	University	Conference	Capacity	No. of Ticketed Non-University Events	Total Visits 2022	Visits/Seat	Visits	%	Visits	%	Visits	%	Visits	%
KYC Yum! Center	University of Louisville	ACC	22,000	39	1,400,000	64	560,280	40.0%	839,720	60%	938,775	67.1%	461,225	33%
Moody Center	University of Texas - Austin	Big 12	15,000	72	1,100,000	73	460,793	41.9%	639,207	58%	983,750	89.4%	116,250	11%
Pinnacle Bank Arena	University of Nebraska	Big 10	15,500	14	1,000,000	65	388,561	38.9%	611,439	61%	905,560	90.6%	94,440	9%
Addition Financial Arena	University of Central Florida	Big 12	10,000	31	977,900	98	358,117	36.6%	619,783	63%	867,045	88.7%	110,855	11%
United Supermarkets Arena	Texas Tech University	Big 12	15,000	4	865,800	58	446,500	51.6%	419,300	48%	789,739	91.2%	76,061	9%
Chaifetz Arena	St. Louis University	A10	10,600	21	713,400	67	172,367	24.2%	541,033	76%	518,123	72.6%	195,277	27%
Tsongas Center	University of Massachusetts	A10	6,500	11	509,700	78	264,591	51.9%	245,109	48%	421,928	82.8%	87,772	17%
Chesapeake Employers Insurance Arena	University of Maryland, Baltimore County	America East	4,654	27	455,400	98	146,701	32.2%	308,699	68%	336,434	73.9%	118,966	26%
Other Relevant Venues														
Thompson-Boling Arena	University of Tennessee	SEC	21,678	26	1,300,000	60	430,028	33.1%	869,972	67%	948,762	73.0%	351,238	27%
Rupp Arena	University of Kentucky	SEC	20,545	37	1,400,000	68	355,813	25.4%	1,044,187	75%	1,151,947	82.3%	248,053	18%
The Sandy and John Black Pavillion at Ole Miss	Ole Miss University	SEC	9,500	0	475,800	50	144,300	30.3%	331,500	70%	305,449	64.2%	170,351	36%
Average			12,930	26	927,091	71	338,914	36.9%	588,177	63%	742,501	79.6%	184,590	20%
Lloyd Noble	University of Oklahoma	Big 12	11,528	0	489,000	42	166,241	34.0%	322,759	66%	385,666	78.9%	103,334	21%

Source: Pollstar

In terms of the student population, Placer registers a new “home” for a cell phone owner after 30 days of being at a new city every night. Thus, for each arena there is a slight overestimation of out-of-county and out-of-state visits during the initial events of the school year.

Visitation Analysis

Collegiate Arenas

Hunden's assessment of several privately managed arenas was aimed at understanding the potential visitation increase of the Project compared to what is currently experienced at Lloyd Noble. The analysis below shows that if the average efficiency (visits per seat) of the eight arenas analyzed is applied to the proposed Project of 10,500 capacity. The baseline visitation increase compared to the visitation at Llyod Noble in 2022 is an estimated to be 256,500 additional annual visits. This analysis shows the impact of concerts and other non-university events and supports the projections completed in the demand, financial and impact chapters of this report.

920k **Average Number of Annual Visits**	/	**12,930** **Average Capacity of Venues Analyzed**	=	**71** **Average Number of Visits Per Seat**
71 **Average Number of Visits Per Seat**	x	**10,500** **Proposed Capacity of Project**	=	**745,500** **Estimated Baseline Annual Visits of Project**

Current	*Estimated*	*Increase*
489,000	**745,500**	**256,500**
2022 Estimated Visits to Lloyd Noble Center	**Estimated Baseline Annual Visits of Project**	**Estimated Annual Visitation Increase**

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Case Study: Profiles

Moody Center

Austin, TX

Tenant(s) — UT Basketball, UT Volleyball, Austin Gamblers (PBR)

Seating Capacity — 15,000 seats (total), 10,763 (basketball)

Year Built — 2022

Ownership — University of Texas, Austin

Operator — OVG 360 & UT Austin

Project Cost — $338 million

Financing — 100% University/Private Share

Notes — The Moody Center is the new home for the Longhorns. When the arena opened in 2022, it replaced the Frank Erwin Center. The arena predominantly services the University; however, it hosts many other events such as concerts, family shows and other entertainment acts. There are multiple groups that have contributed to the success of the venue including Oakview Group, Live Nation/C3 Presents and the University of Texas.

UT contributed the approximately 6.6 acres to OVG in a lease agreement. OVG developed the arena and provides UT with approximately 60 dates per year for athletics and other university events.

The Moody Foundation contributed a $130 million grant for the arena, which gave them naming rights for the venue.

Moody Center & Frank Erwin Center

Moody Center - Austin, Texas

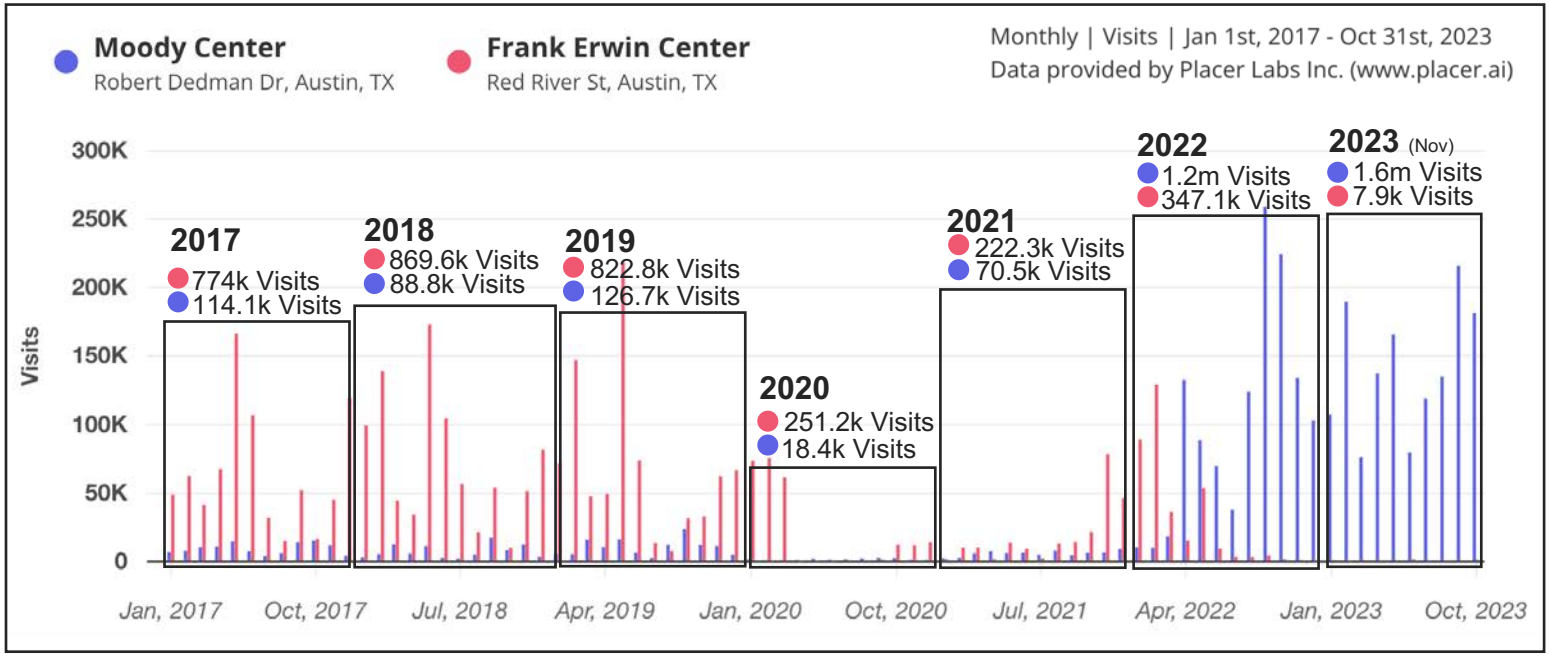
Year	Number of Events	% Events Represented	% of Available Tickets Sold	Average Attendance	Avg. Ticket Price	Estimated Gross Ticket Revenue (millions)
2023	75	89.3%	90%	9,025	$105.83	$71.64
2022	73	95.9%	90%	8,797	$106.17	$68.18
Average	**74**	**93%**	**90%**	**8,911**	**$106.00**	**$69.91**
2019-15	**73**	**96%**	**90%**	**8,797**	**$106.17**	**$68.18**

Source: Pollstar

Frank Erwin Center - Austin, Texas

Year	Number of Events	% Events Represented	% of Available Tickets Sold	Average Attendance	Avg. Ticket Price	Estimated Gross Ticket Revenue (millions)
2021	8	62.5%	91%	8,920	$83.90	$5.99
2020	4	75.0%	99%	10,425	$99.56	$4.15
2019	16	87.5%	90%	8,243	$90.25	$11.90
2018	18	77.8%	73%	5,706	$77.60	$7.97
2017	19	78.9%	77%	6,493	$80.27	$9.90
2016	24	87.5%	77%	7,108	$76.05	$12.97
2015	22	72.7%	80%	6,998	$73.59	$11.33
2014	11	81.8%	78%	6,544	$55.01	$3.96
2013	23	82.6%	78%	7,498	$67.55	$11.65
2012	11	100.0%	87%	8,073	$84.18	$7.48
2011	24	70.8%	79%	7,060	$57.26	$9.70
2010	18	83.3%	80%	7,045	$52.30	$6.63
2009	26	92.3%	78%	5,926	$51.26	$7.90
Average	**17**	**80.99%**	**82.01%**	**7,388**	**$72.98**	**$8.58**
2021-2017	**13**	**76.35%**	**85.99%**	**7,957**	**$86.31**	**$7.98**

Source: Pollstar



Frank Erwin Center

Average 2017 – 2019

822.1k Visits

Moody Center

Average 2022 – 2023 (Est)

1.47m Visits

650.6k Visit

Difference

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Moody Center

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Chesapeake Employers Insurance Arena

Baltimore, MD

Tenant(s) — UMBC Athletics

Seating Capacity — 4,654 (basketball) 5,500 (concerts)

Year Built — 2018

Ownership — UMBC

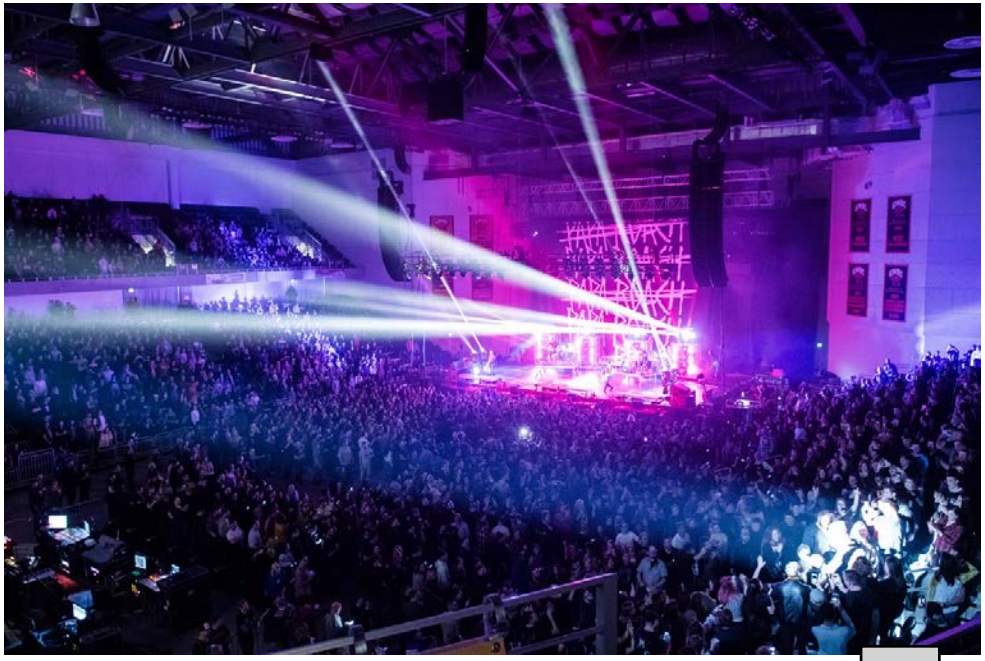
Operator — OVG 360

Project Cost — $85 million

Financing — 100% University/Private Share

Notes — The Chesapeake Employers Insurance Arena was completed in 2018 for the University of Maryland, Baltimore County (UMBC). Prior to the completion of the new arena that UMBC athletics basketball and volleyball programs played in the Retriever Activities Center, which is the school's recreation center.

The naming rights deal with Chesapeake Employers Insurance was a 15-year $5 million deal. The arena was largely funded by the University and private organizations.



Chesapeake Employers Insurance Arena

Chesapeake Employers Insurance Arena - Baltimore, MD

Year	Number of Events	% Events Represented	% of Available Tickets Sold	Average Attendance	Avg. Ticket Price	Estimated Gross Ticket Revenue (millions)
2023	9	22.2%	70%	3,007	$64.74	$1.75
2022	27	33.3%	77%	3,578	$70.13	$6.78
2021	5	40.0%	64%	2,968	$56.85	$0.84
2020	1	0.0%	--	--	--	--
2019	19	31.6%	86%	3,833	$66.59	$4.85
2018	10	70.0%	55%	2,424	$47.22	$1.14
Average (Ex 2020)	**9**	**35.39%**	**68.25%**	**3,075**	**$56.89**	**$2.28**

Source: Pollstar

Retriever Activities Center

2017 (Last Year as Home of the UMBC Basketball & Volleyball Programs)

153.6k Visits

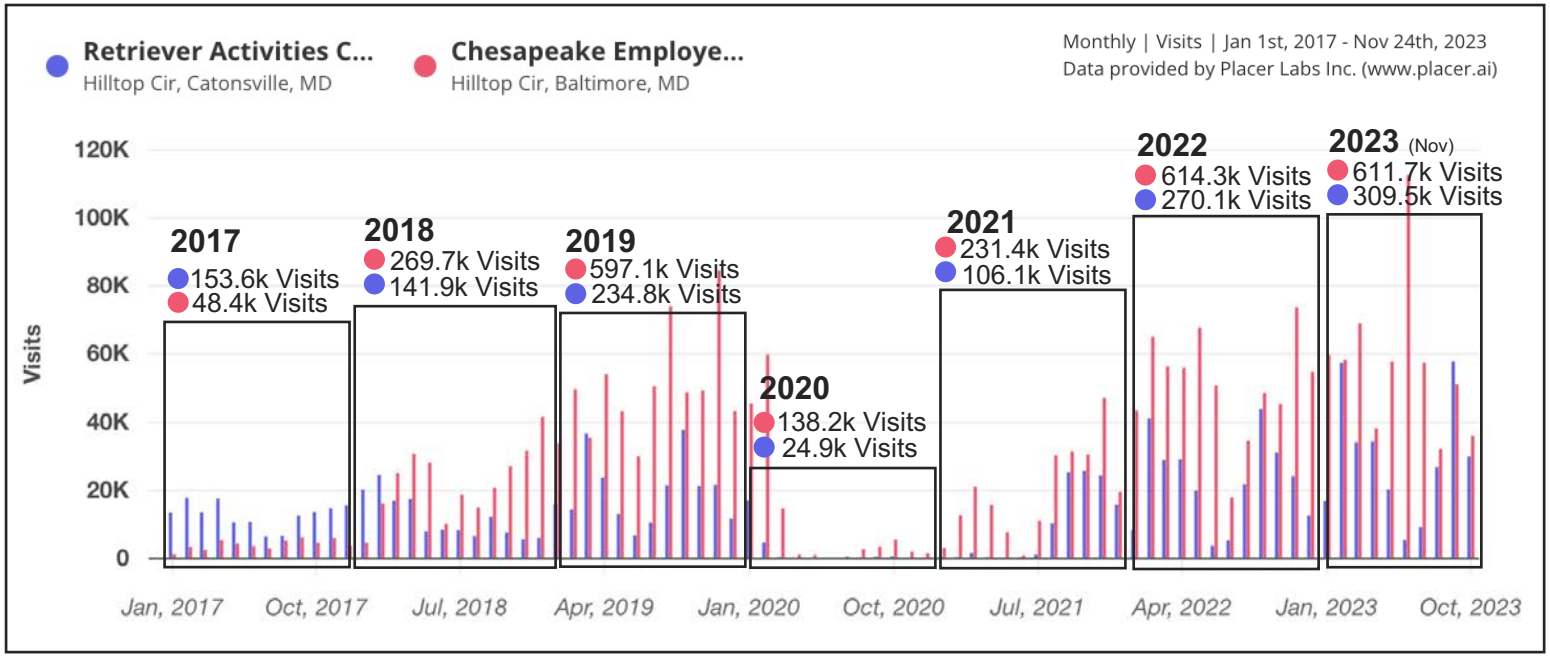
Chesapeake Employers Insurance Arena

Average (2019, 2022 & 2023)

607.7k

454.1k Visit

Difference



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Chesapeake Employers Insurance Arena

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Pinnacle Bank Arena

Lincoln, NE

Tenant(s) — Nebraska Cornhuskers

Seating Capacity — 15,500 seats (basketball), 16,130 (center stage)

Year Built — 2013

Ownership — City of Lincoln

Operator — ASM Global

Project Cost — $181 million, $375 million West Haymarket District

Financing — 100% Public

Notes — The Pinnacle Bank Arena was completed in 2013 to replace the former Bob Devaney Sports Center. The arena was a part of a larger revitalization effort of the West Haymarket District in downtown Lincoln, NE. The surrounding West Haymarket District includes over 100,000 SF of retail space, 100,000 SF of office space, 200 hotel rooms, 4,000 parking spaces, and 373 residential units.

The construction of the arena was largely a city driven effort. Funding from the city, which is further detailed on following slides, largely came from a bond offering for the development of the arena and the surrounding Haymarket District. The city imposed several additional taxes that went to a vote, which would assist in paying off the cities bond payment obligations.

Pinnacle Bank Arena
Financing Detail

Although the financing may be different than what takes shape in Cleveland County/Norman, the Pinnacle Bank Arena project is a strong case study to show that it takes creative financing to fund these large, significantly impactful projects. Additionally, the tax generation that has occurred to assist in funding the arena has far exceeded expectations showing the significant impact in terms of new spending these Project can generate.

The funding of Pinnacle Bank Arena required a creative financing strategy that required voter approval of additional taxes to revitalize the West Haymarket District and construct the arena.

Revenue Streams to Payback City Issued Debt

- 2% occupation tax on Lincoln's restaurants and bars
- 4% hotel/motel
- 4% rental car tax
- State sales turnback tax
- Parking revenue
- Premium seating revenue
- Naming rights

A joint public agency (JPA) was created to oversee finances of Pinnacle Bank Arena and the surrounding West Haymarket District. The project involved the relocation and elimination of existing railroad tracks and completion of other site preparation activities, the construction of Pinnacle Bank Arena, a community ice center, private retail and office space, a new Amtrak Station, residential units, surface and decked parking, public gathering areas, street and utility improvements, landscaping, trails and walkways, pedestrian bridges, and environmental enhancements

Currently, occupation tax revenue is able to cover the bond repayment, stated in September of 2023 by Lyn Heaton the cities Finance Director. The following breakdown is the financial position of the financing of the Project as of September of 2023:

Bond Debt:

Total: $595.5 million

Amount Paid: $166 million

Revenue:

Occupation Taxes: $202.8 million

Premium Arena Seating: $24.2 million

Turnback Taxes: $15.4 million

Parking Revenue: $22.2 million

*Arena revenue used to covert operating expenses not included.

Pinnacle Bank Arena
Outperforming Expectations

2022 Revenue

Occupation Taxes: $20,004,357

Intergovernmental: $3,585,254

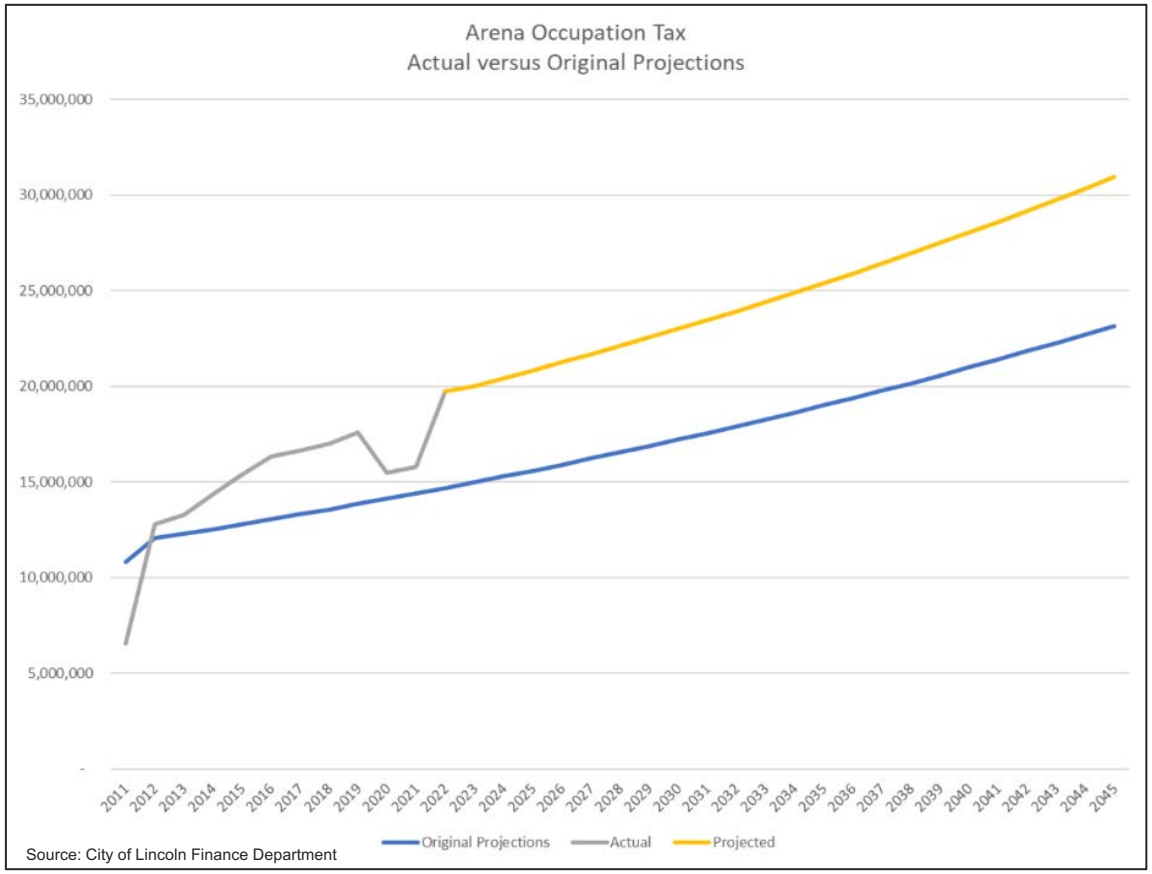
Parking facility revenue: $$3,049,351

Suit and premium seating revenue: $2,444,564

Investment Income: ($16,614)

Other program revenues: $3,648,9

The chart to the right shows that the revenue from the occupation taxes imposed has far surpassed initial projections. Collection of occupation taxes is currently $30 million more to date than originally projected, which has assisted paying off the city's debt obligations. One driving factor behind this is the fact that the arena created a ripple effect of additional new development beyond what was initially planned in the West Haymarket District.



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Pinnacle Bank Arena & West Haymarket District

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KFC Yum! Center

Louisville, KY

Tenant(s) — University of Louisville

Seating Capacity — 22,090 seats (basketball), 17,500 (end stage)

Year Built — 2010

Ownership — Louisville Arena Authority

Operator — ASM Global

Project Cost — $238 million

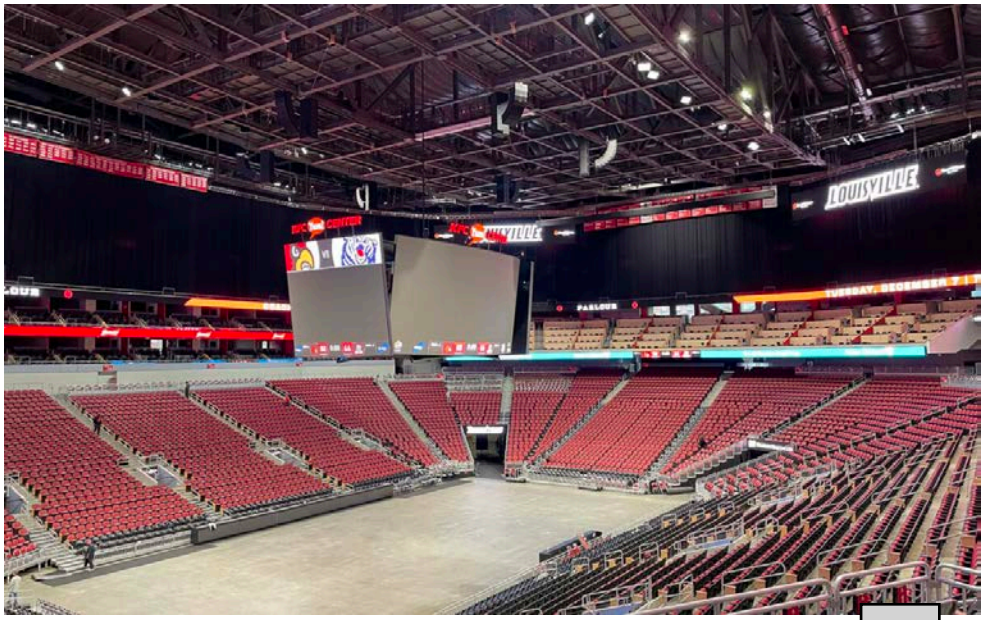
Financing — 54% Public, 46% Private

Notes — The KFC Yum! Center is the home of the University of Louisville Cardinal's men's and women's basketball teams, volleyball team, and the Louisville Xtreme of the IFL.

Financing for the venue came from $339 million in bonds through Kentucky's Economic Development Finance Authority. The debt would be paid off over 30-years from many sources. The city set up a downtown TIF of six square miles in the downtown. The TIF has fallen short of expectations, which has resulted in the Arena Authority restructuring its annual payments.

There are several reasons the financing fell short. The projections on the TIF revenue streams were made directly before the 2008 recession. Additionally, given that the projections of the TIF were inflated compared to reality, the deal with UL was less favorable for the building itself.

Despite these concerns and challenges, the facility is a robust economic driver in the downtown. During the nine-year period between FY 2015 and 2023, the facility has generated nearly $942 million in total spending within the Louisville economy, or an average of nearly $122 million per year when excluding the pandemic.

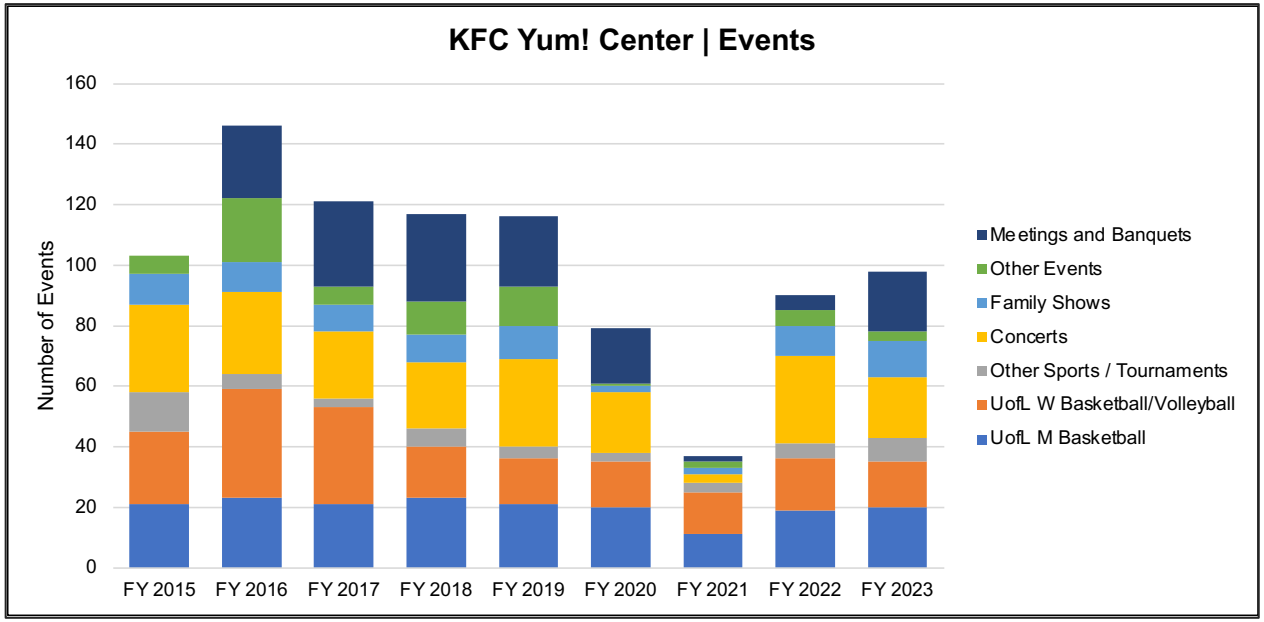


KFC Yum! Center
Events

The table and chart to the right outlines the number and type of events held at the KFC Yum! Center from fiscal years 2015 through 2023.

In 2023 the KFC Yum! Center continues to rebound from the pandemic, hosting 16 percent fewer events than the facility did in 2019. The facility maintains a similar number of concerts and sporting events as it did in 2019 but hosts fewer events in the "Other Events" category (i.e. blood drives, community events).

Additionally, since FY 2017 only selected women's volleyball games have been hosted at the KFC Yum! Center.



KFC Yum! Center - Events

Event Type	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
UofL M Basketball	21	23	21	23	21	20	11	19	20
UofL W Basketball/Volleyball	24	36	32	17	15	15	14	17	15
Other Sports / Tournaments	13	5	3	6	4	3	3	5	8
Concerts	29	27	22	22	29	20	3	29	20
Family Shows	10	10	9	9	11	2	2	10	12
Other Events	6	21	6	11	13	1	2	5	3
Meets and Banquets	--	24	28	29	23	18	2	5	20
Total	103	146	121	117	116	79	37	90	98

Source: KFC Yum! Center

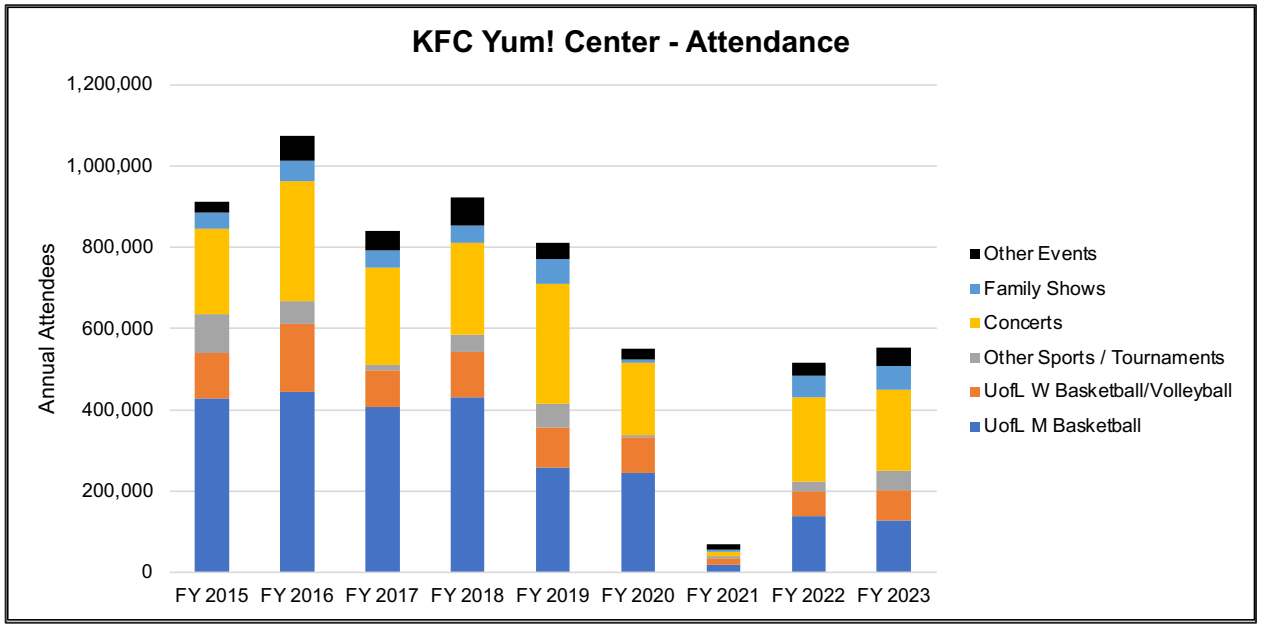
KFC Yum! Center
Attendance

The table and graph to the right outlines estimated event attendance by event type for the KFC Yum! Center.

Though the total number of events hosted at the KFC Yum! Center has rebounded to 84 percent of pre-pandemic levels, total attendance has not, with FY 2022 and FY 2023 attendance at 64 and 68 percent of FY 2019 attendance.

This is largely due to reduced attendance per game for University of Louisville men's basketball games, which is often tied to each season's team performance.

Attendance per concert is currently higher than prior to the pandemic.



KFC Yum! Center - Attendance

Event Type	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
UofL M Basketball	429,398	443,320	406,481	430,224	258,416	244,422	19,639	138,943	129,205
UofL W Basketball/Volleyball	112,000	168,506	91,403	113,641	98,945	88,987	16,503	61,531	72,933
Other Sports / Tournaments	95,089	57,045	12,941	40,983	57,183	4,586	3,138	23,169	48,083
Concerts	209,923	295,040	238,100	225,270	295,988	178,774	10,581	208,332	200,711
Family Shows	39,765	48,682	44,614	44,393	59,634	6,303	5,549	53,176	57,541
Other Events	25,500	61,001	46,573	68,000	40,229	26,695	15,395	30,903	45,490
Total	911,675	1,073,594	840,112	922,511	810,395	549,767	70,805	516,054	553,963

Source: KFC Yum! Center

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KFC Yum! Center
Financials

The table to the right outlines the historical financials for the KFC Yum! Center. While per capita spending within the arena has increased significantly, a decrease in attendance (mainly to university-oriented events) has led to decreased revenues for the facility.

Inflationary pressures and below average Men's basketball attendance has led to reduced margins, yet the facility continues to operate profitably. In FY 2022 and 2023 the facility operated at an 8 and 9 percent operating margin, respectively.

KFC Yum! Center - Operating Financials

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Revenue									
Arena Rent	$ 6,442,841	$ 6,874,499	$ 5,161,016	$ 5,654,108	$ 6,517,356	$ 4,354,496	$ 1,006,449	$ 5,218,586	$ 5,302,146
Premium Seating	$ 1,126,208	$ 987,545	$ 748,826	$ 1,117,221	$ 1,641,707	$ 1,091,023	$ 56,453	$ 1,364,458	$ 1,122,615
Food & Beverage, Merchandise	$ 2,970,410	$ 3,068,420	$ 2,871,574	$ 2,793,806	$ 3,430,206	$ 2,616,472	$ 177,443	$ 2,730,682	$ 3,045,026
Event Revenue	$ 3,993,479	$ 4,596,119	$ 3,855,821	$ 4,695,858	$ 5,554,110	$ 3,182,330	$ 326,919	$ 5,222,163	$ 5,260,665
Parking	$ 76,341	$ 60,790	$ 40,508	$ 22,575	$ 19,960	$ 18,601	$ -	$ -	$ -
Other Income	$ 410,013	$ 23,536	$ 42,243	$ 23,066	$ 41,802	$ 14,832	$ 54,947	$ 93,229	$ -
Total	$ 15,019,292	$ 15,610,909	$ 12,719,988	$ 14,306,634	$ 17,205,141	$ 11,277,754	$ 1,622,211	$ 14,629,118	$ 14,730,452
Direct Expenses									
Event Expenses	$ 5,038,522	$ 5,799,120	$ 3,973,314	$ 4,817,328	$ 6,608,724	$ 4,048,754	$ 651,838	$ 5,237,215	$ 5,626,401
Food & Beverage, Merchandise	$ 931,879	$ 835,936	$ 834,362	$ 705,815	$ 817,733	$ 658,158	$ 48,216	$ 503,114	$ 657,812
Other Expenses	$ 66,765	$ 51,705	$ 35,420	$ 65,942	$ 174,880	$ 100,418	$ 7,652	$ 140,666	$ -
Total	$ 6,037,166	$ 6,686,761	$ 4,843,096	$ 5,589,085	$ 7,601,337	$ 4,807,330	$ 707,706	$ 5,880,995	$ 6,284,213
Gross Profit	$ 8,982,126	$ 8,924,148	$ 7,876,892	$ 8,717,549	$ 9,603,804	$ 6,470,424	$ 914,505	$ 8,748,123	$ 8,446,239
Gross Profit Margin	*60%*	*57%*	*62%*	*61%*	*56%*	*57%*	*56%*	*60%*	*57%*
Operating Expenses									
Administration	$ 4,558,816	$ 4,516,932	$ 4,239,464	$ 4,574,548	$ 4,841,635	$ 4,128,057	$ 3,627,126	$ 4,808,912	$ 4,339,327
Utilities	$ 1,423,507	$ 1,232,000	$ 1,154,382	$ 1,193,869	$ 1,169,647	$ 1,034,188	$ 801,225	$ 1,265,656	$ 1,302,014
Insurance	$ 478,875	$ 505,395	$ 531,199	$ 472,048	$ 405,169	$ 713,734	$ 619,038	$ 792,853	$ 787,763
Management Fee	$ 494,508	$ 494,508	$ 451,847	$ 710,500	$ 721,158	$ 729,090	$ 731,277	$ 742,247	$ 753,380
Total	$ 6,955,706	$ 6,748,835	$ 6,376,892	$ 6,950,965	$ 7,137,609	$ 6,605,069	$ 5,778,666	$ 7,609,668	$ 7,182,484
Net Operating Income	$ 2,026,420	$ 2,175,313	$ 1,500,000	$ 1,766,584	$ 2,466,195	$ (134,645)	$ (4,864,161)	$ 1,138,455	$ 1,263,755
Operating Margin	*13%*	*14%*	*12%*	*12%*	*14%*	*-1%*	*-300%*	*8%*	*9%*

Source: KFC Yum! Center

New Developments: Baylor University

Waco, TX

Baylor University is currently underway with a new 7,500-seat basketball arena, Foster Pavilion, which is nearing completion and will host its first collegiate basketball game in early January 2024. The arena was the conception of a public-private partnership between the university and the city of Waco, with $65 million of financing coming from the city and the remaining coming from the university sources. The total project cost is reported at $212.6 million. Outside of this new project the city, university and private development community have planned for a mixed-use entertainment and lifestyle district directly outside of the new venue.

Phase I includes the following elements which are completed and leasing:

- 266 units residential, 250 units student housing
- 6,000 SF of retail & restaurant space
- 600 new parking spaces, in addition to the 400 recently completed

The city of Waco approved $20.2 million in TIF funding for the mixed-use components, which includes the clean up of environmental contaminants, create public improvements, waterfront improvements, news streets, infrastructure, a parking garage and a re-do of University Parks streetscape from Jackson to I-35. The public improvements include Farmers Market Plaza.

Phase II and III-unit count and square footage detail has not been released but will include an extensive amount of retail and restaurant space, hotels and additional residential development, which is shown on the following slide.

Brazos Riverfront Project

The mixed-use district will o over three phases with phase I elements already being delivered.

Phase II and III are planned to deliver in 2025.

There was a complex land swaps to get Project off the ground. The University purchased land from the City for the Foster Pavilion, and the City did a long-term lease to Catalyst Development for the commercial components of phase I.

CATALYST URBAN DEVELOPMENT

THE RIVERFRONT

BAYLOR UNIVERSITY

hunden partners

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Brazos Riverfront Construction

As of February of 2023, both the new Foster Pavilion and Phase I components of the mixed-use district were well underway.

Today, the highlighted red portions of residential and retail space are completed.

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University of Central Florida

Orlando, FL

In 2007, the University of Central Florida opened Knights Plaza, an athletic village and shopping center on campus located near the now FBC Mortgage Stadium. The plaza consists of student housing for 2,000 students in four towers, 183,000 SF of retail and restaurant space, as well as a new 9,400-seat Addition Financial Arena and renovated 2,300-seat Spectra-managed The Venue at UCF Arena which is used as both a practice facility and concert / event venue.

In the past, the plaza has had difficulties filling the retail space due to lack of free parking and changing economic conditions. The plaza is currently occupied by more than 15 dining and retail establishments that cater to the large student population.

The $107 million development was funded through the following:

- Student housing revenues - $59 million
- University operating funds - $30 million
- Naming rights / sponsorships - $11 million
- Commercial leases - $7 million

In Spring 2022, the UCF Board of Trustees approved numerous improvement projects for the football stadium and Knights Plaza including additional stadium seating, premium options, relocation of practice fields, new resistance river and hydrotherapy pools, and additional parking. Total cost of these phased improvements is expected at $125 million to be funded by university-issued debt and private donations.

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Knights Plaza Development Overview

Knights Plaza incorporates retail, restaurants, public space and student housing adjacent to University of Central Florida's athletic facilities. The plaza acts as the "Campus Town Center."

Recently approved investment in the district will allow for a renovated football stadium, additional commercial developments and new public gathering spaces.

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Key Highlights

Case Studies

There is no “magic bullet” on how to get large event venue anchored mixed-use districts done. However, these case studies show some examples on how it has been done elsewhere, how these venues have performed, and what the true impact is when a high-caliber venue is privately managed.

The net new economic impact of several of the arenas analyzed can be seen in the significant boost in annual visitation to these venues compared to the old venue where the team played. The geofencing analysis shows that many of these fans came from outside the given city or county.

Revenue streams within the venue and outside of the building are used to assist in the funding of these large projects. This includes naming rights, advertising, luxury suite revenue and others. Although not applicable in all situations, district taxes such as ticket taxes or others can be levied on events within the venue, with the goal of those revenue streams being another funding stream to fund the project.

Venues with private management maximize the efficiency of the venue, as seen by the significant visitation generated by these venues. Those operated by universities that do not open their schedules to external events, such as Lloyd Noble currently, do not.

Demand & Financial Projection Overview

Original Development – OU Foundation Development Program provided by Team Norman

Original Development – OU Foundation Development Program

Demand & Financial Projections

The adjacent table shows **Hunden's projections of key performance metrics for the core elements of the OU Foundation Development Program** provided by Team Norman.

Lease/rental rates and occupancy levels were based on Hunden's assessment of the competitive market environment and performance of comparable assets.

Development Assumptions ORIGINAL DEVELOPMENT Inflation Factor 3%		2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25
Performance Venue / Arena												
Capacity (8,000 Fixed Seats)				10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500
Total Number of Events				136	147	160	160	160	160	160	160	160
Number of Promoted Concerts & Shows				14	17	21	21	21	21	21	21	21
Total Attendance				428,015	465,025	501,615	501,615	501,615	501,615	501,615	501,615	501,615
Multifamily												
Total Units			250	500	500	500	750	1,079	1,424	1,424	1,424	1,424
Total SF	1,001		250,166	500,332	500,332	500,332	750,499	1,079,717	1,424,947	1,424,947	1,424,947	1,424,947
Average Rent PSF	$ 1.42		$ 1.60	$ 1.65	$ 1.70	$ 1.75	$ 1.80	$ 1.85	$ 1.91	$ 1.97	$ 2.02	$ 3.15
Occupancy			58%	66%	86%	82%	93%	84%	86%	89%	93%	93%
Single Family for Rent												
Total Units				177	177	177	177	177	177	177	177	177
Total SF	1,300			230,100	230,100	230,100	230,100	230,100	230,100	230,100	230,100	230,100
Average Rent PSF	$ 1.21			$ 1.40	$ 1.44	$ 1.49	$ 1.53	$ 1.58	$ 1.62	$ 1.67	$ 1.72	$ 2.68
Occupancy				62%	93%	93%	93%	93%	93%	93%	93%	93%
Office												
Total SF				48,000	138,000	318,000	330,502	420,502	565,322	565,322	565,322	565,322
% Leasable				93%	93%	93%	93%	93%	93%	93%	93%	93%
Occupancy				50%	73%	68%	73%	78%	86%	93%	93%	93%
Average Rent PSF	$ 22.00			$ 25.50	$ 26.27	$ 27.06	$ 27.87	$ 28.71	$ 29.57	$ 30.45	$ 31.37	$ 48.87
Retail/F&B												
Total SF				275,500	275,500	275,500	275,500	275,500	275,500	275,500	275,500	275,500
% Leasable				100%	100%	100%	100%	100%	100%	100%	100%	100%
Occupancy				60%	88%	88%	88%	88%	88%	88%	88%	88%
Avg. Ann. Sales PSF	8%			$ 355.51	$ 366.18	$ 377.16	$ 388.48	$ 400.13	$ 412.13	$ 424.50	$ 437.23	$ 681.20
Average Rent PSF	$ 23.00			$ 26.66	$ 27.46	$ 28.29	$ 29.14	$ 30.01	$ 30.91	$ 31.84	$ 32.79	$ 51.09
Hotel Assets												
Total Keys				150	150	150	150	150	150	150	150	150
Conference Center				40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Occupancy				65%	74%	78%	78%	78%	81%	83%	84%	83%
ADR				$ 177.14	$ 182.53	$ 187.40	$ 192.09	$ 196.89	$ 201.67	$ 206.64	$ 211.92	$ 326.85
Airport Related Assets												
FBO Total SF				48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000
Hangar Space Total SF				60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000

Source: Hunden Partners

Event Venue Projections

Arena & Event Venue

Event & Attendance Projections

The table shows the estimated event projections for the event venue in Norman. These event assumptions were created based on Hunden's assessment of the market, conversations with promoters and stakeholder groups, and analysis of other comparable venues across the country.

Norman, Oklahoma Event Venue Events & Attendance	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25
Events by Type									
OU Men's Basketball	18	18	18	18	18	18	18	18	18
OU Women's Basketball	18	18	18	18	18	18	18	18	18
OU Gymnastics	5	5	5	5	5	5	5	5	5
Concerts - End/Center Stage	5	6	7	7	7	7	7	7	7
Concerts - Half House	4	5	6	6	6	6	6	6	6
Family Shows	5	8	10	10	10	10	10	10	10
High School Sports	8	8	10	10	10	10	10	10	10
Motor Sports, Wrestling and Rodeo	4	5	6	6	6	6	6	6	6
Comedy Shows	1	1	2	2	2	2	2	2	2
Other Sporting Events	3	5	6	6	6	6	6	6	6
Graduations	14	14	14	14	14	14	14	14	14
Banquets	13	15	18	18	18	18	18	18	18
Meetings	35	35	35	35	35	35	35	35	35
Community Events	3	4	5	5	5	5	5	5	5
Total	136	147	160	160	160	160	160	160	160
Annual Attendance									
OU Men's Basketball	129,600	129,600	129,600	129,600	129,600	129,600	129,600	129,600	129,600
OU Women's Basketball	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000
OU Gymnastics	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Concerts - End/Center Stage	37,000	44,400	51,800	51,800	51,800	51,800	51,800	51,800	51,800
Concerts - Half House	14,800	18,500	22,200	22,200	22,200	22,200	22,200	22,200	22,200
Family Shows	17,500	28,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
High School Sports	16,000	16,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Motor Sports, Wrestling and Rodeo	22,000	27,500	33,000	33,000	33,000	33,000	33,000	33,000	33,000
Comedy Shows	2,800	2,800	5,600	5,600	5,600	5,600	5,600	5,600	5,600
Other Sporting Events	12,000	20,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Graduations	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000
Banquets	3,640	4,200	5,040	5,040	5,040	5,040	5,040	5,040	5,040
Meetings	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625
Community Events	4,050	5,400	6,750	6,750	6,750	6,750	6,750	6,750	6,750
Total	428,015	465,025	501,615	501,615	501,615	501,615	501,615	501,615	501,615

Source: Hunden Partners

Arena & Event Venue

Proforma Projections

The table below outlines the proforma financial statement of the proposed 10,500-seat event venue within the greater development.

Hunden expects that arena and event venue will generate a net profit of approximately $423,000 in Year 1 of operation and stabilize at approximately $1.8 million by stabilization in Year 3 of operation.

Norman, Oklahoma Event Venue	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25
Operating Revenues									
Event Rental Revenue									
University Rent	$ 500,000	$ 515,000	$ 530,450	$ 546,364	$ 562,754	$ 579,637	$ 597,026	$ 614,937	$ 958,052
Other Rental Income	$ 783,996	$ 987,865	$ 1,210,654	$ 1,274,673	$ 1,342,299	$ 1,413,744	$ 1,489,231	$ 1,568,997	$ 3,491,699
Service Income (Loss)	$ (295,838)	$ (372,767)	$ (456,836)	$ (480,993)	$ (506,512)	$ (533,471)	$ (561,956)	$ (592,055)	$ (1,317,579)
Subtotal - Event Rental Revenue	$ 988,158	$ 1,130,098	$ 1,284,268	$ 1,340,044	$ 1,398,542	$ 1,459,910	$ 1,524,302	$ 1,591,879	$ 3,132,172
Event Ancillary Revenue									
Concessions (net)	$ 1,365,585	$ 1,541,630	$ 1,732,413	$ 1,784,385	$ 1,837,917	$ 1,893,054	$ 1,949,846	$ 2,008,341	$ 3,128,931
Catering (net)	$ 98,390	$ 111,229	$ 129,841	$ 133,737	$ 137,749	$ 141,881	$ 146,138	$ 150,522	$ 234,508
Parking (net)	$ 1,281,858	$ 1,504,516	$ 1,736,229	$ 1,788,316	$ 1,841,965	$ 1,897,224	$ 1,954,141	$ 2,012,765	$ 3,135,823
Merchandise (net)	$ 100,593	$ 112,308	$ 125,619	$ 129,388	$ 133,270	$ 137,268	$ 141,386	$ 145,627	$ 226,883
Convenience Charge Rebates	$ 95,128	$ 108,509	$ 122,390	$ 126,062	$ 129,844	$ 133,739	$ 137,751	$ 141,884	$ 221,051
Facility Fees	$ 647,679	$ 858,883	$ 1,078,237	$ 1,110,585	$ 1,143,902	$ 1,178,219	$ 1,213,566	$ 1,249,973	$ 1,947,417
Subtotal - Ancillary Revenue	$ 3,589,233	$ 4,237,075	$ 4,924,731	$ 5,072,473	$ 5,224,647	$ 5,381,386	$ 5,542,828	$ 5,709,113	$ 8,894,611
Other Revenue									
Advertising/Sponsorship (net)	$ 1,500,000	$ 1,545,000	$ 1,591,350	$ 1,639,091	$ 1,688,263	$ 1,738,911	$ 1,791,078	$ 1,844,811	$ 2,874,155
Naming/Service Rights (net)	$ 938,000	$ 966,140	$ 995,124	$ 1,024,978	$ 1,055,727	$ 1,087,399	$ 1,120,021	$ 1,153,622	$ 1,797,305
Premium Seating	$ 1,283,000	$ 1,321,490	$ 1,361,135	$ 1,401,969	$ 1,444,028	$ 1,487,349	$ 1,531,969	$ 1,577,928	$ 2,458,361
Other	$ 30,000	$ 30,900	$ 31,827	$ 32,782	$ 33,765	$ 34,778	$ 35,822	$ 36,896	$ 57,483
Subtotal - Other Revenue	$ 3,751,000	$ 3,863,530	$ 3,979,436	$ 4,098,819	$ 4,221,784	$ 4,348,437	$ 4,478,890	$ 4,613,257	$ 7,187,304
Total Operating Revenues	$ 8,328,392	$ 9,230,703	$ 10,188,435	$ 10,511,335	$ 10,844,973	$ 11,189,734	$ 11,546,020	$ 11,914,248	$ 19,214,087
Operating Expenses									
Personnel	$ 3,791,557	$ 3,905,303	$ 4,022,462	$ 4,143,136	$ 4,267,430	$ 4,395,453	$ 4,527,317	$ 4,663,136	$ 7,265,014
Utilities	$ 1,095,398	$ 1,128,260	$ 1,162,108	$ 1,196,971	$ 1,232,880	$ 1,269,867	$ 1,307,963	$ 1,347,201	$ 2,098,896
Operations	$ 1,166,809	$ 1,201,814	$ 1,237,868	$ 1,275,004	$ 1,313,254	$ 1,352,652	$ 1,393,231	$ 1,435,028	$ 2,235,727
General & Admin	$ 1,364,466	$ 1,405,400	$ 1,447,562	$ 1,490,988	$ 1,535,718	$ 1,581,790	$ 1,629,243	$ 1,678,121	$ 2,614,457
Insurance	$ 168,327	$ 173,376	$ 178,578	$ 183,935	$ 189,453	$ 195,137	$ 200,991	$ 207,020	$ 322,531
Management Fee	$ 318,800	$ 328,364	$ 338,215	$ 348,362	$ 358,813	$ 369,577	$ 380,664	$ 392,084	$ 610,854
Total Operating Expenses	$ 7,905,357	$ 8,142,517	$ 8,386,793	$ 8,638,397	$ 8,897,548	$ 9,164,475	$ 9,439,409	$ 9,722,591	$ 15,147,481
Net Operating Income	$ 423,035	$ 1,088,186	$ 1,801,642	$ 1,872,939	$ 1,947,424	$ 2,025,259	$ 2,106,610	$ 2,191,657	$ 4,066,606

Source: Hunden Partners

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Full Development – Rock Creek Entertainment District TIF #4

Full Development – TIF #4

Demand & Financial Projections

The adjacent table shows projections of key performance metrics for the core elements of the OU Foundation Development Program as well as the additional development that would occur within surrounding parcels within the TIF #4 district.

This includes the addition of the National Weather Experience, additional retail and hotel assets in Year 8, retail and restaurants in Year 9 and finally multifamily in Year 10.

Lease/rental rates and occupancy levels were based on Hunden's assessment of the competitive market environment and performance of comparable assets.

Development Assumptions ROCK CREEK TIF#4 FULL DEVELOPMENT Inflation Factor 3%		2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25
Performance Venue / Arena												
Capacity (8,000 Fixed Seats)				10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500
Total Number of Events				136	147	160	160	160	160	160	160	160
Number of Promoted Concerts & Shows				14	17	21	21	21	21	21	21	21
Total Attendance				428,015	465,025	501,615	501,615	501,615	501,615	501,615	501,615	501,615
Multifamily											220	
Total Units			250	500	500	500	750	1,079	1,424	1,424	1,644	1,644
Total SF	1,001		250,166	500,332	500,332	500,332	750,499	1,079,717	1,424,947	1,424,947	1,645,093	1,645,093
Average Rent PSF	$ 1.42		$ 1.60	$ 1.65	$ 1.70	$ 1.75	$ 1.80	$ 1.85	$ 1.91	$ 1.97	$ 2.02	$ 3.15
Occupancy			58%	66%	86%	82%	93%	84%	86%	89%	93%	93%
Single Family for Rent												
Total Units				177	177	177	177	177	177	177	177	177
Total SF	1,300			230,100	230,100	230,100	230,100	230,100	230,100	230,100	230,100	230,100
Average Rent PSF	$ 1.21			$ 1.40	$ 1.44	$ 1.49	$ 1.53	$ 1.58	$ 1.62	$ 1.67	$ 1.72	$ 2.68
Occupancy				62%	93%	93%	93%	93%	93%	93%	93%	93%
Office												
Total SF				48,000	138,000	318,000	330,502	565,322	565,322	565,322	565,322	565,322
% Leasable				93%	93%	93%	93%	93%	93%	93%	93%	93%
Occupancy				50%	73%	68%	73%	78%	86%	93%	93%	93%
Average Rent PSF	$ 22.00			$ 25.50	$ 26.27	$ 27.06	$ 27.87	$ 28.71	$ 29.57	$ 30.45	$ 31.37	$ 48.87
Retail/F&B									55,000			
Total SF				275,000	275,000	275,000	275,000	275,000	330,000	330,000	330,000	330,000
% Leasable				100%	100%	100%	100%	100%	100%	100%	100%	100%
Occupancy				60%	88%	88%	88%	88%	86%	86%	86%	86%
Avg. Ann. Sales PSF	8%			$ 355.51	$ 366.18	$ 377.16	$ 388.48	$ 400.13	$ 412.13	$ 424.50	$ 437.23	$ 681.20
Average Rent PSF	$ 23.00			$ 26.66	$ 27.46	$ 28.29	$ 29.14	$ 30.01	$ 30.91	$ 31.84	$ 32.79	$ 51.09
Hotel Assets									120			
Total Keys				150	150	150	150	150	270	270	270	270
Conference Center				40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Occupancy				65%	74%	78%	78%	78%	75%	76%	77%	76%
ADR				$ 177.14	$ 182.53	$ 187.40	$ 192.09	$ 196.89	$ 201.67	$ 206.64	$ 211.92	$ 326.85
National Weather Experience												
Total Square Footage Estimate					100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total Estimated Annual Attendance					203,172	199,901	193,029	172,311	172,311	172,311	172,311	172,311
Airport Related Assets												
FBO Total SF				48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000
Hangar Space Total SF				60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000

Source: Hunden Partners

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Economic Impact Summary

Hunden uses the IMPLAN input-output multiplier model, which determines the level of additional activity in the Cleveland County economy due to additional inputs. For example, for every dollar of direct new spending in Cleveland County, the IMPLAN model provides multipliers for the indirect and induced spending that will result.

The net new and recaptured direct spending discussed earlier in the chapter is considered to be the **Direct Impact**.

- From the direct spending figures, further impact analyses will be completed.
- **Indirect Impacts** are the supply of goods and services resulting from the initial direct spending. For example, a visitor's direct expenditure on a hotel room causes the hotel to purchase linens and other items from suppliers. The portion of these hotel purchases that are within the local economy is considered an indirect economic impact.
- **Induced Impacts** embody the change in spending due to the personal expenditures by employees whose incomes are affected by direct and indirect spending. For example, a waitress at a restaurant may have more personal income as a result of the induced customer's visit. The amount of the increased income that the employee spends in the area is considered an induced impact.
- **Fiscal Impacts** represent the incremental tax revenue collected by the state, county or city due to the net new economic activity. The fiscal impact represents the government's share of total economic benefit. Fiscal impacts provide an offset to the potential public expenditures required to support the development.
- **Employment Impacts** include the incremental employment provided not only onsite, but due to the spending associated with it. For example, the direct, indirect and induced impacts generate spending, support new and ongoing businesses, and ultimately result in ongoing employment for citizens. Hunden will show the number of ongoing jobs supported by the project and provide the resulting income and income taxes generated.

Net New Assumptions

It is expected that there will be some level of substitution/cannibalized spending that would occur due to the development of the project. However, similarly there is also expected to be some recaptured spending that would occur that is currently leaked to surrounding markets outside of Cleveland County for retail, restaurant, and entertainment offerings.

The following table shows Hunden's projections of substitution/cannibalization, as well as recaptured spending, within each asset within the development. These assumptions are kept constant in each scenario.

Hunden utilized several quantitative methods which resulted in the adjacent daytripper, overnighter, and net new percentages shown. These methods for each asset category are explained in further detail on the following slide.

Item 2.

Net New Assumptions - Cleveland County

	General Assump.	Cleveland County
Arena		
Visitors		
% & # Daytripper	% of Visitor Type	
OU Sports	86%	-10%
Concerts, Comedy Shows	79%	95%
Family Shows	90%	95%
High School Sports and Community Events	98%	5%
Other Sports	95%	90%
Graduation, Banquets, Meetings	90%	12%
Total	87%	41%
% of Visits to Lloyd Noble Under 200 Miles (2022)	*89%*	
% & # Overnighter		
OU Sports	14%	8%
Concerts, Comedy Shows	21%	95%
Family Shows	10%	95%
High School Sports and Community Events	2%	5%
Other Sports	5%	90%
Graduation, Banquets, Meetings	10%	12%
Total	21%	44%
% of Visits to Lloyd Noble Beyond 200 Miles (2022)	*11%*	
Weather Experience Museum		
Visitors	% of Visitor Type	
% & # Daytripper	84%	78%
% of Visits Among Comparable Museums Under 250 Miles (2022,	*84.4%*	
% & # Overnighter	16%	83%
% of Visits Among Comparable Museums Over 250 Miles (2022)	*15.6%*	
Restaurant & Retail		
% Sales Net New to Cleveland County		17%
% Not Captured in Other Components		84%
Office		
% Income Net New to Cleveland County		78%
% Not Captured in Other Components		100%
Residential		
% Residents Net New to Cleveland County		14%
% Not Captured in Other Components		100%
Hotel		
% Rooms Revenue Net New to Cleveland County		31%
% Not Captured in Other Components		68%
People Per Room	1.5	

Source: Hunden Partners

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Net New Assumptions

Arena: Lloyd Noble is much larger than the proposed Project. Average attendance for OU Men's Basketball over the past decade was approximately 9,500. With an arena that only contains 8,000 fixed seats for basketball games, Hunden assumed that there would be negative net new for OU Sporting events. However, given that Lloyd Noble currently does not host any other external events, such as concerts, family shows, or other events, these would yield a high net new percentage to the county. Daytripper and overnighter percentages were crafter based on Hunden's geofencing analysis of Lloyd Noble over the past several years and of comparable university arenas.

National Weather Experience: The National Weather Experience will be an impactful asset for the county, given that the county does not contain anything similar to what is being proposed. The current National Weather Museum and Science Center in the county is not located in compelling location and receives little visitation. Hunden assessed comparable museum experiences across the country to understand their levels of visitation and how far people travel to visit these experiences.

Retail: Hunden assumed 17 percent of sales would be net new to the County. For substitution, Hunden assessed the current levels of visitation to UNP and other core retail nodes in Cleveland County and discounted the net new percentage to account for substitution that would occur. Moreover, Hunden utilized geofencing from Placer.Ai to assess the number of people who live in Cleveland County who currently leave the county and go to core entertainment and retail districts in Oklahoma City, this included Bricktown among other popular retail nodes. This analysis assisted in accounting for recaptured spending that would occur for residents that are currently leaving the county for these offerings. The result of this analysis was a net new assumption of 17 percent for the retail within the district.

Office: Hunden assumed 78 percent of the incomes/employees onsite would be net new to the County, meaning that the companies that leased space within the development came to Cleveland County for a compelling office location for their employees. Conversations local groups and data from the Bureau of Labor Statistics on employment assisted in deriving this percentage, although this is highly contingent on the types of employers that lease space within the office component of the development.

Residential: It was estimated 14 percent of new residents would move from outside of Cleveland County. Hunden utilized the Bureau of Labor Statistics and Lightcast to assess migration to Cleveland County.

Hotel: Utilizing Placer.ai geofencing data and historical hotel performance from Smith Travel Research (STR), Hunden determined that 31 percent of the rooms revenue generated from onsite hotels would be net new to the county.

Original Development – OU Foundation Development Program

Economic, Fiscal & Employment Impact

Net New Spending to Cleveland County

Original Development – OU Foundation Development Program

Direct net new/recaptured spending, falls into the five categories: food & beverage, lodging, retail, transportation and other.

The total of these direct spending categories during the 25-year period shown is more than $2.3 billion for the entire Project. The retail category is the largest category of direct spending, contributing to an estimated $820 million over the time period. The direct retail spending is new spending that would occur across the Cleveland County economy in existing retail establishments due to the Project. The other component of direct spending, which includes spending on ticketed events within the event venue, is the second largest category of direct spending and is expected to generate approximately $652 million.

Total net new spending impact to Cleveland County over the 25-year time period, including indirect and induced spending that would occur, is estimated to total $3.7 billion.

Direct, Indirect and Induced Net New Spending to Cleveland County ($000s) - Norman Arena Mixed-Use District - Original Development

	2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2046 Year 20	2051 Year 25	Total
Direct Spending													
Food & Beverage	$ -	$ 96	$ 8,005	$ 12,367	$ 14,792	$ 15,719	$ 17,475	$ 20,401	$ 21,573	$ 22,228	$ 29,425	$ 33,906	$ 553,056
Lodging	$ -	$ -	$ 2,415	$ 2,893	$ 3,303	$ 3,386	$ 3,470	$ 3,637	$ 3,776	$ 3,911	$ 5,200	$ 6,028	$ 100,980
Retail	$ -	$ 275	$ 6,347	$ 11,566	$ 16,302	$ 18,310	$ 22,630	$ 30,290	$ 32,894	$ 33,992	$ 45,330	$ 52,387	$ 819,529
Transportation	$ -	$ 55	$ 2,294	$ 3,456	$ 4,795	$ 5,206	$ 6,079	$ 7,653	$ 8,204	$ 8,453	$ 10,888	$ 12,404	$ 202,420
Other	$ -	$ 208	$ 5,012	$ 8,847	$ 13,334	$ 14,892	$ 18,202	$ 24,048	$ 26,066	$ 26,945	$ 36,062	$ 41,737	$ 651,930
Total	$ -	$ 633	$ 24,072	$ 39,129	$ 52,527	$ 57,513	$ 67,857	$ 86,030	$ 92,512	$ 95,529	$ 126,905	$ 146,462	$ 2,327,915
Total Spending	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2046	2051	Total
Direct	$ -	$ 633	$ 24,072	$ 39,129	$ 52,527	$ 57,513	$ 67,857	$ 86,030	$ 92,512	$ 95,529	$ 126,905	$ 146,462	$ 2,327,915
Indirect	$ -	$ 236	$ 8,446	$ 13,827	$ 18,501	$ 20,324	$ 24,140	$ 30,873	$ 33,253	$ 34,341	$ 45,583	$ 52,590	$ 834,909
Induced	$ -	$ 144	$ 5,777	$ 9,102	$ 12,221	$ 13,343	$ 15,689	$ 19,841	$ 21,319	$ 22,004	$ 29,032	$ 33,415	$ 534,419
Total	$ -	$ 1,014	$ 38,295	$ 62,057	$ 83,248	$ 91,179	$ 107,686	$ 136,744	$ 147,084	$ 151,873	$ 201,520	$ 232,467	$ 3,697,243

Source: Hunden Partners

Employment & Earning Impact

Net New Earnings & FTE Jobs from Direct, Indirect & Induced Spending ($000s) - Norman Arena Mixed-Use District - Original Development

	2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2046 Year 20	2051 Year 25	Total
Net New Earnings													
From Direct	$ -	$ 312	$ 8,733	$ 14,970	$ 20,638	$ 22,968	$ 27,930	$ 36,729	$ 39,776	$ 41,116	$ 54,876	$ 63,450	$ 996,200
From Indirect	$ -	$ 92	$ 3,416	$ 5,475	$ 7,254	$ 7,966	$ 9,454	$ 12,093	$ 13,034	$ 13,471	$ 17,933	$ 20,717	$ 328,233
From Induced	$ -	$ 70	$ 2,679	$ 4,189	$ 5,602	$ 6,144	$ 7,284	$ 9,317	$ 10,042	$ 10,380	$ 13,783	$ 15,909	$ 252,516
Total	$ -	$ 473	$ 14,828	$ 24,634	$ 33,494	$ 37,079	$ 44,669	$ 58,139	$ 62,852	$ 64,967	$ 86,591	$ 100,077	$ 1,576,949
Net New FTE Jobs													Average
From Direct	0	9	304	485	638	686	800	1005	1060	1072	1148	1194	922
From Indirect	0	3	124	195	255	274	317	396	417	422	451	468	363
From Induced	0	2	85	129	168	178	203	250	262	265	278	287	227
Total	0	14	512	809	1,061	1,138	1,320	1,651	1,740	1,758	1,877	1,949	1,513

Source: Hunden Partners

Net New Earnings from job growth are expected to total $1.6 billion over the 25-year time period. New full-time equivalent jobs are expected to be created from the Project, primarily in the mixed-use district but also at the new event venue. During the 25-year period, the Project is expected to support an average of roughly 1,513 jobs in the Cleveland County economy. These are net new jobs generated by the Project, meaning those that would not be created ‘but for’ the development. Labor that is transferred or would have been created regardless of the Project is not included.

Fiscal Impact

Fiscal Impact - Tax Impacts from New District Spending ($000s) - Norman Arena Mixed-Use District - Original Development

	2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2046 Year 20	2051 Year 25	Total
Cleveland County													
Sales Tax (0.125%)	$ -	$ 1	$ 30	$ 49	$ 66	$ 72	$ 85	$ 108	$ 116	$ 119	$ 159	$ 183	$ 2,910
Norman													
City Sales Tax (4.25%)	$ -	$ 25	$ 951	$ 1,547	$ 2,076	$ 2,273	$ 2,682	$ 3,400	$ 3,657	$ 3,776	$ 5,016	$ 5,789	$ 92,011
City Hotel Tax (8%)	$ -	$ -	$ 180	$ 215	$ 246	$ 252	$ 258	$ 271	$ 281	$ 291	$ 387	$ 448	$ 7,513
Property Tax	$ -	$ 760	$ 8,191	$ 8,950	$ 10,277	$ 11,516	$ 14,485	$ 16,719	$ 17,221	$ 17,737	$ 23,838	$ 27,634	$ 445,650
Total	$ -	$ 785	$ 9,322	$ 10,712	$ 12,599	$ 14,041	$ 17,425	$ 20,390	$ 21,158	$ 21,804	$ 29,240	$ 33,872	$ 545,174
Moore													
City Sales Tax (3.875%)	$ -	$ 2	$ 65	$ 106	$ 142	$ 156	$ 184	$ 233	$ 251	$ 259	$ 344	$ 397	$ 6,314
City Hotel Tax (5%)	$ -	$ -	$ 8	$ 10	$ 12	$ 12	$ 12	$ 13	$ 13	$ 14	$ 18	$ 21	$ 353
Total	$ -	$ 2	$ 74	$ 116	$ 154	$ 168	$ 196	$ 246	$ 264	$ 273	$ 362	$ 418	$ 6,668

Source: Hunden Partners

Hunden estimated the potential tax collections that would be generated from the project that would be considered net new to Cleveland County, Norman and Moore.

The Project is expected to generate $545 million in City of Norman taxes over 25 years, with a majority of this coming from onsite property tax generation. Additionally, it is estimated that net new spending generated across the county will generate $2.9 million in Cleveland County taxes and $6.7 million in City of Moore taxes.

Onsite Property Tax Projections

Original Development – OU Foundation Development Program

The following table shows the property tax projections for the Original Development on the OU Foundation land over 25 years. Over 25 years the development is estimated to generate nearly $446 million in ad valorem which contributes directly to the Rock Creek TIF #4.

On-Site Capturable Tax Impacts - Rock Creek Entertainment District #4 - OU Foundation Land

	2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25
PROPERTY TAXES ($000s)											
Office	$ -	$ -	$ 266	$ 788	$ 1,869	$ 2,001	$ 3,526	$ 3,632	$ 3,741	$ 3,853	$ 6,002
MultiFamily	$ -	$ 760	$ 1,565	$ 1,612	$ 1,660	$ 2,565	$ 3,801	$ 5,167	$ 5,322	$ 5,482	$ 8,540
Single Family For Rent and Townhomes	$ -	$ -	$ 500	$ 515	$ 531	$ 547	$ 563	$ 580	$ 598	$ 616	$ 959
Retail & Restaurant	$ -	$ -	$ 1,696	$ 1,747	$ 1,799	$ 1,853	$ 1,909	$ 1,966	$ 2,025	$ 2,086	$ 3,250
Hotel	$ -	$ -	$ 473	$ 487	$ 501	$ 516	$ 532	$ 1,096	$ 1,128	$ 1,162	$ 1,811
Hangar	$ -	$ -	$ 80	$ 83	$ 85	$ 88	$ 90	$ 93	$ 96	$ 99	$ 154
Plaza Spaces	$ -	$ -	$ 53	$ 55	$ 57	$ 58	$ 60	$ 62	$ 64	$ 66	$ 102
Arena	$ -	$ -	$ 3,557	$ 3,664	$ 3,774	$ 3,887	$ 4,004	$ 4,124	$ 4,248	$ 4,375	$ 6,816
Weather Experience Museum*											
Parking*											
FBO*											
Total Property Tax	$ -	$ 760	$ 8,191	$ 8,950	$ 10,277	$ 11,516	$ 14,485	$ 16,719	$ 17,221	$ 17,737	$ 27,634
Cumulative	*$ -*	*$ 760*	*$ 8,951*	*$ 17,901*	*$ 28,178*	*$ 39,694*	*$ 54,179*	*$ 70,898*	*$ 88,119*	*$ 105,856*	*$ 445,650*

**The National Weather Experience, Parking, and FBO will contribute via a Payment In-Lieu of Taxes (PILOT), these values are yet to be determined*

Source: Hunden Partners

Dollars shown are not in present value dollars.

Onsite Sales Tax Projections

Original Development – OU Foundation Development Program

The adjacent table shows the onsite sales tax revenue calculation that would be generated by OU Foundation Development Program. Hunden estimates that based on direct onsite spending these would generate an estimated $116 million over 25 years.

Moreover, although not directly applicable to TIF#4, the onsite hotels are estimated to generate $20 million in City of Norman HOT tax over 25 years.

On-Site Capturable Tax Impacts - Rock Creek Entertainment District #4 - Original Development

		2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25
SALES TAX REVENUES ($000s)												
Taxable Revenues ($000s)												
Retail & F&B		$ -	$ -	$ 58,659	$ 88,615	$ 91,273	$ 94,011	$ 96,832	$ 97,470	$ 100,394	$ 103,406	$ 161,103
Arena		$ -	$ -	$ 19,740	$ 22,630	$ 25,671	$ 26,441	$ 27,234	$ 28,051	$ 28,893	$ 29,760	$ 46,365
Hotel		$ -	$ -	$ 9,565	$ 11,120	$ 12,002	$ 12,232	$ 12,551	$ 13,246	$ 13,789	$ 14,309	$ 21,952
Total Sales Tax		$ -	$ -	$ 87,965	$ 122,365	$ 128,946	$ 132,685	$ 136,617	$ 138,767	$ 143,076	$ 147,475	$ 229,420
Sales Tax Avail for TIF Fundings ($000s)	Rate											
State	4.500%	$ -	$ -	$ 3,958	$ 5,506	$ 5,803	$ 5,971	$ 6,148	$ 6,245	$ 6,438	$ 6,636	$ 10,324
Cleveland County Jail	0.125%	$ -	$ -	$ 110	$ 153	$ 161	$ 166	$ 171	$ 173	$ 179	$ 184	$ 287
City General Fund	2.300%	$ -	$ -	$ 2,023	$ 2,814	$ 2,966	$ 3,052	$ 3,142	$ 3,192	$ 3,291	$ 3,392	$ 5,277
City of Norman Capital Projects	0.700%	$ -	$ -	$ 616	$ 857	$ 903	$ 929	$ 956	$ 971	$ 1,002	$ 1,032	$ 1,606
City of Norman Public Safety	0.500%	$ -	$ -	$ 440	$ 612	$ 645	$ 663	$ 683	$ 694	$ 715	$ 737	$ 1,147
City of Norman Public Transit	0.125%	$ -	$ -	$ 110	$ 153	$ 161	$ 166	$ 171	$ 173	$ 179	$ 184	$ 287
Norman Forward Projects	0.500%	$ -	$ -	$ 440	$ 612	$ 645	$ 663	$ 683	$ 694	$ 715	$ 737	$ 1,147
Total		$ -	$ -	$ 7,697	$ 10,707	$ 11,283	$ 11,610	$ 11,954	$ 12,142	$ 12,519	$ 12,904	$ 20,074
Sales Tax Avail for TIF Fundings ($000s)	Available?											
State	🔴	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cleveland County Jail	🔴	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City General Fund	🟢	$ -	$ -	$ 2,023	$ 2,814	$ 2,966	$ 3,052	$ 3,142	$ 3,192	$ 3,291	$ 3,392	$ 5,277
City of Norman Capital Projects	🟢	$ -	$ -	$ 616	$ 857	$ 903	$ 929	$ 956	$ 971	$ 1,002	$ 1,032	$ 1,606
City of Norman Public Safety	🔴	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City of Norman Public Transit	🔴	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Norman Forward Projects	🔴	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total		$ -	$ -	$ 2,639	$ 3,671	$ 3,868	$ 3,981	$ 4,099	$ 4,163	$ 4,292	$ 4,424	$ 6,883
Cumulative		*$ -*	*$ -*	*$ 2,639*	*$ 6,310*	*$ 10,178*	*$ 14,159*	*$ 18,257*	*$ 22,420*	*$ 26,713*	*$ 31,137*	*$ 115,776*
Non-TIF Additional On-Site Tax Impacts ($000s)												
City Hotel Occupancy Tax	8.000%	$ -	$ -	$ 507	$ 591	$ 641	$ 657	$ 673	$ 717	$ 750	$ 781	$ 1,191
Total		$ -	$ -	$ 507	$ 591	$ 641	$ 657	$ 673	$ 717	$ 750	$ 781	$ 1,191
Cumulative				*$ 507*	*$ 1,097*	*$ 1,738*	*$ 2,395*	*$ 3,068*	*$ 3,785*	*$ 4,535*	*$ 5,316*	*$ 19,990*

Source: Hunden Partners

Dollars shown are not in present value dollars.

Full Development – Rock Creek Entertainment District TIF #4

Economic, Fiscal & Employment Impact

Net New Spending to Cleveland County

Full Development – Rock Creek TIF #4

As noted earlier, the full development includes the OU Foundation Development Program and the additional land within the TIF #4 that is owned by NEDC and other entities.

Direct net new/recaptured spending falls into five categories: food & beverage, lodging, retail, transportation and other.

The total of the direct net new/recaptured spending for all five categories during the 25-year period is close to $2.8 billion for the entire Project, inclusive of additional land within the TIF that would be built out during later phases of development. Spending generated by the National Weather Experience would contribute to additional spending in the form of ticket sales and there would likely be substantial retail and food and beverage spending generated onsite and in the greater local economy.

Total net new spending impact to Cleveland County over the 25-year period, including indirect and induced spending that would occur, is estimated to total $4.5 billion.

Direct, Indirect and Induced Net New Spending to Cleveland County ($000s) - Norman Arena Mixed-Use District - Full Development Program - Rock Creek TIF#4

	2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25	Total
Direct Spending												
Food & Beverage	$ -	$ 96	$ 7,995	$ 16,639	$ 19,073	$ 19,930	$ 22,822	$ 25,777	$ 27,068	$ 28,017	$ 42,153	$ 692,955
Lodging	$ -	$ -	$ 2,415	$ 4,736	$ 5,161	$ 5,225	$ 5,153	$ 6,600	$ 6,838	$ 7,070	$ 10,709	$ 176,017
Retail	$ -	$ 275	$ 6,340	$ 14,614	$ 19,353	$ 21,307	$ 29,706	$ 34,321	$ 37,016	$ 38,699	$ 59,113	$ 934,204
Transportation	$ -	$ 55	$ 2,294	$ 5,133	$ 6,446	$ 6,800	$ 8,369	$ 9,719	$ 10,303	$ 10,680	$ 15,080	$ 252,773
Other	$ -	$ 208	$ 5,011	$ 13,401	$ 17,933	$ 19,450	$ 25,673	$ 28,755	$ 30,906	$ 32,292	$ 49,800	$ 788,441
Total	$ -	$ 633	$ 24,055	$ 54,524	$ 67,967	$ 72,712	$ 91,723	$ 105,171	$ 112,131	$ 116,758	$ 176,855	$ 2,844,390
Total Spending	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2051	Total
Direct	$ -	$ 633	$ 24,055	$ 54,524	$ 67,967	$ 72,712	$ 91,723	$ 105,171	$ 112,131	$ 116,758	$ 176,855	$ 2,844,390
Indirect	$ -	$ 236	$ 8,439	$ 18,351	$ 23,024	$ 24,763	$ 31,901	$ 36,982	$ 39,510	$ 41,166	$ 62,202	$ 998,449
Induced	$ -	$ 144	$ 5,774	$ 13,551	$ 16,671	$ 17,712	$ 21,942	$ 25,248	$ 26,853	$ 27,923	$ 41,664	$ 676,902
Total	$ -	$ 1,014	$ 38,268	$ 86,425	$ 107,661	$ 115,187	$ 145,566	$ 167,401	$ 178,494	$ 185,846	$ 280,721	$ 4,519,741

Source: Hunden Partners

Employment & Earning Impact

Net New Earnings & FTE Jobs from Direct, Indirect & Induced Spending ($000s) - Norman Arena Mixed-Use District - Full Development Program - Rock Creek TIF#4

	2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25	Total
Net New Earnings												
From Direct	$ -	$ 312	$ 8,725	$ 17,940	$ 23,607	$ 25,883	$ 35,509	$ 41,622	$ 44,801	$ 46,825	$ 71,673	$ 1,132,572
From Indirect	$ -	$ 92	$ 3,413	$ 6,783	$ 8,562	$ 9,250	$ 12,069	$ 14,359	$ 15,365	$ 16,030	$ 24,406	$ 388,652
From Induced	$ -	$ 70	$ 2,677	$ 5,470	$ 6,882	$ 7,402	$ 9,538	$ 11,394	$ 12,179	$ 12,701	$ 19,237	$ 307,393
Total	$ -	$ 473	$ 14,816	$ 30,192	$ 39,052	$ 42,534	$ 57,117	$ 67,375	$ 72,344	$ 75,555	$ 115,316	$ 1,828,617
Net New FTE Jobs												Average
From Direct	0	9	303	639	788	828	1051	1193	1248	1271	1379	1,088
From Indirect	0	3	124	259	318	333	418	474	495	504	544	431
From Induced	0	2	85	190	227	235	282	318	330	334	350	285
Total	0	14	512	1,089	1,332	1,396	1,750	1,985	2,072	2,110	2,272	1,804

Source: Hunden Partners

Net New Earnings from job growth are expected to total approximately $1.8 billion over the 25-year period. Onsite new full-time equivalent jobs are expected to be created from the full development, primarily in the mixed-use district, but also at the new event venue and the National Weather Experience. During the 25-year period, the Project is expected to support an average of roughly 1,804 jobs. Labor that is transferred or would have been created regardless of the Project is not included.

Fiscal Impact

Fiscal Impact - Tax Impacts from New District Spending ($000s) - Norman Arena Mixed-Use District - Full Development Program - Rock Creek TIF#4

	2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25	Total
Cleveland County												
Sales Tax (0.125%)	$ -	$ 1	$ 30	$ 68	$ 85	$ 91	$ 115	$ 131	$ 140	$ 146	$ 221	$ 3,555
Norman												
City Sales Tax (4.25%)	$ -	$ 25	$ 951	$ 2,155	$ 2,686	$ 2,874	$ 3,625	$ 4,157	$ 4,432	$ 4,615	$ 6,990	$ 112,425
City Hotel Tax (8%)	$ -	$ -	$ 180	$ 352	$ 384	$ 389	$ 383	$ 491	$ 509	$ 526	$ 797	$ 13,096
Property Tax	$ -	$ 760	$ 8,191	$ 8,950	$ 10,277	$ 11,516	$ 14,485	$ 17,551	$ 18,077	$ 19,466	$ 30,328	$ 482,189
Total	$ -	$ 785	$ 9,321	$ 11,458	$ 13,347	$ 14,779	$ 18,494	$ 22,199	$ 23,018	$ 24,607	$ 38,115	$ 607,709
Moore												
City Sales Tax (3.875%)	$ -	$ 2	$ 65	$ 148	$ 184	$ 197	$ 249	$ 285	$ 304	$ 317	$ 480	$ 7,715
City Hotel Tax (5%)	$ -	$ -	$ 8	$ 17	$ 18	$ 18	$ 18	$ 23	$ 24	$ 25	$ 37	$ 616
Total	$ -	$ 2	$ 74	$ 164	$ 202	$ 216	$ 267	$ 308	$ 328	$ 341	$ 517	$ 8,331

Source: Hunden Partners

Hunden estimated the potential tax collections that would be generated from the project that would be considered net new to Cleveland County, Norman and Moore.

The Project is expected to generate $608 million in City of Norman taxes over 25 years, with a majority of this coming from onsite property tax generation. Additionally, it is estimated that net new spending generated across the county will generate $3.6 million in Cleveland County taxes and $8.3 million in City of Moore taxes.

Onsite Property Tax Projections

Full Development – Rock Creek TIF #4

The following table shows the property tax projections for the full development and build out within the TIF #4 district over 25 years. Over 25 years the development is estimated to generate $482 million in ad valorem which contributes directly to the Rock Creek TIF #4.

On-Site Capturable Tax Impacts - Rock Creek Entertainment District #4 - Full Development

	2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25
PROPERTY TAXES ($000s)											
Office	$ -	$ -	$ 266	$ 788	$ 1,869	$ 2,001	$ 3,526	$ 3,632	$ 3,741	$ 3,853	$ 6,002
MultiFamily	$ -	$ 760	$ 1,565	$ 1,612	$ 1,660	$ 2,565	$ 3,801	$ 5,167	$ 5,322	$ 6,329	$ 9,860
Single Family For Rent and Townhomes	$ -	$ -	$ 500	$ 515	$ 531	$ 547	$ 563	$ 580	$ 598	$ 616	$ 959
Retail & Restaurant	$ -	$ -	$ 1,696	$ 1,747	$ 1,799	$ 1,853	$ 1,909	$ 2,359	$ 2,430	$ 2,503	$ 3,900
Hotel	$ -	$ -	$ 473	$ 487	$ 501	$ 516	$ 532	$ 1,534	$ 1,580	$ 1,627	$ 2,535
Hangar	$ -	$ -	$ 80	$ 83	$ 85	$ 88	$ 90	$ 93	$ 96	$ 99	$ 154
Plaza Spaces	$ -	$ -	$ 53	$ 55	$ 57	$ 58	$ 60	$ 62	$ 64	$ 66	$ 102
Arena	$ -	$ -	$ 3,557	$ 3,664	$ 3,774	$ 3,887	$ 4,004	$ 4,124	$ 4,248	$ 4,375	$ 6,816
Weather Experience Museum*											
Parking*											
FBO*											
Total Property Tax	$ -	$ 760	$ 8,191	$ 8,950	$ 10,277	$ 11,516	$ 14,485	$ 17,551	$ 18,077	$ 19,466	$ 30,328
Cumulative	*$ -*	*$ 760*	*$ 8,951*	*$ 17,901*	*$ 28,178*	*$ 39,694*	*$ 54,179*	*$ 71,730*	*$ 89,807*	*$ 109,273*	*$ 482,189*

**The National Weather Experience, Parking, and FBO will contribute via a Payment In-Lieu of Taxes (PILOT), these values are yet to be determined*

Source: Hunden Partners

Dollars shown are not in present value dollars.

Onsite Sales Tax Projections

Full Development – Rock Creek TIF #4

The adjacent table shows the onsite sales tax revenue calculation that would be generated by all development within the Rock Creek TIF #4 district over 25 years. Hunden estimates that based on direct onsite spending these would generate an estimated $138 million over 25 years.

Moreover, although not directly applicable to TIF#4, the onsite hotels are estimated to generate $31 million in City of Norman HOT tax over 25 years.

On-Site Capturable Tax Impacts - Rock Creek Entertainment District #4 - Full Development

		2027 Year 1	2028 Year 2	2029 Year 3	2030 Year 4	2031 Year 5	2032 Year 6	2033 Year 7	2034 Year 8	2035 Year 9	2036 Year 10	2051 Year 25
SALES TAX REVENUES ($000s)												
Taxable Revenues ($000s)												
Retail & F&B		$ -	$ -	$ 58,659	$ 88,615	$ 91,273	$ 94,011	$ 96,832	$ 116,964	$ 120,473	$ 124,087	$ 193,323
Arena		$ -	$ -	$ 19,740	$ 22,630	$ 25,671	$ 26,441	$ 27,234	$ 28,051	$ 28,893	$ 29,760	$ 46,365
Weather Experience		$ -	$ -	$ -	$ 4,367	$ 4,425	$ 4,401	$ 4,047	$ 4,168	$ 4,293	$ 4,422	$ 6,890
Hotel		$ -	$ -	$ 9,565	$ 11,120	$ 12,002	$ 12,232	$ 12,551	$ 19,984	$ 20,826	$ 21,626	$ 33,129
Total Sales Tax		$ -	$ -	$ 87,965	$ 126,732	$ 133,371	$ 137,086	$ 140,664	$ 169,168	$ 174,485	$ 179,895	$ 279,706
Sales Tax Avail for TIF Fundings ($000s)	Rate											
State	4.500%	$ -	$ -	$ 3,958	$ 5,703	$ 6,002	$ 6,169	$ 6,330	$ 7,613	$ 7,852	$ 8,095	$ 12,587
Cleveland County Jail	0.125%	$ -	$ -	$ 110	$ 158	$ 167	$ 171	$ 176	$ 211	$ 218	$ 225	$ 350
City General Fund	2.300%	$ -	$ -	$ 2,023	$ 2,915	$ 3,068	$ 3,153	$ 3,235	$ 3,891	$ 4,013	$ 4,138	$ 6,433
City of Norman Capital Projects	0.700%	$ -	$ -	$ 616	$ 887	$ 934	$ 960	$ 985	$ 1,184	$ 1,221	$ 1,259	$ 1,958
City of Norman Public Safety	0.500%	$ -	$ -	$ 440	$ 634	$ 667	$ 685	$ 703	$ 846	$ 872	$ 899	$ 1,399
City of Norman Public Transit	0.125%	$ -	$ -	$ 110	$ 158	$ 167	$ 171	$ 176	$ 211	$ 218	$ 225	$ 350
Norman Forward Projects	0.500%	$ -	$ -	$ 440	$ 634	$ 667	$ 685	$ 703	$ 846	$ 872	$ 899	$ 1,399
Total		$ -	$ -	$ 7,697	$ 11,089	$ 11,670	$ 11,995	$ 12,308	$ 14,802	$ 15,267	$ 15,741	$ 24,474
Sales Tax Avail for TIF Fundings ($000s)	Available?											
State		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cleveland County Jail		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City General Fund		$ -	$ -	$ 2,023	$ 2,915	$ 3,068	$ 3,153	$ 3,235	$ 3,891	$ 4,013	$ 4,138	$ 6,433
City of Norman Capital Projects		$ -	$ -	$ 616	$ 887	$ 934	$ 960	$ 985	$ 1,184	$ 1,221	$ 1,259	$ 1,958
City of Norman Public Safety		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City of Norman Public Transit		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Norman Forward Projects		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total		$ -	$ -	$ 2,639	$ 3,802	$ 4,001	$ 4,113	$ 4,220	$ 5,075	$ 5,235	$ 5,397	$ 8,391
Cumulative		*$ -*	*$ -*	*$ 2,639*	*$ 6,441*	*$ 10,442*	*$ 14,555*	*$ 18,775*	*$ 23,850*	*$ 29,084*	*$ 34,481*	*$ 137,676*
Non-TIF Additional On-Site Tax Impacts ($000s)												
City Hotel Occupancy Tax	8.000%	$ -	$ -	$ 507	$ 591	$ 641	$ 657	$ 673	$ 1,185	$ 1,239	$ 1,290	$ 1,969
Total		$ -	$ -	$ 507	$ 591	$ 641	$ 657	$ 673	$ 1,185	$ 1,239	$ 1,290	$ 1,969
Cumulative				*$ 507*	*$ 1,097*	*$ 1,738*	*$ 2,395*	*$ 3,068*	*$ 4,253*	*$ 5,492*	*$ 6,782*	*$ 31,031*

Source: Hunden Partners

Dollars shown are not in present value dollars.

hunden partners

Hunden Partners is a full-service real estate development advisory practice specializing in destination assets.

With professionals in Chicago, San Diego, and Minneapolis, Hunden provides a variety of services for all stages of destination development in:

- Real Estate Market & Financial Feasibility
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The firm and its principal have performed more than 1,000 studies over the past 25 years, with more than $20 billion in built, successful projects.

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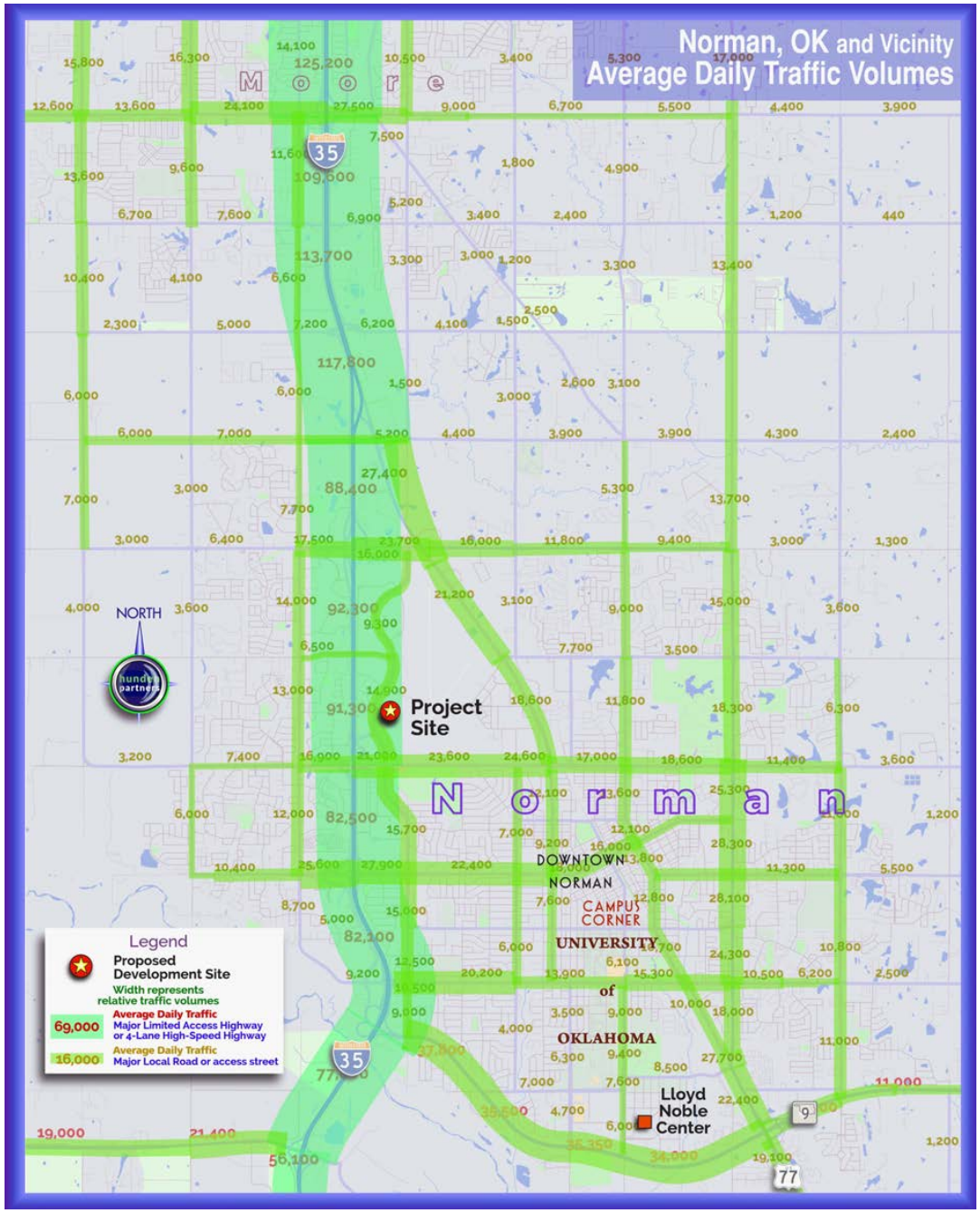
Appendix

Local Traffic Counts



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Ordinance O-2424-2

AN ORDINANCE OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA APPROVING AND ADOPTING THE ROCK CREEK ENTERTAINMENT DISTRICT PROJECT PLAN; DESIGNATING AND ADOPTING PROJECT AREA AND INCREMENT DISTRICT BOUNDARIES; SETTING EFFECTIVE DATES FOR THE INCREMENT DISTRICTS; ADOPTING CERTAIN FINDINGS; AUTHORIZING THE CITY OF NORMAN AND THE NORMAN TAX INCREMENT FINANCE AUTHORITY TO CARRY OUT AND ADMINISTER THE PROJECT PLAN; RATIFYING AND CONFIRMING THE ACTIONS, RECOMMENDATIONS AND FINDINGS OF THE REVIEW COMMITTEE AND THE NORMAN PLANNING COMMISSION; AND PROVIDING FOR THE SEVERABILITY THEREOF.

WHEREAS, the Council of the City of Norman, Oklahoma, a municipal corporation, (the "City") adopted Resolution R-2324-89 on November 14, 2023 declaring its intent to consider approval of a Project Plan and the creation of one or more tax increment districts, directing the preparation of a Project Plan, appointing the review committee, directing the review committee to make findings as to eligibility and financial impact, if any, on taxing jurisdictions and business activities within the proposed districts, and directing the review committee to make a recommendation with respect to the proposed project; and

WHEREAS, the City has caused to be prepared the Rock Creek Entertainment District Project Plan ("Project Plan"), in accordance with the Oklahoma Local Development Act, 62 O.S. §850, *et seq.* ("Act"); and

WHEREAS, the purpose of the Project Plan is primarily to provide assistance in development financing necessary to support the construction of an arena and parking garage, which is expected to anchor additional development and altogether result in an estimated private investment of $1,000,000,000 within the City's corporate boundaries (collectively, the "Project"); and

WHEREAS, the Project Plan supports the City's objectives to promote economic development, to stimulate private investment, to reverse economic stagnation or decline, to expand employment, and to enhance the tax base, and thereby making possible investment that would be difficult without the adoption of the Project Plan; and

WHEREAS, pursuant to the Act and Resolution R-2324-89, the City Council previously established the University North Park Entertainment District Statutory Review Committee ("Review Committee"), comprised of a representative of the City, a representative of the Norman Planning Commission ("Planning Commission"), representatives of each of the affected taxing jurisdictions (including Cleveland County, the Cleveland County Health Department, the Moore Norman Technology Center, the Pioneer Multi-County Library System, collectively, the "Taxing Entities"), and three members of the public at large, one of whom is a representative of the retail community in Norman; and

WHEREAS, the Review Committee has reviewed the proposed Project Plan, the proposed Project Area, and proposed Increment Districts 4 and 5, in accordance with the criteria specified in the Act and has determined that the proposed Project Area (as defined in the Act and described in the Project Plan) and the designated increment districts are eligible for tax increment financing assistance under the Act and that the aggregate impacts on the affected taxing jurisdictions and business activities from implementation of the Project Plan include the achievement of the Project and the stated objectives in the Project Plan; and

WHEREAS, the Review Committee has adopted a resolution of its findings and recommends to the City Council the approval of the Project Plan, including the proposed Increment Districts; and

WHEREAS, the Planning Commission has determined that the Project Plan conforms to the Norman 2025 Comprehensive Plan; and

WHEREAS, the Planning Commission has adopted a resolution recommending to the City Council the approval of the Project Plan, including the proposed Increment Districts; and

WHEREAS, the Project Area and the proposed Increment Districts, which share the same boundaries, are within a state designated enterprise zone and therefore meet the definition of an enterprise area as defined by the Act; and

WHEREAS, the projected investment and development are difficult, but possible, within the proposed Project Area and Increment Districts if the Project Plan is adopted and implemented; and

WHEREAS, tax increment financing as provided in the Project Plan is a necessary component in generating economic development in the proposed Project Area and Increment Districts; and

WHEREAS, the Project is expected to generate substantial new investment within the proposed Increment Districts and to stimulate additional indirect economic benefits outside of the Project Area which would not occur without the Project; and

WHEREAS, the Project Plan provides tools which will supplement and not supplant or replace normal public functions and services; and

WHEREAS, the boundaries of the proposed Increment Districts do not dissect any similar area nor create an unfair competitive advantage; and

WHEREAS, maximum effort has been made to allow full public knowledge and participation in the application of the Act in the review and approval of the Project Plan; and

WHEREAS, all required notices have been given and all required hearings have been held in connection with the Project Plan, as prescribed by the Act, the Oklahoma Open Meetings Act, 25 O.S. § 301, *et seq.*, and other applicable law; and

WHEREAS, pursuant to published notice, at a regular meeting of the City Council held on September 3, 2024, members of the public were provided information, including an analysis of potential positive and negative impacts, and had questions answered regarding the Project Plan; and

WHEREAS, pursuant to published notice, at a regular meeting of the City Council held on September 17, 2024, interested persons in attendance were given an opportunity to be heard for and against the Project Plan; and

WHEREAS, the City and the Norman Tax Increment Finance Authority shall be authorized and designated to carry out certain provisions of the Project Plan, pursuant to the Act; and

WHEREAS, the City retains the right, pursuant to the Act, to make minor amendments to the Project Plan; and

WHEREAS, the City and the Norman Tax Increment Finance Authority shall be authorized and designated to carry out certain provisions of the Project Plan, pursuant to the Act; and

WHEREAS, the City deems it appropriate and desirable and in the best interest of the City and its citizens to adopt and approve the Project Plan, including the establishment of the Increment Districts; and

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA THAT:

SECTION 1. In order to develop the Project Area, the City of Norman elects to utilize Article 10, Section 6C of the Constitution of the State of Oklahoma and the Act, which authorize the use of local taxes for specific public investments, assistance in development financing, and as a revenue source for other public entities in the area, and which provide for the direction of apportionment of local taxes to plan, finance, and carry out development of unproductive, undeveloped, underdeveloped, or blighted areas as determined by the governing body of a city, town or county.

SECTION 2. The Project Plan is hereby approved and adopted, as recommended by the Planning Commission and by the Review Committee. As used herein the "Project Plan" shall mean the document titled "Rock Creek Entertainment District Project Plan" with a cover page indicating the Review Committee recommended approval on May 23, 2024, and the Planning Commission recommended approval on June 13, 2024, and comprised of a cover sheet, eleven (11) pages of text, and seven (7) exhibits labeled Exhibits A, A1, B, C, D, E, and F.

SECTION 3. All actions taken and all recommendations and findings made in connection with the Project Plan by the Planning Commission and the Review Committee are hereby ratified and confirmed, including, but not limited to, the designation and selection of representatives to the Review Committee by the City and each Taxing Entity, the selection of the three members of the public at large who serves on the Review Committee, the findings of conformance with the Norman 2025 Comprehensive Plan, eligibility of the proposed Increment Districts, financial impacts on the affected taxing jurisdictions, and the recommendations for approval.

SECTION 4. The boundaries of the Project Area, Increment District No. 4, and Increment District No. 5 of the Project Plan are described on Exhibit A of the Project Plan, and shown on Exhibit A1 of the Project Plan, and are hereby designated and adopted as follows:

Project Area, Increment District No. 4, and Increment District No. 5 Legal Description

A tract of land beginning in the West quarter of Section 13, and the East Half of Section 14, and the Northwest Quarter of Section 24, and the Northeast Quarter of Section 23, all in Township 9 North, Range 3 West of Indian Meridian, Norman, Cleveland County, Oklahoma, and being more particularly described as follows: Beginning at the northeast corner of Thedford Addition, Norman, Cleveland County, Oklahoma; Thence south 639.11'; Thence west 660', said point being the northeast addition corner of University North Park XVII Addition; Thence south 503.88'; Thence south 89 degrees west 596.33'; Thence south 3182' along the east right-of-way line of Interstate 35; Thence east 190'; Thence south 81 degrees east 495'; Thence south 84 degrees east 65'; Thence south 180' to a point on north right-of-way line of Rock Creek Road; Thence south 32 degrees east 73.54'; Thence south 250'; Thence west 159.49'; Thence south 23 degrees west 54.45'; Thence west 162.29; Thence south 86.29'; Thence south 67 degrees east 401'; Thence north 22 degrees east 141.19'; Thence north 42.18', to a point being southwest corner of lot 1A Block 1, University North Park Section VI; Thence east 433.4'; Thence north 14 degrees east 14.89'; Thence south 76 degrees east 184.16'; Thence east 41.09'; Thence north 65', said point being northwest corner lot 6A block 1 University North Park section VI; Thence south 87degrees east 430' to a point on east right-of-way line NW 24th Ave; Thence on a non-tangent curve to the right R=1965.41' cord bearing south 14 degrees west 750' to a point being the Southwest corner of lot 1 block 3 of University North Park Section XXI; Thence south 87 degrees east 333.87'; Thence south 70 degrees east 234.39'; Thence north 1 degree east 842.87'; Thence south 89 degrees east 539.59'; Thence north 1635.98'; Thence west 559.68'; Thence north 7 degrees east 489.83'; Thence east 496.47'; Thence north 00 degrees, 38 minutes west 1741.56'; Thence west 470'; Thence north along a curve to the east, having a radius of 936.15' a distance of 600.12'; Thence north 260'; Thence east 233'; Thence north 158.45'; Thence west 233'; Thence north 173.29'; Thence west 1330', to the point of beginning. AND A tract of land lying in the northwest corner of Section 13, and the Northeast Quarter of Section 14, all in Township 9 North, Range 3 West of Indian Meridian, Norman, Cleveland County, Oklahoma, and being more particularly described as follows: University

North Park Professional Center Lot 1 Block 1

AND LESS AND EXCEPT Two tracts of land lying in the East half of Section 14, in Township 9 North, Range 3 West of Indian Meridian, Norman, Cleveland County, Oklahoma, and being more particularly described as follows: University North Park Section XIV Lot 1 Block 1 and University North Park Section XVI Lot 1 Block 1.

SECTION 5. The City Council hereby finds and determines:

1. The Project Area and the proposed Increment Districts "4" and "5" proposed in the Rock Creek Entertainment District Project Plan are entirely within a state designated enterprise zone and therefore meet the definition of an "enterprise area" under the Local Development Act (62 O.S. § 853(5), (6)). Enterprise Areas qualify for use of the tools of the Local Development Act pursuant to 62 O.S. §856(B)(4)(a).

2. The improvement of the Project Area is likely to enhance the value of other real property in the area and to promote the general public interest.

3. The level of investment, development, and economic growth desired by the City is difficult, but possible, within the Project Area if the provisions of the Local Development Act are utilized.

4. The use of tax increment financing proposed in the Rock Creek Entertainment District Project Plan is a necessary component in stimulating the proposed investment in the Project Area and Increment Districts, which would not have occurred without tax increment financing pursuant to the Act.

5. The aggregate net assessed value of the taxable property in all increment districts within Norman does not exceed twenty-five percent (25%) of the total net assessed value of taxable property within Norman.

6. The aggregate net assessed value of the taxable property in all increment districts within Norman does not exceed twenty-five percent (25%) of the total net assessed value of any affected school districts located within Norman.

7. The land area within all increment districts within Norman does not exceed twenty-five percent (25%) of the total land area of the City.

SECTION 6. Increment District No. 4, a sales tax increment district, is hereby created as of May 1, 2025.

SECTION 7. Increment District No. 5, an ad valorem increment district, is hereby created as of December 31, 2026.

SECTION 8. The following Project and Increment District authorizations are hereby approved:

A. The City of Norman is designated as the principal entity responsible for implementation and is authorized to carry out and administer the provisions of the Project Plan and to exercise all powers necessary or appropriate thereto pursuant to Section 854 of the Act, including the power to make minor amendments to the Project Plan in accordance with Section 858(D) of the Act;

B. The Norman Tax Increment Finance Authority, a public trust with the City as its sole beneficiary, shall have the authority to carry out certain provisions of the Project Plan, including all necessary, appropriate, and supporting steps described in the Project Plan, as well as the authority to exercise all powers necessary or appropriate thereto pursuant to Section 854 of the Act except for approval of the Project Plan and those powers enumerated in paragraphs 1, 2, 3, 4, 7, 13, and 16 of Section 854 of the Act; and

C. The City Manager, Darrel Pyle, or his successor in office, shall be the person in charge of implementation of the Project Plan in accordance with the provisions, authorizations, and respective delegations of responsibilities contained in the Project Plan.

SECTION 9. The increment of the City's sales and use taxes generated by Increment District No. 4 is a portion of the City's non-dedicated and capital improvements sales tax attributable to investment and development within Increment District No. 4. The sales tax increment shall be 3% of the gross proceeds or gross receipts derived from all sales in Increment District No. 4 that are taxable under the sales tax code of Oklahoma (including any and all amendments thereto and revisions thereof), to be collected only from the non-dedicated (General Fund) and Capital Improvements portions of the City's sales taxes. The sales tax increment shall also include 3% of the gross proceeds or gross receipts generated by investment, construction, and development that is taxable under the sales tax code of Oklahoma, that takes place in Increment District No. 4 pursuant to a development agreement under which development financing assistance is provided from sales tax ("Economic Development Agreement") and which obligates the developer to provide periodic reporting of sales and use taxes paid in connection with construction projects within Increment District No. 4 (increment sales tax from taxable sales and from construction activity, collectively, "Sales Tax Increment"). The Sales Tax Increment may be used to pay Project Costs authorized pursuant to Section IX of this Project Plan, for a period not to exceed 25 fiscal years from the effective date of Increment District No. 4, or the period required for payment of the Project Costs authorized pursuant to Section IX of this Plan, whichever is less. The Sales Tax Increment may be supplemented by state local government matching payments pursuant to the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act, 62 O.S. § 840, *et seq.* ("Leverage Act").

SECTION 10. The increment of ad valorem taxes from Increment District No. 5 in excess of the base assessed values of Increment District No. 5 ("Ad Valorem Increment") shall be apportioned to pay Project Costs authorized pursuant to Section IX of this Project Plan for a period not to exceed 25 fiscal years from the effective date of Increment District No. 5, or the period required for the payment of the Project Costs authorized pursuant to Section IX of this Project Plan, whichever is less.

SECTION 11. During the period of apportionment, the apportionment fund (1) shall be available to pay Project Costs under Section IX of the Project Plan, (2) shall constitute special funds of the Norman Tax Increment Finance Authority ("Authority"), and (3) shall not be subject to annual appropriation as a part of the General Fund of the City.

SECTION 12. The Project Plan is determined to be feasible and desirable and is hereby approved.

SECTION 13. **REPEALER.** All Ordinances or parts of Ordinances in conflict with this Ordinance are hereby repealed to the extent of the conflict only.

SECTION 14. **SEVERABILITY**. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional, such portion shall not affect the validity of the remaining portions of this Ordinance.

PASSED AND APPROVED in an open meeting of the City Council of Norman, Oklahoma on the ____ day of _____, 2024.

CITY OF NORMAN

By: _____
Larry Heikkila, Mayor

ATTEST:

_____
Brenda Hall, City Clerk
(SEAL)

Resolution

R-2324-89

A RESOLUTION OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA DECLARING THE INTENT TO CONSIDER APPROVAL OF A PROJECT PLAN AND CREATION OF ONE OR MORE TAX INCREMENT DISTRICTS UNDER THE LOCAL DEVELOPMENT ACT; DIRECTING PREPARATION OF A PROJECT PLAN; APPOINTING A REVIEW COMMITTEE; DIRECTING THE REVIEW COMMITTEE TO MAKE FINDINGS AS TO ELIGIBILITY AND FINANCIAL IMPACT, IF ANY, ON TAXING JURISDICTIONS AND BUSINESS ACTIVITIES WITHIN THE DISTRICT; AND DIRECTING THE REVIEW COMMITTEE TO MAKE A RECOMMENDATION WITH RESPECT TO THE PROPOSED PROJECT

WHEREAS, the City of Norman ("City") has endeavored for many years to facilitate the development of the property east of Interstate 35 between Tecumseh Road and Robinson Street, and while a portion of the area has experienced significant investment, the remainder continues to suffer from relative economic stagnation and requires public improvements and investment to reverse that stagnation, to attract major investment in the area, to serve as a catalyst for expanding employment and private investment in the area, to enhance the tax base, and make possible investment, development and economic growth which would otherwise be difficult or impossible ("Project"); and

WHEREAS, the Local Development Act, 62 O.S. § 850, *et seq.* ("Act"), was passed by the Oklahoma Legislature to implement Section 6C of Article X of the Oklahoma Constitution, which empowers the governing bodies of cities, towns, and counties to apportion tax increments to help finance the public costs of economic development; and

WHEREAS, the development of the area depends upon the utilization of tax increment financing to help finance the public costs of the Project; and

WHEREAS, the Norman City Council, as the governing body of the City, is empowered to approve the creation of a tax increment district to further the public purpose of economic development in Norman; and

WHEREAS, the Act provides for the appointment of a Review Committee to review and make a recommendation concerning the proposed district, plan, or project, to consider and make findings and recommendations with respect to the conditions establishing the eligibility of the proposed district, and to consider and determine whether the proposed plan and project will have a financial impact on any taxing jurisdiction within the proposed district and to report its findings and make its recommendations to the governing body; and

WHEREAS, the Act provides that the membership of the Review Committee shall consist of the following: a representative of the governing body who shall serve as chairperson; a representative of the planning commission having jurisdiction over the proposed district; a representative designated by each taxing jurisdiction within the proposed district whose ad valorem taxes might be impacted by the plan; and three members representing the public at large and selected by the other committee members from a list of seven names submitted by the chairperson of the Review Committee; and

WHEREAS, one of the at large Review Committee representatives is required to be a representative of the City's business community, and, where a proposed project may include retail development, that representative must be either a retailer or a representative of a retail organization; and

WHEREAS, the taxing jurisdictions within the proposed district whose ad valorem taxes might be impacted by establishment of a tax increment district in the relevant area of Norman are Cleveland County, Norman Public Schools, Cleveland County Health Department, Moore Norman Technology Center, and Pioneer Multi-County Library System.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORMAN, OKLAHOMA:

Section 1. The Norman City Council intends to consider approval of a project plan and creation of a tax increment district to facilitate the financing of eligible project costs for economic development and hereby directs the preparation of a project plan for the Project to be submitted for consideration in accordance with the Act.

Section 2. A Review Committee is hereby appointed whose membership shall consist of the following: one representative of the Norman City Council, who shall serve chairperson of the Review Committee; one representative of the Norman Planning Commission to be designated by that body; one representative designated by Cleveland County; one representative designated by Norman Public Schools; one representative designated by the Cleveland County Health Department; one representative designated by Moore Norman Technology Center; one representative designated by the Pioneer Multi-County Library System; and three representatives of the public at large, including at least one representative of the City's business community, who will be selected by the other committee members from a list of seven names submitted by the chairperson of the Review Committee. Because the Project may involve potential retail development, the business community representative shall be a retailer or representative of a retail organization.

Section 3. Mayor Larry Heikkila shall serve as the Norman City Council's representative and chairperson of the Review Committee.

R-2324-89

Section 4. The chairperson of the Review Committee shall request that each of the following entities designate a representative to serve on the Review Committee: (a) Cleveland County, (b) Norman Public Schools, (c) Cleveland County Health Department, (d) Moore Norman Technology Center, and (e) Pioneer Multi-County Library System.

Section 5. The chairperson of the Review Committee shall submit a list of seven names of possible persons to represent the public at large on the Review Committee, and the other committee members shall select three persons from this list, who shall represent the public at large on the Review Committee; at least one of the three people selected to represent the public at large shall be a representative of the business community in the City and a retailer or a representative of a retail organization.

Section 6. The Review Committee shall consider and make its findings and recommendations to the Norman City Council with respect to the conditions establishing the eligibility of the proposed district and the appropriateness of approval of the proposed project plan and Project.

Section 7. The Review Committee shall consider and determine whether the proposed project plan and Project will have a financial impact on any taxing jurisdiction and business activities within the proposed increment district and shall report its findings to the Norman City Council.

Section 8. The Norman Planning Commission shall review the proposed project plan and make a recommendation regarding the project plan to the Norman City Council.

PASSED AND APPROVED THIS 14th DAY OF November, 2023.

THE CITY OF NORMAN, OKLAHOMA

(SEAL)

Mayor

ATTEST:

Brenda Hall

City Clerk

CITY OF NORMAN CORPORATE SEAL OKLAHOMA

RESOLUTION

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

WHEREAS, the Local Development Act, 62 O.S. § 850, *et seq.* ("Act"), was passed by the Oklahoma Legislature to implement Section 6C of Article X of the Oklahoma Constitution, which empowers the governing bodies of cities, towns, and counties to apportion tax increments to help finance the public costs of economic development; and

WHEREAS, the City Council of the City of Norman, Oklahoma ("City Council") may consider the creation of a tax increment district to facilitate, support, encourage, and incentivize public and private economic development to carry out the development or redevelopment of areas within the City of Norman ("City") that are determined to be unproductive, undeveloped, underdeveloped or blighted; and

WHEREAS, the City Council, as the governing body of the City, is empowered to approve the creation of tax increment districts to further the public purpose of economic development in the City; and

WHEREAS, by adoption of Resolution No. R-2324-89, the City Council declared an intent to consider the creation and adoption of a proposed project plan and one or more increment districts under the Act to help facilitate the development of certain real property in the City east of Interstate 35 between Tecumseh Road and Robinson Street with uses including office, retail, hotel, and residential, anchored by a multi-purpose arena, entertainment district, and public plaza, to serve as a catalyst for new employment, to attract new investment in the area, to enhance the tax base and to make possible investment, development and economic growth which would otherwise be difficult or impossible ("Project"); and

WHEREAS, by adoption of Resolution No. R-2324-89, the City Council also appointed a review committee, as defined in 62 O.S. § 855 ("Review Committee"), to review and make a recommendation concerning the proposed project plan and increment district(s), to consider and make findings and recommendations with respect to the conditions establishing the eligibility of the proposed increment district(s), and to consider and determine whether the project plan and Project will have a financial impact on any taxing jurisdiction within the increment district(s) and to report its findings and make its recommendations to the City Council; and

WHEREAS, the membership of the Review Committee consists of representatives for every taxing jurisdiction within the proposed increment district(s) whose taxes might be impacted by the project plan and increment district(s), a representative of the City's Planning Commission, and three members representing the public at large who were selected by the other Review Committee members at an initial meeting held on April 5, 2024, from a list of seven names submitted by Mayor Larry Heikkila, the Review Committee's chairperson; and

WHEREAS, the Review Committee has completed its review of the proposed Rock Creek Entertainment District Project Plan ("Project Plan"), the proposed establishment of

Increment District No. 4, City of Norman, a sales tax increment district ("TIF 4"), and Increment District No. 5, City of Norman, an ad valorem tax increment district ("TIF 5") (TIF 4 and TIF 5, collectively, "TIF Districts"), and such other information as it has deemed relevant, and is prepared to make statutory findings and a recommendation, as required by the Act.

NOW, THEREFORE, BE RESOLVED BY THE REVIEW COMMITTEE:

Section 1. With respect to the eligibility of the proposed Project Area (as defined in the Act and described in the Project Plan) and TIF Districts, the Review Committee finds that:

(a) The proposed Project Area and TIF Districts qualify as an "enterprise area" under the Act, due to their location within a state-designated enterprise zone; and

(b) The level of investment, development, and economic growth desired by the City is difficult, but possible, within the proposed Project Area and TIF Districts if the provisions of the Act are utilized; and

(c) Tax increment financing is a necessary component in stimulating investment in the proposed Project Area and TIF Districts; and

(d) Tax increment financing will be used to supplement and not supplant or replace normal public functions and services in the proposed Project Area and TIF Districts; and

(e) Tax increment financing will be used in conjunction with existing programs and efforts and other locally implemented economic development efforts.

Section 2. With respect to the potential financial impacts on the affected taxing jurisdictions and business activities within the proposed Project Area and TIF Districts, the Review Committee finds that:

(a) As described in Section XI of the Project Plan, the anticipated private development will generate tax increments sufficient to pay a substantial portion of the authorized project costs of the Project proposed by the Project Plan, and that, without the Project Plan and TIF Districts, the Project described in the Project Plan and the resulting increases in tax revenues are unlikely to occur; and

(b) The development anticipated by the Project may result in increases in demand for services by or in costs to the affected taxing jurisdictions, but such increases are anticipated to be partially offset by additional tax revenues generated outside of the TIF Districts and other sources of revenue; and

(c) The public revenue anticipated to result from the development described in the Project Plan includes increased tax revenue beyond the revenues being apportioned to pay project costs authorized by the Project Plan; and

(d) The economic benefits of the Project Plan for the affected taxing jurisdictions and the community as a whole partially offset the adverse financial impacts, if any,

of the Project Plan on the affected taxing jurisdictions; and

(e) The aggregate impacts on the affected taxing jurisdictions and business activities from implementation of the Project Plan include the achievement of the Project and the stated objectives set forth in the Project Plan.

Section 3. The findings of the Review Committee demonstrate that the proposed Project Area and TIF Districts meet the conditions for eligibility and that the aggregate impacts on the affected taxing jurisdictions and business activities from implementation of the Project Plan include the achievement of the Project and the stated objectives set forth in the Project Plan.

Section 4. The Review Committee recommends that the City Council approve the proposed Project Plan and establish the proposed TIF Districts, as they have been presented to the Review Committee.

PASSED AND APPROVED BY THE REVIEW COMMITTEE THIS 23rd DAY OF May, 2024.

Mayor Larry Heikkila, Chairperson

I, Sarah Encinias, Acting Secretary of the Review Committee, certify that the foregoing Resolution was duly approved and adopted at a meeting of the Review Committee, held at Norman City Hall, on the 23rd day of May, 2024; that said meeting was held in accordance with the Open Meeting Act of the State of Oklahoma; that any notice required to be given of such meeting was properly given; that a quorum was present at all times during such meeting; and that said document was approved and adopted by a majority of those Review Committee members present.

Acting Secretary

A RESOLUTION OF THE NORMAN PLANNING COMMISSION DETERMINING THAT THE ROCK CREEK ENTERTAINMENT DISTRICT PROJECT PLAN IS IN CONFORMANCE WITH THE CITY OF NORMAN'S COMPREHENSIVE PLAN AND RECOMMENDING THAT THE CITY COUNCIL APPROVE AND ADOPT THE ROCK CREEK ENTERTAINMENT DISTRICT PROJECT PLAN.

WHEREAS, it is an objective of the City of Norman, Oklahoma ("City"), to promote economic development within its boundaries in order to attract investment, enhance the tax base, stimulate economic growth, and improve the quality of life in and around the Town; and

WHEREAS, the Local Development Act, 62 O.S. § 850, *et seq.* ("Act"), was passed by the Oklahoma Legislature to implement Section 6C of Article X of the Oklahoma Constitution, which empowers the governing bodies of cities, towns, and counties to apportion tax increments to help finance the public costs of economic development; and

WHEREAS, by adoption of Resolution R-2324-89 on November 14, 2023, the Norman City Council declared an intent to consider the creation and adoption of a proposed project plan and increment district under the Act to help facilitate the development of certain real property in the Norman, specifically the development of the property east of Interstate 35 between Tecumseh Road and Robinson Street to serve as a catalyst for expanding employment in the area, to attract major investment in the area, to enhance the tax base and make possible investment, development and economic growth which would otherwise be difficult or impossible ("Project"); and

WHEREAS, the Project will promote the public good, general welfare, economic security, and prosperity of the Town and its inhabitants; and

WHEREAS, the Rock Creek Entertainment District Project Plan ("Project Plan") is a project plan as defined under the Act; and

WHEREAS, the provisions of the Act lay out procedures for approval of project plans to develop qualified project areas; and

WHEREAS, the City of Norman Statutory Review Committee, including a representative of the Norman Planning Commission, has recommended the approval of the Project Plan after finding the Project eligible under the Act and determining that the proposed Project Area and TIF Districts meet the conditions for eligibility and that the aggregate impacts on the affected taxing jurisdictions and business activities from implementation of the Project Plan include the achievement of the Project and the stated objectives set forth in the Project Plan; and

WHEREAS, the Norman Planning Commission has reviewed the City's Comprehensive Plan and the Project Plan; and

WHEREAS, the Project Plan is appropriate and desirable in order to support efforts to achieve the objectives of the City's Comprehensive Plan; and

WHEREAS, the Norman Planning Commission finds it appropriate and desirable to recommend to the Norman City Council that it approve and adopt the Project Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF NORMAN, OKLAHOMA PLANNING COMMISSION:

1. The Rock Creek Entertainment District Project Plan is hereby declared to be in conformance with the City of Norman's Comprehensive Plan.

2. The Rock Creek Entertainment District Project Plan is determined to be desirable.

3. Recommendation is hereby made to the Norman City Council that it approve and adopt the Rock Creek Entertainment District Project Plan.

PASSED AND APPROVED this 13 day of June, 2024.

Erica Bird

Chair

ATTEST:

Kelly Parker

Secretary

NON-CONSENT ITEMS

UNP Rezoning & Preliminary Plat

2. CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF ORDINANCE O-2324-35: AN ORDINANCE OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, AMENDING SECTION 36-201 OF THE CODE OF THE CITY OF NORMAN SO AS TO REMOVE THE PART OF THE EAST HALF (E/2) OF SECTION FOURTEEN (14), TOWNSHIP NINE (9) NORTH, RANGE THREE (3) WEST OF THE INDIAN MERIDIAN, TO NORMAN, CLEVELAND COUNTY, OKLAHOMA, FROM THE PUD, PLANNED UNIT DEVELOPMENT DISTRICT, AND PLACE SAME IN THE PUD, PLANNED UNIT DEVELOPMENT DISTRICT; AND PROVIDING FOR THE SEVERABILITY THEREOF. (GENERALLY LOCATED EAST OF I-35 BETWEEN CORPORATE CENTER DRIVE AND ROCK CREEK ROAD)

ITEMS SUBMITTED FOR THE RECORD:
1. Staff Report
2. Location Map
3. PUD Narrative
4. Preliminary Site Development Plan
5. Preliminary Site Development Plan (Highlighted DAs)
6. Green Space Exhibit
7. Park Board Packet
8. Pre-Development Summary
9. Support Letter

3. CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF PP-2324-12: CONSIDERATION OF A PRELIMINARY PLAT SUBMITTED BY UNIVERSITY NORTH PARK, L.L.C. FOR UNIVERSITY NORTH PARK ENTERTAINMENT DISTRICT, A PLANNED UNIT DEVELOPMENT FOR APPROXIMATELY 90 ACRES OF PROPERTY GENERALLY LOCATED ON THE EAST SIDE OF I-35 BETWEEN CORPORATE CENTER DRIVE AND ROCK CREEK ROAD.

ITEMS SUBMITTED FOR THE RECORD:
1. Staff Report
2. Preliminary Plat
3. Traffic Analysis
4. Review Form

Rock Creek Entertainment District Project Plan

4. CONSIDERATION OF ADOPTION, REJECTION, AMENDMENT AND/OR POSTPONEMENT OF RESOLUTION PCR-2324-2: A RESOLUTION OF THE NORMAN PLANNING COMMISSION DETERMINING THAT THE ROCK CREEK ENTERTAINMENT DISTRICT PROJECT PLAN IS IN CONFORMANCE WITH THE CITY OF NORMAN'S COMPREHENSIVE PLAN AND RECOMMENDING THAT THE CITY COUNCIL APPROVE ADOPT THE ROCK CREEK ENTERTAINMENT DISTRICT PROJECT

ITEMS SUBMITTED FOR THE RECORD:

1. Memo
2. Planning Commission Recommendation
3. Project Plan Draft
4. Statutory Review Committee Resolution

Motion by Steven McDaniel to approve Liz McKown's recusal from items 2, 3, and 4; **Second** by Jim Griffith.

The motion for Liz McKown's recusal was approved unanimously with a vote of 8-0.

Staff Presentation

Lora Hoggatt, Planning Services Manager, presented and reviewed the staff report.

Michael Jablonski inquired on the PUD document description for open space. The document stated planned open space of 24%, continuing that the open space could go down to 10% during development.

Jane Hudson explained that they are showing 24% on the green space exhibit but are able to go down to the required 10% green space, as per the Zoning Code.

Applicant Presentation

Sean Rieger, representing the applicant, presented on the proposed PUD for this property. Mr. Rieger described the process from conception to the project's current design.

Danny Lovell, The Rainier Companies, CEO, described the project plan. Included in the proposal: multiple parks/greenspace, a festival street including the arena and boutique shops and restaurants, built to suit offices (3-4 story loft office), a parking garage, and residential areas.

Mr. Rieger pointed out that the property is not in the floodplain or WQPZ. He detailed the preliminary plat, site plan, and open space diagram. In answering Mr. Jablonski's question, the development will follow the site plan, with intent for 24% open space.

Mr. Rieger added how important stormwater was and the extensive work put into integrating bio-swales and rain gardens to address impacts. He also explained proposed changes to streets to mitigate traffic impacts.

Joe Castiglione, University of Oklahoma Vice President & Director of Athletics, described how this will not only help the University with an arena for men's and women's basketball and gymnastics, but also the City of Norman.

Cathy O'Connor, COalign Group President, detailed what a TIF (Tax Increment Finance) District is. She stated that the proposed Rock Creek Entertainment District Project Plan is a mixed-use project; it is a $1+ billion investment including residential, retail, office, commercial, arena, parking garage, and hotel, along with festival plaza and related public improvements.

Ms. O'Connor explained that it is the Planning Commission's role to determine whether the Project Plan conforms with City's comprehensive plan and provide general recommendation to City Council.

Recess from 7:09pm to 7:23pm

Mr. Jablonski inquired where the $600 Million figure pertaining to anticipated TIF funds came from and associated projected risks. Ms. O'Connor explained that the developer will finance $230 Million, the up to $600 Million anticipated TIF generation covers the financing cost of that $230 Million.

Kevan Parker asked where the $1 billion figure is coming from and about the project cost breakdown. Ms. O'Connor described the breakdown.

Mr. Parker asked why the residential development is included in the TIF if it is a use allowed by the existing PUD. Mr. Rieger explained that tax revenue off residential as it pertains to supplies and fees are still necessary to financing the project.

Jim Griffith asked why it is a 25 year TIF. Ms. O'Connor answered that it is up to 25 years, but if the total cost number is met before the 25 years are up then the TIF is terminated.

Mr. Jablonski pointed out that they keep mentioning "no risk" to the City but he is also concerned about economic development moving to the TIF district, instead of other areas in Norman. Ms. O'Connor stated that this development was intended for new commercial.

Kathryn Walker, City Attorney, explained that we have a firm looking into market impacts and will have the report before it goes to City Council.

Maria Kindel stated that transparency on past projects has caused concern. Ms. Walker stated that we are required by the Local Development Act to report annually on TIF revenues. She explained that she expects City Council to demand more frequent updates. Information is available on the City website and it is expected to maintain public accessibility.

Erica Bird explained that the Parks Board had a different site plan with a clubhouse on the residential side, but on the current sight plan labels the area open space. She asked for clarification. Mr. Rieger explained the change. The presented site plan is the one they will be approved to use.

Ms. Bird also asked about street trees and they can be locked into the site plan or the PUD document. Mr. Rieger explained that it is in the document stating they will be following City Ordinances regarding street trees.

Steven McDaniel asked if the parking will accommodate anticipated demand. Mr. Rieger explained that parking is accounted for, including anticipated reliance on ride share.

Cameron Brewer asked about the area to the south of Rock Creek that is currently undeveloped. Mr. Lovell explained that they do not own that property and therefore they cannot speak on it.

<u>Public Comments</u>

KJ Kindler, 5351 Tina Dr. Norman, OK (Support)
Jennie Baranczyk, 1907 Grandview Ave. Norman, OK (Support)
Marcus Bowan, 4716 Las Colinas Ln. Norman, OK (Support)
Lawrence McKinney, 3213 St. Clair Dr. Norman, OK (Support)
Cindy Rogers, 633 Reed Ave. Norman, OK (Protest)

Steve Ellis, 633 Reed Ave. Norman, OK (Protest)
Kenny Adams, 3107 Meadow Ave. Norman, OK (Support)
Scott Martin, 2916 Stonebridge Ct. Norman, OK (Support)
Shelley Cox, 3604 Glenbrook Dr. Norman, OK (Support)
Sean Burrage, 824 Mockingbird Ln. Norman, OK (Support)
Andrew Rosenow, 1509 Chambers St. Norman, OK (Protest)
Paul Wilson, 401 12th Ave SE. Norman, OK (Support)
Chuck Deltleft, 14332 SE 111th St. OKC, OK (Support)
Rhonda Stock, 4112 Harrogate Dr. Norman, OK (Protest)
Cooper Hahn, 522 Colorado Dr. Norman, OK (Protest)
Jonathan Fowler, 519 Chautauqua Ave. Norman, OK (Support)
Gregg Garn, 4920 Spyglass Dr. Norman, OK (Support)
Dan Schemm, 3213 Valley Brook, Norman, OK (Support)
Mark Belmar, 3801 Danfield Ln. Norman, OK (Support)
Russell Rice, 1854 Rolling Hills St. Norman, OK (Protest)
Holly Hunt, 1907 Grandview Ave. Norman, OK (Support)
Michael T Dean, 820 S Pickard Ave. Norman, OK (Support)
Lisa Dionisio, 4525 Blake Horse Rd. Norman, OK (Support)
Marguerite Larson, 1432 Huron St. Norman, OK (Protest)

Recess 9:00pm to 9:14pm

Judith Wilkins, 1100 W Symmes St. Norman, OK (Protest)
David Kinnard, 942 Chautauqua Ave. Norman, OK (Protest)
Megan Straughn, 1516 Oakwood Dr. Norman, OK (Protest)
Rob Norman, 4604 Graystone Dr. Norman, OK (Protest)
Don Nist, 3501 Hillview Dr. Norman, OK (Support)
Pam Post, 661 Turkey Run Ct. Norman, OK (Protest)

Commission Discussion

Ms. Kindel asked for clarification on the land in the TIF district that is not part of the proposed entertainment district development. Emily Pomeroy, Center for Economic Development Law, explained that being in the TIF district has no direct impact on the property owner. Sales and property taxes in the district are paid towards the apportionment fund.

Mr. Brewer asked if this project is viable without the residential development. Ms. Pomeroy explained that it would not be.

Ms. Bird asked about a possible on-and-off ramp at Rock Creek Rd. BJ Hawkins, Traffic Engineering Consultants, explained that Oklahoma Department of Transportation (ODOT) is working closely with project team to determine what infrastructure improvements may be needed.

Ms. Bird asked for more explanation on bus orientation navigation around the entertainment district. Terry Hanes, SMC Consulting, stated that there is an area west of the arena that is set up for semi-truck and bussing operations.

Mr. Jablonski stated that he likes the project but has concerns with implied lack of information.

Doug McClure explained that there was discussion about projections, related to econom impacts which are a concern. He stated the decision is not just about the sports but about Norman as well.

Ms. Kindel compared the proposed project to the Enid event center and related TIF, which also saw concerns about the impacts but has proved to be a good investment. She stated this project is a good investment for Norman.

Ms. Bird pointed out all the concerns she brought up at previous meetings which had been addressed by the applicant.

Mr. Parker stated he does not have any issues with the zoning.

Motion by Kevan Parker to recommend adoption of Ordinance No. O-2324-35 and PP-2324-12 to City Council; **Second** by Doug McClure.

The motion passes with a vote of 8-0 with Commissioner McKown abstaining.

Motion by Doug McClure to recommend adoption of PCR-2324-2 to City Council; **Second** by Steve McDaniel.

The motion passed with a vote of 7-1 with Commissioner McKown abstaining and Commissioner Jablonski voting against.

CITY OF NORMAN, OK

STAFF REPORT

MEETING DATE: 09/17/2024

REQUESTER: Rick Knighton

PRESENTER: Rick Knighton, Interim City Attorney

ITEM TITLE: CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT AND/OR POSTPONEMENT OF CONTRACT K-2425-55: BY AND BETWEEN THE CITY OF NORMAN; THE NORMAN TAX INCREMENT FINANCE AUTHORITY; UNP NORTH, L.L.C.; AND THE CLEVELAND COUNTY RECREATIONAL AND ENTERTAINMENT FACILITIES AUTHORITY FOR AN ECONOMIC DEVELOPMENT AGREEMENT FOR THE ROCK CREEK ENTERTAINMENT DISTRICT.

BACKGROUND:

"Team Norman" was formed a year or so ago to ensure collaboration between a broad and diverse coalition of organizations, including the University of Oklahoma and the City of Norman. On September 6, 2023, Team Norman announced a proposal for the creation of an Entertainment District, anchored by a multi-purpose performance venue, as well as office and residential uses, generally located between Rock Creek Road and Tecumseh Road in the area known as University North Park. Under the initial proposal, a combination of University and private resources would combine to finance approximately 40% of the total arena construction costs, while the University would only use approximately 25% of the event dates. Team Norman asked the City to consider funding the remainder of the amount necessary to finance the construction costs for the performance venue and additional infrastructure utilizing tax increment financing.

Tax increment finance ("TIF") is a tool authorized by the Oklahoma Local Development Act (the "Act"; Oklahoma Statutes, Title 62, Section 850, et. Seq.) that utilizes the growth in sales and/or ad valorem taxes generated within a specified district to fund public improvements in the designated project area. In order for a TIF district to be created, a Project Plan must first be created meeting all statutory requirements, including providing a list of all proposed improvements, estimated project costs, and proposed uses of property within the District. The Project Plan is considered by a Review Committee to determine project eligibility, financial impact on taxing jurisdictions and business activities within the district, and ultimately, to make a recommendation to City Council regarding the project. The Project Plan is also reviewed by the Planning Commission for a recommendation to the City Council. Two public hearings are required, with special notice provisions, prior to Council's formal consideration of the Project Plan.

On November 14, 2023, the City Council adopted Resolution R-2324-89 declaring its intent to consider approval of a Project Plan and the creation of one or more tax increment districts, directing the preparation of a Project Plan, appointing the Review Committee, directing the Review Committee to make findings as to eligibility and financial impact, if any, on taxing jurisdictions and business activities within the proposed districts, and directing the Review Committee to make a recommendation with respect to the proposed project. City Staff and outside counsel began developing the Project Plan while financial impact studies were being conducted by the Oklahoma Department of Commerce and Hunden Partners as inputs to the Project Plan (these studies are attached to the Project Plan).

The Review Committee began meeting in April and on May 23, 2024 adopted a Resolution recommending Council approval of the Rock Creek Entertainment District Project Plan (the "Project Plan") and making certain findings as required by the Local Development Act. The Planning Commission reviewed the Project Plan on June 13, 2024 and recommended Council adoption of the Project Plan. Resolutions adopted by Council, the Statutory Review Committee and the Planning Commission are attached for your reference.

The Local Development Act, requires two public hearings to be held prior to Council's consideration of the Project Plan (to be considered separately, as Ordinance O-2425-2). Staff and outside counsel have also recommended that Council consider an Economic Development Agreement concurrently with its consideration of the Project Plan. The Project Plan creates the framework under which tax increment financing may be provided, but it is a legislative act completely within the purview of the City Council. Economic Development Agreements ("EDA") set forth the contractual obligations of the parties: in this case, the City/Norman Tax Increment Finance Authority ("NTIFA") and developer(s), UNP North, LLC (the "Landowner"; a subsidiary of the University of Oklahoma Foundation), and the Cleveland County Recreational and Entertainment Facilities Trust ("CC Trust").

DISCUSSION

The goal of the EDA is to set forth the contractual obligations of the City/NTIFA to provide TIF funding, and the obligations of the Landowner and the CC Trust to build the "Mixed-Use Project" and the "Arena Project". The Mixed-Use Project is defined in the EDA to include the following aspects: a public plaza ("festival plaza"); approximately 140,000 square feet of retail and restaurant space; up to 180,000 square feet of Class A office space built in phases, based on market demand; a 150-room select service hotel; approximately 500 multifamily housing units; and additional multifamily housing units and/or up to 177 medium density housing units built in phases based on market demand. The Arena Project is defined to include the multipurpose performance venue and sports arena anchor containing approximately 8,000 seats and a 1,200 space parking garage. Flexibility is built into the agreement to allow for no more than a 15% variance from the described components in size or scale.

As discussions regarding the EDA evolved, it became evident that in order to impose obligations adequate to the City to ensure all of the proposed development is built, the developer of the

Arena Project (the CC Trust) should be included as a party to the Agreement in addition to the Landowner. Under this Agreement, CC Trust is responsible for ensuring the construction and operation of the Arena Project as defined. The Landowner is responsible for ensuring the construction and operation of the Mixed-Use Project as defined, and these obligations can be assigned or transferred as provided in Section 6.11 of the proposed EDA. Consistent with the Project Plan, the City/NTIFA will provide up to $600,000,000 in incremental sales tax and ad valorem tax revenues collected within the District, as well as State matching funds received as a result of the State Leverage Act, to the CC Trust as Assistance In Development Financing for the Arena Project over a period of up to 25 years. No other funding from the City/NTIFA is contemplated.

Both the Landowner and the CC Trust will be required to provide phasing plans and development plans to the City before moving forward with the components of the Project. This information will include evidence of financing. The parties have had extensive discussion about the ability of the City to review the financing and ensure adequate protections exist to ensure both the Mixed-Use Project and the Arena Project are built as contemplated. Commencement of the City/NTIFA payment obligations will not begin until the phasing plan for the entire project and development plans for the Arena Project have been approved by NTIFA. The Mixed-Use Project is required to begin construction no later than January 1, 2026, with completion occurring no later than December 31, 2032. The Arena Project is required to begin construction no later than January 1, 2026 with completion occurring no later than December 31, 2029.

In the event of default of any obligations under the Agreement, NTIFA will not be able to terminate or “clawback” any assistance already provided at the time of default due to the pledge of such TIF assistance by the CC Trust to their bondholders. The City/NTIFA will have other legal remedies in the event of default by the CC Trust or Landowner, including breach of contract, damages, etc.

RECOMMENDATION

Staff forwards Contract K-2425-55 to Council/NTIFA for consideration upon adoption of the Rock Creek Entertainment District Project Plan (Ordinance O-2425-2).

RESOLUTION

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

WHEREAS, the Local Development Act, 62 O.S. § 850, *et seq.* ("Act"), was passed by the Oklahoma Legislature to implement Section 6C of Article X of the Oklahoma Constitution, which empowers the governing bodies of cities, towns, and counties to apportion tax increments to help finance the public costs of economic development; and

WHEREAS, the City Council of the City of Norman, Oklahoma ("City Council") may consider the creation of a tax increment district to facilitate, support, encourage, and incentivize public and private economic development to carry out the development or redevelopment of areas within the City of Norman ("City") that are determined to be unproductive, undeveloped, underdeveloped or blighted; and

WHEREAS, the City Council, as the governing body of the City, is empowered to approve the creation of tax increment districts to further the public purpose of economic development in the City; and

WHEREAS, by adoption of Resolution No. R-2324-89, the City Council declared an intent to consider the creation and adoption of a proposed project plan and one or more increment districts under the Act to help facilitate the development of certain real property in the City east of Interstate 35 between Tecumseh Road and Robinson Street with uses including office, retail, hotel, and residential, anchored by a multi-purpose arena, entertainment district, and public plaza, to serve as a catalyst for new employment, to attract new investment in the area, to enhance the tax base and to make possible investment, development and economic growth which would otherwise be difficult or impossible ("Project"); and

WHEREAS, by adoption of Resolution No. R-2324-89, the City Council also appointed a review committee, as defined in 62 O.S. § 855 ("Review Committee"), to review and make a recommendation concerning the proposed project plan and increment district(s), to consider and make findings and recommendations with respect to the conditions establishing the eligibility of the proposed increment district(s), and to consider and determine whether the project plan and Project will have a financial impact on any taxing jurisdiction within the increment district(s) and to report its findings and make its recommendations to the City Council; and

WHEREAS, the membership of the Review Committee consists of representatives for every taxing jurisdiction within the proposed increment district(s) whose taxes might be impacted by the project plan and increment district(s), a representative of the City's Planning Commission, and three members representing the public at large who were selected by the other Review Committee members at an initial meeting held on April 5, 2024, from a list of seven names submitted by Mayor Larry Heikkila, the Review Committee's chairperson; and

WHEREAS, the Review Committee has completed its review of the proposed Rock Creek Entertainment District Project Plan ("Project Plan"), the proposed establishment of

Increment District No. 4, City of Norman, a sales tax increment district ("TIF 4"), and Increment District No. 5, City of Norman, an ad valorem tax increment district ("TIF 5") (TIF 4 and TIF 5, collectively, "TIF Districts"), and such other information as it has deemed relevant, and is prepared to make statutory findings and a recommendation, as required by the Act.

NOW, THEREFORE, BE RESOLVED BY THE REVIEW COMMITTEE:

Section 1. With respect to the eligibility of the proposed Project Area (as defined in the Act and described in the Project Plan) and TIF Districts, the Review Committee finds that:

(a) The proposed Project Area and TIF Districts qualify as an "enterprise area" under the Act, due to their location within a state-designated enterprise zone; and

(b) The level of investment, development, and economic growth desired by the City is difficult, but possible, within the proposed Project Area and TIF Districts if the provisions of the Act are utilized; and

(c) Tax increment financing is a necessary component in stimulating investment in the proposed Project Area and TIF Districts; and

(d) Tax increment financing will be used to supplement and not supplant or replace normal public functions and services in the proposed Project Area and TIF Districts; and

(e) Tax increment financing will be used in conjunction with existing programs and efforts and other locally implemented economic development efforts.

Section 2. With respect to the potential financial impacts on the affected taxing jurisdictions and business activities within the proposed Project Area and TIF Districts, the Review Committee finds that:

(a) As described in Section XI of the Project Plan, the anticipated private development will generate tax increments sufficient to pay a substantial portion of the authorized project costs of the Project proposed by the Project Plan, and that, without the Project Plan and TIF Districts, the Project described in the Project Plan and the resulting increases in tax revenues are unlikely to occur; and

(b) The development anticipated by the Project may result in increases in demand for services by or in costs to the affected taxing jurisdictions, but such increases are anticipated to be partially offset by additional tax revenues generated outside of the TIF Districts and other sources of revenue; and

(c) The public revenue anticipated to result from the development described in the Project Plan includes increased tax revenue beyond the revenues being apportioned to pay project costs authorized by the Project Plan; and

(d) The economic benefits of the Project Plan for the affected taxing jurisdictions and the community as a whole partially offset the adverse financial impacts, if any,

of the Project Plan on the affected taxing jurisdictions; and

(e) The aggregate impacts on the affected taxing jurisdictions and business activities from implementation of the Project Plan include the achievement of the Project and the stated objectives set forth in the Project Plan.

Section 3. The findings of the Review Committee demonstrate that the proposed Project Area and TIF Districts meet the conditions for eligibility and that the aggregate impacts on the affected taxing jurisdictions and business activities from implementation of the Project Plan include the achievement of the Project and the stated objectives set forth in the Project Plan.

Section 4. The Review Committee recommends that the City Council approve the proposed Project Plan and establish the proposed TIF Districts, as they have been presented to the Review Committee.

PASSED AND APPROVED BY THE REVIEW COMMITTEE THIS 23rd DAY OF May, 2024.

Mayor Larry Heikkila, Chairperson

I, Sarah Encinias, Acting Secretary of the Review Committee, certify that the foregoing Resolution was duly approved and adopted at a meeting of the Review Committee, held at Norman City Hall, on the 23rd day of May, 2024; that said meeting was held in accordance with the Open Meeting Act of the State of Oklahoma; that any notice required to be given of such meeting was properly given; that a quorum was present at all times during such meeting; and that said document was approved and adopted by a majority of those Review Committee members present.

Acting Secretary

A RESOLUTION OF THE NORMAN PLANNING COMMISSION DETERMINING THAT THE ROCK CREEK ENTERTAINMENT DISTRICT PROJECT PLAN IS IN CONFORMANCE WITH THE CITY OF NORMAN'S COMPREHENSIVE PLAN AND RECOMMENDING THAT THE CITY COUNCIL APPROVE AND ADOPT THE ROCK CREEK ENTERTAINMENT DISTRICT PROJECT PLAN.

WHEREAS, it is an objective of the City of Norman, Oklahoma ("City"), to promote economic development within its boundaries in order to attract investment, enhance the tax base, stimulate economic growth, and improve the quality of life in and around the Town; and

WHEREAS, the Local Development Act, 62 O.S. § 850, *et seq.* ("Act"), was passed by the Oklahoma Legislature to implement Section 6C of Article X of the Oklahoma Constitution, which empowers the governing bodies of cities, towns, and counties to apportion tax increments to help finance the public costs of economic development; and

WHEREAS, by adoption of Resolution R-2324-89 on November 14, 2023, the Norman City Council declared an intent to consider the creation and adoption of a proposed project plan and increment district under the Act to help facilitate the development of certain real property in the Norman, specifically the development of the property east of Interstate 35 between Tecumseh Road and Robinson Street to serve as a catalyst for expanding employment in the area, to attract major investment in the area, to enhance the tax base and make possible investment, development and economic growth which would otherwise be difficult or impossible ("Project"); and

WHEREAS, the Project will promote the public good, general welfare, economic security, and prosperity of the Town and its inhabitants; and

WHEREAS, the Rock Creek Entertainment District Project Plan ("Project Plan") is a project plan as defined under the Act; and

WHEREAS, the provisions of the Act lay out procedures for approval of project plans to develop qualified project areas; and

WHEREAS, the City of Norman Statutory Review Committee, including a representative of the Norman Planning Commission, has recommended the approval of the Project Plan after finding the Project eligible under the Act and determining that the proposed Project Area and TIF Districts meet the conditions for eligibility and that the aggregate impacts on the affected taxing jurisdictions and business activities from implementation of the Project Plan include the achievement of the Project and the stated objectives set forth in the Project Plan; and

WHEREAS, the Norman Planning Commission has reviewed the City's Comprehensive Plan and the Project Plan; and

WHEREAS, the Project Plan is appropriate and desirable in order to support efforts to achieve the objectives of the City's Comprehensive Plan; and

WHEREAS, the Norman Planning Commission finds it appropriate and desirable to recommend to the Norman City Council that it approve and adopt the Project Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF NORMAN, OKLAHOMA PLANNING COMMISSION:

1. The Rock Creek Entertainment District Project Plan is hereby declared to be in conformance with the City of Norman's Comprehensive Plan.

2. The Rock Creek Entertainment District Project Plan is determined to be desirable.

3. Recommendation is hereby made to the Norman City Council that it approve and adopt the Rock Creek Entertainment District Project Plan.

PASSED AND APPROVED this 13 day of June, 2024.

Erica Bird

Chair

ATTEST:

Kelly Parker

Secretary

ECONOMIC DEVELOPMENT AGREEMENT: ROCK CREEK ENTERTAINMENT DISTRICT

THIS ECONOMIC DEVELOPMENT AGREEMENT ("**Agreement**") is made and entered into as of the __ day of _____, 2024 ("**Effective Date**"), by and between the City of Norman, a municipal corporation ("**City**"); the Norman Tax Increment Finance Authority, a public trust having the City as its beneficiary ("**NTIFA**"); UNP North, LLC, an Oklahoma limited liability company ("**Landowner**"); and the Cleveland County Recreational and Entertainment Facilities Authority, a public trust having Cleveland County as its beneficiary ("**CC Trust**") (City, NTIFA, Landowner, and CC Trust, collectively, "**Parties**," and individually, "**Party**") (Landowner and CC Trust, collectively, "**Developer Parties**," and individually, "**Developer Party**").

RECITALS:

(1) NTIFA is a public trust created by a Trust Indenture dated July 11, 2006, for the use and benefit of the City, under authority of and pursuant to the provisions of 60 O.S. § 176, *et seq.*, for the purpose of supporting the City's economic development initiatives that utilize tax increment financing.

(2) NTIFA is an independent legal entity authorized to facilitate, enable, operate, manage, market, administer, and finance all forms of economic development projects within or near the City related to tax increment financing, and is empowered to enter into and perform the obligations of this Agreement.

(3) The City has adopted and approved the Rock Creek Entertainment District Project Plan ("**Project Plan**", Ordinance O-2425-2) pursuant to the Oklahoma Local Development Act, 62 O.S. § 850, *et seq.* ("**Act**").

(4) The City designated NTIFA as the public entity responsible for implementing the Project Plan.

(5) The Project Plan established the Project Area and two increment districts: (i) "Increment District No. 4, City of Norman," a sales tax increment district ("**TIF 4**"), which was created as of the date of the Project Plan's approval and which will be activated as of May 1, 2025; and (ii) "Increment District No. 5, City of Norman," an ad valorem increment district ("**TIF 5**"), which was created as of the date of the Project Plan's approval and which will be activated as of December 31, 2026. TIF 4 and TIF 5 share the same geographic boundaries, and for reference in this Agreement, are collectively referred to as the "**Increment Districts**."

(6) The Project Plan supports the City's efforts to achieve its development objectives for the area north of Rock Creek Road and east of Interstate 35 by incentivizing private investment of the area into an entertainment district to include a mix of office, retail, general commercial, restaurant, hospitality, parking, private park and open space, and residential land uses and anchored by a multi-purpose arena and public plaza.

(7) Developer Parties propose to facilitate construction on property owned by Landowner within the boundaries of the Increment Districts of a $650,000,000, multiphase, mixed-use

entertainment center and neighborhood consisting of: (i) a multipurpose performance venue and sports arena anchor containing approximately 8,000 seats and a 1,200 space parking garage; (ii) a plaza; (iii) 140,000 square feet of retail and restaurant space; (iv) up to 180,000 square feet of Class A office space built in phases based on market demand; (v) a 150-room select service hotel; (vi) approximately 500 multifamily housing units; (vii) additional multifamily housing units and/or up to 177 medium density housing units built in phases based on market demand; and (viii) all necessary public and private utility and stormwater infrastructure(such items as further described in Section 1.03 below, "**Project**") (item (i), and those portions of item (viii) necessary to service items (i), (ii), (iii), (iv), (v), (vi) and (vi), collectively, the "**Anchor Project**"; items (ii), (iii), (iv), (v), (vi), (vii), and those portions of item (viii) necessary to service items (ii), (iii), (iv), (v), (vi), and (vi), collectively, "**Mixed Use Project**").

(8) Landowner, along with other potential development partners, has made public presentations describing maximum potential development opportunities within the Increment Districts that top $1 billion, based on the Project serving as a catalyst for the larger scale of potential development.

(9) The Project will generate substantial private capital investment in the Project Area and will create employment, generate new sales and ad valorem tax revenues, and provide needed new housing stock in the City.

(10) The City understands that the Developer Parties have goals to offer housing at competitive market rates and to assist the City to fill its housing supply gap.

(11) The City and the Developer Parties have goals to work together on transportation solutions for the Project.

(12) In order to make such a large, high-risk venture economically feasible, Developer Parties have requested assistance in development financing from NTIFA and the City in an amount necessary to secure indebtedness in an amount not to exceed $230,000,000 in principal to be used toward the construction of the Anchor Project (the "**Anchor Financing**"). Such assistance in development financing would include incremental tax revenues generated from within TIF 4 and TIF 5 (which includes the PILOT Payments as defined and set forth in Section 4.08(c)(i) of this Agreement) (such incremental tax revenues, "**TIF Revenues**"), as well as any state local government matching payments received from the State of Oklahoma pursuant to the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act, 62 O.S. § 840 *et seq.* ("**Leverage Act Funds**") (TIF Revenues and the Leverage Act Funds, collectively referred to as the "**Public Assistance**"). It is anticipated that CC Trust will utilize the Public Assistance as collateral toward the Anchor Financing.

(13) The Mixed Use Project would not be possible without the Anchor Project, and the Anchor Project would not be possible without the Public Assistance due to numerous factors, including but not limited to high borrowing costs, increased construction costs, and an estimated rate of return unable to attract the capital necessary to fully fund the Anchor Project's construction. The Anchor Project, in turn, would not be possible without the Mixed Use Project providing a source of revenues for the Public Assistance.

(14) The City and NTIFA find it appropriate, desirable, and in the public interest to provide the Public Assistance in order to assist the completion of the Project and achieve the objectives outlined in the Project Plan.

(15) The Parties deem it appropriate and desirable to approve and execute this Agreement, which provides for the implementation of the Project consistent with the Project Plan, including providing the Public Assistance, Developer Parties have requested to carry out the Project according to the terms set forth in this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual obligations herein set forth, the Parties hereby covenant and agree with each other as follows:

ARTICLE I. SUBJECT OF AGREEMENT

Section 1.01 Purpose of this Agreement.

The purpose of this Agreement is to set forth the terms and conditions under which the City and NTIFA will provide the Public Assistance requested by Developer Parties, who will cause the Project to be developed and constructed, in order to secure adequate consideration for the Public Assistance.

Section 1.02 Scope of Agreement.

(a) Developer Parties hereby agree, subject to the terms, conditions and limitations hereinafter provided, to cause the design, construction, and completion, in the time period hereinafter described, of the Project on the real property more particularly described and depicted in Exhibit 1 ("**Property**"), substantially in accordance with the Phasing Plan and the Development Plans to be approved pursuant to this Agreement.

(b) NTIFA hereby agrees, subject to the terms, conditions, and limitations hereinafter provided, to provide (i) up to $600,000,000 in Incremental Sales Tax Revenues (as defined in Section 5.03(a) of this Agreement) and Incremental Ad Valorem Revenues (as defined in Section 5.03(a) of this Agreement), and (ii) 100% of any Leverage Act Funds payments received from the State Oklahoma, to be utilized exclusively for the payment of Project Costs as authorized by and defined in the Project Plan.

(c) The City hereby approves NTIFA's provision of the Public Assistance for the Project in the manner described in the Project Plan and this Agreement.

Section 1.03 Scope of the Project; Definition of the Project.

(a) Developer Parties will cause the incurrence and expenditure of total costs of at least $650,000,000 toward the Project on the Property, which lies within the boundaries of the Increment Districts. The "**Project**" will, upon completion, contain at least the following:

(i) The Anchor Project, which will be financed by the issuance of bonds, notes, or other evidence of indebtedness issued by CC Trust; and owned (with the exception of

public infrastructure), constructed, or caused to be constructed, by the CC Trust and which will consist of:

1) a multipurpose performance venue and sports arena anchor containing approximately 8,000 seats in various configurations and 1,200 space parking garage; and

2) all necessary infrastructure to service the Anchor Project and portions of the Mixed Use Project.

(ii) The Mixed Use Project, which will be constructed or caused to be constructed by the Landowner and which will consist of:

1) An outdoor community plaza;

2) 140,000 square feet of retail and restaurant space;

3) Up to 180,000 square feet of Class A office space built in phases based on market demand;

4) a 150-room, select service hotel;

5) Approximately 500 multifamily housing units built in phases based on market demand;

6) Additional multifamily housing units and/or up to 177 medium density housing units built in phases, based on market demand; and

7) all necessary public and private utility and stormwater infrastructure to service items 1) through 6) above.

All of the foregoing components of the Project shall be reflected in a Phasing Plan jointly submitted by the Developer Parties and Development Plans submitted by respective Development Party, to be approved by NTIFA in accordance with the terms set forth in Section 2.02 of this Agreement. The Project (including total Project costs) and each individual components thereof may vary in size and scale from the description in this Section 1.03 by up to 15%.

(c) The Project may be completed in multiple phases (each, a "**Phase**") to be determined and provided by Developer Parties in the Phasing Plan at a later date pursuant to the terms of Sections 2.02, 3.02, and 4.02 of this Agreement.

(d) The Parties acknowledge that the scope of the Project does not include or contemplate any NTIFA or City providing or securing any advance financing for any Project component other than the Public Assistance described in Article V of this Agreement. All costs of the Project will be borne by Landowner, CC Trust, or their assignees.

(e) For purposes of this Agreement:

(i) "**Phasing Plan**" means a proposed phasing plan for the Project, including which components of the Project will be completed in each phase, proposed construction time frames, and anticipated Project investment for each Project component in each Phase.

(ii) "**Development Plans**" means:

1) Drawings, site plans, floor plans, and other documents illustrating the scale of the Project components to be completed in each proposed Phase, as well as plans and specifications of sufficient detail to at least demonstrate compliance with the Project description in Section 1.03(a) of this Agreement, all of which may be as submitted concurrently with the Landowner's zoning and platting process submittals; and

2) A budget showing the estimated full cost of the construction of the Project components for each proposed Phase consistent with the Phasing Plan;

3) Evidence of sufficient financing capacity and any commitments necessary (including both financial commitments, financing terms and requirements, and construction contracts) to fund the full cost of construction to complete the Project components for each proposed Phase; and

4) Any other such essential documentations as may be reasonably requested by NTIFA.

Development Plans are distinct from, and shall be required in addition to, all applicable plans, permits, licenses, and other requirements described in Sections 3.04, 4.04, and 5.01 of this Agreement. However, the zoning and platting submittals may be submitted concurrently with Development Plans.

(f) All other capitalized terms, unless otherwise defined in this Agreement, shall have the meanings ascribed in the Project Plan.

Section 1.04 Relationship of the Parties.

The implementation of this Agreement is a complex process which will require the mutual agreement of the Parties and their timely actions on matters appropriate or necessary to implementation. The Parties shall use their best efforts in good faith to perform and to assist others in performing their respective obligations in accordance with this Agreement. This Agreement specifically does not create any partnership or joint venture between the Parties or render either Party liable for any of the debts or obligations of any other Party.

ARTICLE II. NTIFA AND CITY OBLIGATIONS

Section 2.01 Project Plan.

The City has previously approved and adopted the Project Plan. NTIFA shall support the Project in accordance with the Project Plan and this Agreement.

Section 2.02 Review of Plans and Material Changes.

NTIFA shall, in its reasonable discretion, not to be unreasonably withheld, conditioned or delayed, approve or disapprove (with specific comments specifying the reasons for disapproval), or impose further reasonable requirements with respect to the Phasing Plan and Development Plans in writing within 30 days after receipt. Approval of Development Plans or, alternatively, the imposition of additional conditions or requirements on such Development Plans, and specifically with respect to Development Plans covering the Anchor Project, shall be contingent upon, amongst other things, NTIFA's determination, in its reasonable discretion, not to be unreasonably withheld, conditioned, or delayed, that the evidence of financing or other information and/or documents submitted as part of those Development Plans provides adequate assurances that the Project will be completed as described in this Agreement. Following approval, any Material Changes in the Phasing Plan or Development Plans must be submitted to NTIFA for review, and NTIFA shall, in its reasonable discretion, approve or disapprove (with specific comments specifying the reasons for disapproval), or impose further reasonable requirements with respect to the proposed change. The time within which NTIFA shall approve or disapprove any Material Change in the Phasing Plan or Development Plans shall be 20 days after the date of NTIFA's receipt of notice of such proposed Material Change. For purposes of this Agreement, "**Material Change**" means: (i) a significant and substantial change impacting the overall character, quality, or appearance of the Project as a whole as established by the most recently approved Phasing Plan or Development Plans; (ii) changes that would result in an overall decrease of more than 15% of the construction costs of the Project or any individual Phase thereof; or (iii) exclusion of any one or more of the Project components listed in Section 1.03(a) of this Agreement. Notwithstanding, any Phasing Plans or Development Plans shall be consistent with the approvals of the Project through the zoning and platting process.

Section 2.03 Certificates of Completion.

Within 30 days after NTIFA has been provided with satisfactory evidence that either Developer Party has caused the completion of the development and construction of any portion of the Project (as evidenced by the issuance of a final certificate of occupancy for each component of that particular portion of the Project, together with such other evidence NTIFA may reasonably require to establish that that portion of the Project is substantially complete and ready to open) and that the appropriate Developer Party has complied with the requirements of Articles III and IV of this Agreement with respect to such portion, NTIFA shall issue a Certificate of Completion certifying that the respective Developer Party has met the construction and development requirements for each component of the completed portion of the Project set forth in this Agreement.

Section 2.04 TIF Assistance.

As authorized by the Project Plan and subject to the terms, conditions, and limitations contained in Article V herein, NTIFA shall provide public assistance in development financing to CC Trust

in an amount equal to the lesser of (i) the Public Assistance (as defined in Recital (10) above and below in Section 5.03) or (ii) (A) up to $600,000,000.00 in Incremental Sales Tax Revenues (as defined in Section 5.03(a) of this Agreement) and Incremental Ad Valorem Revenues (as defined in Section 5.03(a) of this Agreement), and (B) 100% of any Leverage Act Funds received from the State of Oklahoma ("**Total Assistance**").

Section 2.05 Incremental Sales Tax Accounting.

The City and NTIFA shall use commercially reasonable efforts to collect and account for Incremental Sales Tax collections within TIF 4 that are generated outside of the Property. Within 45 days following the first day of each quarter (January 1, April 1, July 1, and October 1) that CC Trust is eligible for payments of Public Assistance from Incremental Sales Tax Revenues (as defined in Section 5.03 of this Agreement), NTIFA shall provide Developer Parties with documentation of amounts collected as result of those efforts.

ARTICLE III. LANDOWNER OBLIGATIONS

Section 3.01 Control of Property.

(a) Landowner represents that Landowner owns the Property as of the date of this Agreement and Landowner has, or will have after the date of this Agreement, the rights as are necessary and appropriate to construct the Mixed Use Project on the Property.

(b) Landowner agrees to negotiate in good faith with CC Trust to provide CC Trust whatever control of a portion of the Property might be needed for CC Trust to finance and to construct, or cause to be constructed, the Anchor Project, as described in Section 4.01 below.

Section 3.02 Phasing Plan.

Landowner may complete the Mixed Use Project in one or more Phases, to be determined by Landowner. Landowner will provide NTIFA with a Phasing Plan for the Project, in conjunction with CC Trust's and Landowner's proposed phasing for the Anchor Project, for approval pursuant to Section 2.02 above not later than March 15, 2025, unless extended as provided by Section 8.05 herein.

Section 3.03 Development Plans.

(a) Landowner will provide NTIFA with Development Plans for each Phase of the Mixed Use Project for approval pursuant to Section 2.02 above not later than 90 days prior to the initiation of construction of each such Phase.

(b) In conjunction with CC Trust's provision of Development Plans for the Anchor Project pursuant to Section 4.03 of this Agreement, Landowner agrees to provide any adequate assurances reasonably required by CC Trust to secure the Anchor Financing and to ensure that the Mixed Use Project is constructed consistent with the description in this Agreement.

Section 3.04 Development Obligations.

The Landowner shall cause the Mixed Use Project to be constructed on the Property, at no expense to NTIFA (other than the Public Assistance to secure construction of the Anchor Project as provided in Article V herein). The Mixed Use Project must be constructed in accordance with the Phasing Plan and Development Plans approved by NTIFA, acting in its reasonable discretion, not to be unreasonably withheld, conditioned or delayed. The Landowner shall secure or cause the appropriate parties to secure all governmental approvals in connection with (a) the preparation of the Property for construction; (b) the construction, completion, and occupancy of the Mixed Use Project; and (c) the development and operation of the Mixed Use Project, including, without limitation, zoning, building code, and environmental laws. The Landowner will dedicate up to 1,200 square feet within the Property for public art.

Section 3.05 Construction Schedule.

Landowner shall begin development of the Mixed Use Project, including site work and other development in preparation of vertical construction, pursuant to valid permits, not later than January 1, 2026, unless extended as provided by Section 8.05 herein, and shall thereafter diligently prosecute construction of the Mixed Use Project in order to complete it and receive its full and final certificates of occupancy, for all Phases and all components of the Mixed Use Project, by December 31, 2032, unless extended as provided by Section 8.05 herein. Individual Phases of the Mixed Use Project shall be initiated and completed pursuant to the submitted and approved Phasing Plan.

Section 3.06 Material Changes.

Landowner shall not make any Material Change (as defined in Section 2.02 of this Agreement) to the Mixed Use Project, as evidenced in the approved Phasing Plan or Development Plans, without first obtaining the written approval of NTIFA, which approvals will not be unreasonably withheld, conditioned or delayed. Landowner shall promptly notify NTIFA and the City in writing if it desires to make a Material Change to the Mixed Use Project.

Section 3.07 Progress Reports.

Until construction of the Mixed Use Project has been completed, Landowner shall make reports in such detail and at such times as may reasonably be requested by NTIFA or CC Trust as to the actual progress of the Mixed Use Project. If any Party requests such a report, Landowner shall make the resulting report available to all Parties.

Section 3.08 Taxes, Assessments, Encumbrances.

(a) *Reassessment.* Upon completion of each component of the Mixed Use Project and the Mixed Use Project as a whole, Landowner shall promptly take the necessary actions to have the Mixed Use Project or individual component reassessed by the Cleveland County Assessor.

(b) *Duty to Pay.* Landowner shall pay or cause to be paid when due all sales taxes, real estate taxes, and taxes and assessments on the Property which Landowner is responsible to pay. Including the City's Wastewater Excise Tax on New Development.

(c) *Arena and Parking Garage PILOT.*

(i) Following the date NTIFA issues a Certificate of Completion for the Anchor Project having been constructed, in the event that the Anchor Project is not assessed ad valorem taxes in any year in which the Property is located within an active increment district, the portion of the property upon which the Anchor Project will be situated will be subject to an annual payment in lieu of ad valorem taxes, as described in Section 4.08(c) below.

(ii) The obligations described in Section 4.08(c)(i) are for the benefit of NTIFA and the City, and TIF 5. To secure the obligations under Section 4.08(c)(i), if the CC Trust will not hold record title to the portion of the Property on which the Anchor Project will be constructed, Landowner shall cause to be executed and filed in the Cleveland County Land Records the covenant described in Section 4.08(c)(ii), with such covenant obligation Landowner and any successor in interest to make such PILOT Payments.

Section 3.09 Sales and Use Tax Reporting.

(a) Landowner shall ensure, and shall require, to the extent possible, all contractors, subcontractors, vendors, subsequent owners/successors in interest, and tenants that work on the construction of the Project ensure, that all purchases of materials, goods, and services used in said construction have a delivery address within the Property, have a transaction location within the Property, or are otherwise subject to City sales and use taxes.

(b) Within 20 days following the first day of each calendar month that CC Trust is eligible for payments of Public Assistance from Incremental Sales Tax Revenues (as defined in Section 5.03 of this Agreement), Landowner shall cause the submission to NTIFA of a monthly statement regarding the sales and use taxes generated by the Mixed Use Project's construction and operations, for the immediately preceding monthly period ("**Sales Tax Statement**"). The Sales Tax Statement should include:

(i) Sales tax identification numbers or EIN numbers used in remissions of sales and use taxes to the Oklahoma Tax Commission for the following:

1) Landowner;

2) All contractors, subcontractors, and vendors working on the construction of the Mixed Use Project during the preceding quarter; and

3) All Mixed Use Project tenants, subtenants, and subsequent owners of property within the Mixed Use Project.

(ii) Copies of Oklahoma Tax Commission forms reflecting the amount of net taxable sales or other sales or use taxes with respect to which all parties identified in subparagraph (i) above, as applicable, remitted local sales or use tax revenue during the previous quarter on the Mixed Use Project within the Property.

Section 3.10 Beneficiaries.

The obligations of Landowner under this Article III are for the benefit of NTIFA, the City, and CC Trust, to ensure that the entire Project is completed.

ARTICLE IV. CC TRUST OBLIGATIONS

Section 4.01 Control of Property.

CC Trust represents that Landowner owns the Property as of the date of this Agreement, but that CC Trust will negotiate in good faith with the Landowner to secure whatever rights as are necessary and appropriate that will allow CC Trust to finance and to construct, or cause to be constructed, and own, operate and maintain, or cause to be operated and maintained, the Anchor Project on the Property on or before the date construction of the Anchor Project is to commence pursuant to Section 4.05 below. CC Trust's securing such rights are a condition precedent to its obligations to commence construction of the Anchor Project.

Section 4.02 Phasing Plan.

CC Trust may complete, or cause to be completed, the Anchor Project in one or more Phases, to be determined by CC Trust. CC Trust will work with Landowner to provide NTIFA with a Phasing Plan for the Project, to include the proposed phasing for both the Anchor Project and Mixed Use Project, for approval pursuant to Section 2.02 above not later than March 15, 2025, unless extended as provided by Section 8.05 herein.

Section 4.03 Development Plans.

CC Trust will work with Landowner to provide NTIFA with Development Plans for each Phase of the Anchor Project for approval pursuant to Section 2.02 above not later than 90 days prior to the initiation of construction of each such Phase.

Section 4.04 Development Obligations.

In exchange for CC Trust's assistance in facilitating the financing of the Anchor Project, CC Trust shall cause the Anchor Project to be constructed on the Property, at no expense to NTIFA (other than the Public Assistance as provided in Article V herein). The Anchor Project must be constructed in accordance with the Phasing Plan and Development Plans approved by NTIFA, acting in its reasonable discretion, not to be unreasonably withheld, conditioned or delayed. CC Trust shall secure, or cause the appropriate parties to secure, all governmental approvals in connection with (a) the preparation of the Property for construction; (b) the construction, completion, and occupancy of the Anchor Project; and (c) the development and operation of the Anchor Project, including, without limitation, zoning, building code, and environmental laws.

Section 4.05 Construction Schedule.

CC Trust shall start, or caused to be started, the development of the Anchor Project, including site work and other development in preparation of vertical construction, pursuant to valid permits, not later than January 1, 2026, unless extended as provided by Section 7.05 herein, and shall thereafter

diligently prosecute construction of the Anchor Project in order to cause it to be completed and receive its full and final certificates of occupancy by December 31, 2029, unless extended as provided by Section 8.05 herein. Individual Phases of the Anchor Project shall be initiated and completed pursuant to the submitted and approved Phasing Plan.

Section 4.06 Material Changes.

CC Trust shall not make any Material Change (as defined in Section 2.02 of this Agreement) to the Anchor Project, as evidenced in the approved Phasing Plan or Development Plans, without first obtaining the written approval of both NTIFA and Landowner, which approvals will not be unreasonably withheld, conditioned or delayed. CC Trust shall promptly notify NTIFA, the City, and Landowner in writing if it desires to make a Material Change to the Anchor Project.

Section 4.07 Progress Reports.

Until construction of the Anchor Project has been completed, CC Trust shall work with Landowner to make reports in such detail and at such times as may reasonably be requested by NTIFA or Landowner as to the actual progress of the Anchor Project. If any Party requests such a report, CC Trust shall work with Landowner to make the resulting report available to all Parties.

Section 4.08 Taxes, Assessments, Encumbrances.

(a) *Reassessment.* Upon completion of the Anchor Project as a whole, CC Trust shall promptly take the necessary actions to have the Anchor Project reassessed by the Cleveland County Assessor. Such assessment shall be made at the rate assessed for commercial property located in Cleveland County not exempted from ad valorem taxation.

(b) *Duty to Pay.* CC Trust shall pay, or cause to be paid, when due all sales taxes, real estate taxes, and taxes and assessments on the Property which CC Trust is responsible to pay. CC Trust shall have no obligation to pay any sales taxes, real estate taxes, and taxes and assessments on the Property owed by any future operator, tenant, or other user of the Anchor Project.

(c) *Anchor Project PILOT.*

(i) Following the date NTIFA issues a Certificate of Completion for the Anchor Project having been constructed, in the event that the Anchor Project is not assessed ad valorem taxes in any year in which the Property is located within an active increment district, CC Trust shall cause to be paid to NTIFA an annual payment in lieu of ad valorem taxes ("**PILOT Payment(s)**") on the real or personal property comprising such components. Such annual PILOT Payments shall be made by December 31 annually. The amount of such PILOT Payments will be established by multiplying $290,000,000.00 (or, if individual components are not assessed, $263,000,000.00 for the arena component of the Anchor Project or $27,000,000.00 for the parking garage component of the Anchor Project, individually) by an assessment ratio of 12%, then increasing the resulting product by 1.5% for every 12 month period that has passed since NTIFA issued a Certificate of Completion for the Anchor Project, and then multiplying that resulting product by the annual ad valorem tax levy millage rate in

effect within TIF 5 for that tax year. CC Trust shall have no obligation to make any PILOT Payments for or on behalf of any future operator, tenant, or other user of the Anchor Project.

(ii) The obligations under Section 4.08(c)(i) are for the benefit of NTIFA, the City, and TIF 5. To secure the obligations under Section 4.08(c)(i), CC Trust shall cause to be executed and filed in the Cleveland County Land Records a covenant, in form substantially as provided in Exhibit 2 to this Agreement (subject to revisions necessary to reflect the nature of the land transfer arrangement between Landowner and CC Trust), benefitting NTIFA and the City and running with the land upon which the Anchor Project is constructed, obligating the appropriate party or any successor in interest to make such PILOT Payments.

Section 4.09 Sales and Use Tax Reporting.

(a) CC Trust shall ensure, and shall require, to the extent possible, all contractors, subcontractors, vendors, subsequent owners/successors in interest, and tenants that work on the construction of the Anchor Project ensure, that all purchases of materials, goods, and services used in said construction have a delivery address within the Property, have a transaction location within the Property, or are otherwise subject to City sales and use taxes.

(b) Within 30 days following the first day of each calendar month that CC Trust is eligible for payments of Public Assistance from Incremental Sales Tax Revenues (as defined in Section 5.03 of this Agreement), CC Trust shall cause the submission to NTIFA of a monthly statement regarding the sales and use taxes generated by the Anchor Project's construction and operations, for the immediately preceding monthly period ("**Sales Tax Statement**"). The Sales Tax Statement should include:

(i) Sales tax identification numbers or EIN numbers used in remissions of sales and use taxes to the Oklahoma Tax Commission for the following:

1) CC Trust;

2) All contractors, subcontractors, and vendors working on the construction of the Anchor Project during the preceding quarter; and

3) All Anchor Project tenants, subtenants, operators, vendors and subsequent owners of property within the Anchor Project.

(ii) Copies of Oklahoma Tax Commission forms reflecting the amount of net taxable sales or other sales or use taxes with respect to which all parties identified in subparagraph (i) above, as applicable, remitted local sales or use tax revenue during the previous quarter on the Anchor Project within the Property.

Section 4.10 Beneficiaries.

The obligations of CC Trust under this Article IV are for the benefit of NTIFA, the City, and Landowner, to ensure that the entire Project is completed.

ARTICLE V. ASSISTANCE IN DEVELOPMENT FINANCING

Section 5.01 Generally.

The Project Plan authorizes Project Costs, including assistance in development financing to support the Project. Assistance in development financing will be provided to CC Trust consistent with Section 5.03 below ("**Public Assistance**"). The Public Assistance provided by NTIFA shall be used to support the Project. The total Public Assistance from NTIFA shall not exceed the Total Assistance set forth in Section 2.04.

Section 5.02 Conditions Precedent.

The following are conditions precedent to the commencement of the payment obligations described in Section 5.03 below:

(a) Approval by NTIFA of the Phasing Plan for the Project and one or more Development Plans sufficient to cover the entire Anchor Project in accordance with the provisions set forth in Section 2.02.

(b) Consummation of the transfer of title or effective control of the portion of the Property upon which the Anchor Project will be constructed.

(c) Filing of the covenant described in Section 4.08(c)(ii) in the Cleveland County Land Records.

Section 5.03 Payment Obligations.

Following the satisfaction of all conditions precedent described in Section 5.02 above, and provided Developer Parties at the time of satisfaction of the conditions described in Section 5.02 above are not in material default of their current obligations under this Agreement, NTIFA shall commence payments of the Public Assistance to CC Trust as follows:

(a) *Public Assistance*. NTIFA shall pay CC Trust monthly payments of Public Assistance in an amount equal to the lesser of:

(i) the following amounts:

1) 100% of the Incremental Ad Valorem Revenues generated within TIF 5 (which includes the PILOT Payments as set forth in Section 3.08(c)(i)), less an amount equal to the lesser of (i) 2% of such Incremental Ad Valorem Revenues, or (ii) $200,000, per year, which shall be retained by NTIFA to cover administrative and implementation costs associated with the Project;

2) 100% of the Incremental Sales Tax Revenues generated within TIF 4 by transactions subject to sales and use tax, including Incremental Sales Tax Revenues generated both by construction activities and operations within TIF 4; and

3) 100% of any potential Leverage Act Funds; or

(ii) Such amounts as described in subparagraph (i) above as may be necessary for CC Trust to receive the same amount of Public Assistance as CC Trust has incurred in retiring the outstanding principal of and accrued interest and fees on the Anchor Financing for the construction of the Anchor Project; or

(iii) Such amounts as described in subparagraph (i) above as may be necessary for the aggregate Public Assistance provided to reach the Total Assistance.

For purposes of this Agreement, "**Incremental Ad Valorem Revenues**" are the ad valorem tax increment revenues generated and apportioned as incremental revenue within TIF 5, including, without limitation, the PILOT Payments as set forth in Section 4.08(c)(i), and "**Incremental Sales Tax Revenues**" are the sales and use tax increment revenues generated and apportioned as incremental revenue within TIF 4. TIF Revenues allocated for the Public Assistance shall not exceed the amount designated for Assistance in Development Financing pursuant to the Project Plan. Leverage Act Funds allocated for Public Assistance are not subject to the Project Plan's Assistance in Development Financing limitations.

(b) Reserved.

(c) *General Restrictions and Payment Procedures*.

(i) The Public Assistance shall be payable solely from available Incremental Ad Valorem Revenues, Incremental Sales Tax Revenues, and Leverage Act Funds. The payment of the full amount of Public Assistance depends on TIF Revenues generated within TIF 4 and TIF 5 and received by the City and NTIFA within any given payment period, Leverage Act Funds received by the City or NTIFA within any given payment period, as well as the total project cost budget listed in the Project Plan.

(ii) Any amounts of Public Assistance paid to CC Trust pursuant to this Agreement that exceed the amounts incurred by CC Trust to pay the interest and principal payments as they come due on the Anchor Financing referenced in subparagraph (a)(ii) plus the maintenance of any required reserve accounts for the Anchor Financing shall be applied to the limits on the Public Assistance described subparagraph (a)(ii). In the event CC Trust receives Public Assistance pursuant to this Agreement, in excess of the amounts incurred by CC Trust toward paying off the Anchor Financing, CC Trust shall pay any such excess amounts to NTIFA for distribution to affected taxing entities as specific revenue sources pro rata based on the ad valorem levies and sales tax revenues by which increment revenues have been apportioned pursuant to the Project Plan.

(iii) Within 20 days following the first day of each month that CC Trust is eligible for payments of Public Assistance, Landowner and CC Trust shall jointly cause to be submitted to NTIFA an invoice requesting payment be made to CC Trust in the amount(s) calculated in accordance with Section 5.03(a) above. This invoice must include at least:

1) the amount of the Public Assistance requested;

2) the amount of principal and interest paid by Recipient for the previous quarter on the Anchor Financing, including a complete and up-to-date amortization table or other documentation showing to NTIFA's reasonable satisfaction the outstanding principal on the Anchor Financing and the projected costs to pay off the Anchor Financing over the remaining amortization period; and

3) the aggregate amount of the Public Assistance payments previously made to Recipient) as of the date of the request.

NTIFA will provide documentation of the amount of Incremental Ad Valorem Revenues received by NTIFA from the City, the amount of Incremental Sales Taxes it can verify based on information supplied by CC Trust, Landowner, and by the City's accounting for Incremental Sales Taxes outside of the Project (as described in Section 2.05), the amount of any Leverage Act Funds received by the State of Oklahoma, and will review invoices for payment, and its calculation of any adjustments to the limit on the Public Assistance due to the provisions of Section 5.03(a)(ii). Should NTIFA question or request additional documentation or disapprove all or a portion of any invoice in good faith, NTIFA will pay any undisputed portion of such invoice, and the Developer Parties will be notified so that they may provide additional documentation sufficient to demonstrate the remainder of the invoice should be paid, in whole or in part. NTIFA will use best efforts to coordinate with the City to pay invoices within forty-five (45) days of the presentation of the invoice provided for in this subsection (c)(iii). The Parties understand and acknowledge that amounts of Ad Valorem Incremental Revenues are typically received once per year, and that amount of ad valorem taxes reported with any invoice for Public Assistance will not be paid out until the City and NTIFA receive such Ad Valorem Incremental Revenues from the Cleveland County Treasurer.

ARTICLE VI. CONSTRUCTION OF THE PROJECT

Section 6.01 Scope of Project.

The Property shall be developed within the general requirements established by the City's zoning and building codes applicable to the Property and related laws governing municipal planning and zoning (collectively, the "**Code**"). To the extent as required by the Code, Developer Parties shall be responsible for the construction, renovation, relocation, improvement, equipping, repair and installation of public and private improvements associated with the Project as described in, and in conformance with, the approved Phasing Plan and each Phase's approved Development Plans, and as required by the Code.

Section 6.02 Construction of Project.

Developer Parties agree that all construction, renovation, improvement, equipping, repair and installation work on the Project shall be done substantially in accordance with the Phasing Plan and Development Plans as approved by NTIFA.

Section 6.03 City and Other Governmental Permits; Reports and Records.

Developer Parties shall, at their own expense, secure or cause to be secured any and all permits and approvals which may be required by the City and any other governmental agency having jurisdiction as to such construction, development or work. The City will use all reasonable efforts to expedite the necessary approvals for undertaking and implementing the construction of the Project, to the extent the City has the authority to grant approval.

Section 6.04 Inspections.

Developer Parties shall permit the authorized representatives of the City and NTIFA access to the Property at all reasonable times which any of them deems necessary for the purposes of this Agreement and shall work cooperatively with the Cleveland County Assessor's Office to grant access to the Property and any equipment located thereon to facilitate assessment thereof. No compensation shall be payable nor shall any charge be made in any form by any party for the access provided for in this Section.

NTIFA and CC Trust (with respect to the Anchor Project only) shall have the right, but not the obligation, to inspect at reasonable times and upon reasonable prior notice the progress and quality of all work performed by, or under contract with, either Developer Party, their general contractors, or any contractor in connection with the Project. The failure of NTIFA and CC Trust (with respect to the Anchor Project only) to inspect the work shall not relieve Developer Parties of their duties under this Agreement. NTIFA and CC Trust (with respect to the Anchor Project only) shall have the right, but not the obligation, to inspect at reasonable times and upon reasonable prior notice all books, records and information pertaining to the Project including, without limitation, as-built plans and specifications, subcontracts, agreements, shop drawings, permits, entitlements, reports, studies, investigations, inspections, agreements, documentation and correspondence.

Section 6.05 Indemnification.

Developer Parties, each independently, shall defend, indemnify, assume all responsibility for, and hold NTIFA, the City, CC Trust and their respective elected and appointed officers and employees and agents, harmless from, all costs (including reasonable attorney's fees and costs), claims, demands, liabilities or judgments (except those which have arisen from the willful misconduct or negligence of NTIFA, the City, CC Trust or their officers, employees and agents) for injury or damage to property and injuries to persons, including death, arising out of or resulting from any of each respective Developer Party's activities under this Agreement, whether such activities or performance thereof be by Landowner or anyone directly or indirectly contracted with or employed by any Developer Party and whether such damage shall accrue or be discovered before or after termination of this Agreement, but only to the extent caused by the negligent acts or omissions of that Developer Party or anyone directly or indirectly contracted with or employed by that Developer Party and specifically excluding all such costs, claims, demands and liabilities sustained or suffered by representatives of NTIFA that are accessing the Property as contemplated by Section 6.04.

Section 6.06 Liability Insurance.

(a) In addition to the indemnification of NTIFA and the City required in Section 6.05 hereof, each Developer Party shall take out and maintain, or cause their general contractors for the Project to take out and maintain, during the period set forth in subsection (d) of this Section, a commercial general liability policy in the amount of $1,000,000 combined single limit bodily injury and property damage any one occurrence/$2,000,000 general aggregate naming NTIFA, CC Trust (with respect to the Anchor Project only) and the City as additional insureds.

(b) Developer Parties shall each furnish, or cause to be furnished, a certificate (or certificates) of insurance signed by an authorized agent of the insurance carrier(s) setting forth the general provisions of the insurance coverage. This certificate(s) of insurance shall evidence the naming of NTIFA, CC Trust (with respect to the Anchor Project only) and the City as additional insureds under the policy (or policies). Developer Parties each agree to notify or cause the general contractor(s) to notify (whichever is applicable) NTIFA, CC Trust (with respect to the Anchor Project only) and the City by certified mail of any cancellation or termination of the coverage at least thirty 30 days in advance of the effective date of any such cancellation or termination. Coverage provided hereunder by either Developer Party, or if applicable, their general contractor(s), shall be primary insurance and non-contributory with any insurance maintained by NTIFA, CC Trust or the City, and the policies shall contain such an endorsement.

(c) Developer Parties shall also each furnish, or cause to be furnished, to NTIFA and the City evidence satisfactory to NTIFA and the City that any contractor with whom they have contracted for the performance of work on the Property or otherwise pursuant to this Agreement carries workers compensation insurance as required by law at the time of execution of the Agreement.

(d) The insurance obligations set forth in this Section shall commence for CC Trust on or prior to the date CC Trust commences construction of the Anchor Project and shall remain in effect until NTIFA issues a final Certificate of Completion for the Anchor Project, and for Landowner the insurance obligations set forth in this Section shall commence on or prior to the date that Landowner commences construction of the Mixed Use Project and shall remain in effect until NTIFA issues the final Certificate of Completion for the Mixed Use Project.

Section 6.07 Local, State and Federal Laws.

Developer Parties shall carry out the provisions of this Agreement in conformity with all applicable local, state and federal laws and regulations.

Section 6.08 Nondiscrimination.

(a) Each Developer Party covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, gender identity, familial status, marital status, age, handicap, national origin or ancestry in the sale, lease, sublease, transfer, use occupancy, tenure or enjoyment of the Property, nor shall either Developer Party itself

or any person claiming under or through it knowingly establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Property. The covenant established in this Section shall, without regard to technical classification and designation, be binding for the benefit and in favor of NTIFA, the City, and the CC Trust, their successors and assigns and any successor in interest to the Property or any part thereof. The covenants contained in this Section shall remain for so long as any amounts due under this Agreement or a tax increment district established for this Project remains unpaid or outstanding.

(b) Each Developer Party, for itself, its successors and assigns, and any contractor with whom that Developer Party has contracted for the performance of work on the Property, agrees that in the construction of the Project, that Developer Party shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, age, sex, sexual identity, gender identity, marital status, handicap, national origin or ancestry.

Section 6.09 Reserved.

Section 6.10 Maintenance.

Developer Parties, and all successors and assigns in interest to Developer Parties, shall be obligated to maintain the Project and all improvements and landscaping situated on the Property in a clean and neat condition and in a continuous state of good repair in accordance with the Code. Developer Parties agree to consider in good faith the support or enactment of improvement districts or private mechanisms that can assist with the maintenance of the Project.

Section 6.11 Transfers and Assignments.

The qualifications and identity of Developer Parties are of particular concern to the community and to NTIFA. Developer Parties recognize that it is because of such qualifications and identity that NTIFA is entering into the Agreement with Developer Parties, and, in so doing, is further willing to accept and rely on the obligations of Developer Parties for the faithful performance of all undertakings and covenants to be performed by Developer Parties without requiring in addition a surety bond or similar undertaking for such performance of all undertakings and covenants in this Agreement. Prior to completion of the Mixed Use Project and issuance of the Certificate of Completion therefor, Landowner shall not, except as permitted by this Agreement, without prior written approval of NTIFA, which approvals shall not be unreasonably withheld, conditioned or delayed, make any total or partial sale, transfer, conveyance, assignment or lease of the Property or assign any of the development obligations or rights under this Agreement. Similarly, prior to completion of the Anchor Project and issuance of the Certificate of Completion therefor, CC Trust shall not, except as permitted by this Agreement, without prior written approval of NTIFA and Landowner, which approvals shall not be unreasonably withheld, conditioned or delayed, make any total or partial sale, transfer, conveyance, assignment or lease of the Property or assign any of the development obligations or rights under this Agreement. The foregoing restrictions on assignment, transfer, and conveyance shall not apply to and do not require the prior written approval of other Parties for:

(a) the partial assignment of the obligations under this Agreement by Landowner, and the assumption of such obligations by, the following entities or by single-purpose entities or affiliated entities created by and under common ownership or management of the following entities:

(i) RDC Development Holdings, LLC; or

(ii) LPC Commercial Investments LLC.

(b) in connection with the partial assignment and assumption in subsection (a) above, the sale, transfer, conveyance or lease of a portion of the Property to the following entities or by single-purpose entities or affiliated entities created by and under common ownership or management of the following entities:

(i) RDC Development Holdings, LLC; or

(ii) LPC Commercial Investments LLC.

(c) the collateral assignment by CC Trust of its right to receive Public Assistance payments to a trustee bank or financial institution necessary to secure indebtedness to any construction or permanent lender or debtholder with respect to the Anchor Project;

(d) any mortgage lien or security interest granted by either Developer Party or any assignee of Developer Parties to secure indebtedness to any construction or permanent lender with respect to the Project or any phase or component thereof, and any assignment, transfer, or conveyance effectuated pursuant to any Project capital provider's exercise of remedies on account of such mortgage lien or security interest; and

(e) the rental, leasing, easement granting, or other routine operational grants of portions of the Property by Developer Parties for any uses contemplated for the Project; and

(f) any transfer of any component of the Project after a Certificate of Completion has been granted by NTIFA with respect to such component.

Section 6.12 Assignee Obligations and Rights.

Any assignee of Developer Parties shall be liable only for the obligations or entitled only to the rights under this Agreement that that Developer Party and assignee contractually agree to assign or assume. No assignee shall become liable to any of the Parties under this Agreement or other assignees of Developer Party, nor subject to any remedies on account thereof, except by reason of a Default caused by the assignee with respect to the obligations or rights assigned and assumed. It is the intent of this section to limit liability for any assignee only to the portion of the Project for which said assignee contractually agrees to develop.

Section 6.13 Assistance Financing.

Notwithstanding any provision of this Agreement to the contrary, CC Trust shall have the right, without first obtaining consent of NTIFA or Landowner, to sell, assign, pledge, grant a security

interest in or otherwise transfer CC Trust's rights to Public Assistance payments hereunder, provided, however, that both Developer Parties (or their assigns) shall remain liable for all of their obligations hereunder. In furtherance of the foregoing, CC Trust (or its assigns) shall be permitted to issue bonds, notes or other evidences of indebtedness in one or more series, on a taxable or federally tax-exempt basis, that is secured by CC Trust's (or its assigns') rights to Public Assistance payments and grant any other Anchor Project collateral to such debt holders. NTIFA and Landowner agree to cooperate in good faith with CC Trust (or its assigns) as necessary in connection with any assistance in development financing and the pledge or transfer of such payment rights to the debt holders, at no cost and expense to NTIFA.

ARTICLE VII. REPRESENTATIONS AND WARRANTIES

Section 7.01 Landowner Representations and Warranties.

Landowner represents and warrants the following to the actual and current knowledge of Landowner:

(a) Landowner represents that it is a duly organized limited liability company and is currently in existence under the laws of the State of Oklahoma. Landowner is authorized to conduct business in the State of Oklahoma and is not in violation of any provisions of its articles of organization, operating agreement, or any other agreement governing Landowner, or any law of the State of Oklahoma affecting Landowner's ability to perform under this Agreement.

(b) Landowner's ability to cause the accomplishment of the Mixed Use Project with NTIFA's provision of the Public Assistance to CC Trust to support the construction of the Anchor Project has induced Landowner to proceed with the Mixed Use Project, and Landowner hereby covenants, subject to the terms and conditions and limitations herein provided, to complete construction of the same and continue to maintain and operate the Mixed Use Project.

(c) Landowner represents that it has the full power and authority to execute this Agreement and this Agreement shall constitute a legal, valid and binding obligation of Landowner in accordance with its terms, and the consent of no other party is required for the execution and delivery of this Agreement by Landowner or the consummation of the transactions contemplated hereby, subject to laws relating to bankruptcy, moratorium, insolvency, or other laws affecting creditor's rights generally and subject to general principles of equity.

(d) Landowner represents that the execution and delivery of this Agreement, the consummation of the transactions contemplated herein, and the fulfillment of or compliance with the terms and conditions of this Agreement are not prevented or limited by or in conflict with, and will not result in a breach of, other provisions of its articles of organization, operating agreement or any other agreement governing Landowner or with any evidence of indebtedness, mortgages, agreements, or instruments of whatever nature to which Landowner is a party or by which it may be bound, and will not constitute a default under any of the foregoing.

(e) To the knowledge of the undersigned representative of Landowner, there is not currently pending any action, suit, proceeding or investigation, nor is any such action threatened in writing which, if adversely determined, would materially adversely affect Landowner or the

Project, or impair the ability of Landowner to carry on its business substantially as now conducted or result in any substantial liability not adequately covered by insurance.

(f) Landowner warrants that it has not paid or given and will not pay or give any officer, employee or agent of NTIFA or CC Trust any money or other consideration for obtaining this Agreement. Landowner further represents that, to its best knowledge and belief, no officer, employee or agent of NTIFA or CC Trust who exercises or has exercised any functions or responsibilities with respect to the Project during his or her tenure, or who is in a position to participate in a decision making process with regard to the Project, has or will have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Project, or in any activity, or benefit therefrom, during or after the term of this Agreement.

(g) All utility services necessary for the development and construction of the Mixed Use Project are, or by completion of the Mixed Use Project will be, available to the Property, including water, storm and sanitary sewer facilities, electric and gas utilities, and telephone services.

(h) Financial statements of Landowner or its affiliates that have been or will be delivered to NTIFA are true and correct in all material respects, and fully and accurately present the financial condition of Landowner or its affiliates on the respective dates thereof. There has been no material adverse change in the financial condition of Landowner or its affiliates since the date of the latest statement furnished prior to the execution of this Agreement.

(i) Neither this Agreement nor any statement or document referred to herein or delivered by Landowner pursuant to this Agreement contains any statement which Landowner knows to be untrue or omits to state a material fact known to Landowner that is necessary to make the statements made herein or therein not misleading.

Section 7.02 CC Trust Representations and Warranties.

CC Trust represents and warrants the following to the actual and current knowledge of CC Trust:

(a) CC Trust represents that it is a duly organized duly organized and validly existing public trust under the laws of the State of Oklahoma.

(b) CC Trust's ability to assist in the financing and cause the accomplishment of the Anchor Project with Public Assistance from NTIFA and the development obligations of Landowner has induced CC Trust to proceed with causing the construction of the Anchor Project, and CC Trust hereby covenants, subject to the terms and conditions and limitations herein provided, to complete, or cause the completion of, construction of the same and continue to maintain and operate, or cause to be maintained and operated, the Anchor Project.

(c) CC Trust is fully empowered to enter into this Agreement and to perform the transactions contemplated thereby and generally to carry out its obligations hereunder and thereunder. CC Trust has duly authorized its Chairperson, or in the Chairperson's absence, its Vice Chairperson, to execute and deliver this Agreement and all other documentation required to consummate the transaction contemplated herein on behalf of CC Trust.

(d) The performance by CC Trust under this Agreement will not violate any provision or constitute a default under any indenture, agreement or instrument to which CC Trust is currently bound or by which it is affected.

(e) To the knowledge of the undersigned officer of CC Trust, there is no action, suit, proceeding or inquiry at law or in equity pending or threatened, affecting CC Trust wherein any unfavorable decision, ruling or finding would materially adversely affect CC Trust's ability to perform under this Agreement or under any other instrument pertinent to the transaction contemplated herein to which CC Trust is a party.

(f) CC Trust warrants that it has not paid or given and will not pay or give any officer, employee or agent of NTIFA any money or other consideration for obtaining this Agreement. CC Trust further represents that, to its best knowledge and belief, no officer, employee or agent of NTIFA who exercises or has exercised any functions or responsibilities with respect to the Anchor Project during his or her tenure, or who is in a position to participate in a decision making process with regard to the Anchor Project, has or will have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Anchor Project, or in any activity, or benefit therefrom, during or after the term of this Agreement.

(g) To the knowledge of the undersigned officer of CC Trust, based upon representations of Landowner, all utility services necessary for the development and construction of the Anchor Project are, or by completion of the Anchor Project will be, available to the Property, including water, storm and sanitary sewer facilities, electric and gas utilities, and telephone services.

(h) Neither this Agreement nor any statement or document referred to herein or delivered by CC Trust pursuant to this Agreement contains any statement which CC Trust knows to be untrue or omits to state a material fact known to CC Trust that is necessary to make the statements made herein or therein not misleading.

Section 7.03 NTIFA Representations and Warranties.

NTIFA represents and warrants the following:

(a) NTIFA is a duly organized and validly existing public trust under the laws of the State of Oklahoma.

(b) NTIFA is fully empowered to enter into this Agreement and to perform the transactions contemplated thereby and generally to carry out its obligations hereunder and thereunder. NTIFA has duly authorized its Chairperson, or in the Chairperson's absence, its Vice Chairman, to execute and deliver this Agreement and all other documentation required to consummate the transaction contemplated herein on behalf of NTIFA.

(c) The performance by NTIFA under this Agreement will not violate any provision or constitute a default under any indenture, agreement or instrument to which NTIFA is currently bound or by which it is affected.

(d) To the knowledge of the undersigned officer of NTIFA, there is no action, suit, proceeding or inquiry at law or in equity pending or threatened, affecting NTIFA wherein any unfavorable decision, ruling or finding would materially adversely affect NTIFA's ability to perform under this Agreement or under any other instrument pertinent to the transaction contemplated herein to which NTIFA is a party.

Section 7.04 Effect of Breach of Representations and Warranties.

Except where specifically stated otherwise, all representations and warranties of the Parties hereto are made solely as of the Effective Date. Each Party shall be fully liable to the other Parties for any damages actually incurred by the other Parties arising from the breach of the breaching Party's representations and warranties under this Agreement, and the breaching Party shall promptly pay the other Parties for all such damages promptly upon its receipt of an invoice therefor; provided, however, that no breach of a representation or warranty under this Agreement will render this Agreement void or voidable, nor relieve the non-breaching Party of its obligations under this Agreement.

ARTICLE VIII. EVENTS OF DEFAULT AND REMEDIES

Section 8.01 Events of Default.

The following shall constitute defaults hereunder (each a "**Default**" and collectively, "**Defaults**"):

(a) Default by any Party in the performance or observance of any material covenant or obligation contained in this Agreement, any instrument executed pursuant to this Agreement, or under the terms of any other instrument delivered by one Party to any other Party in connection with this Agreement, including, without limitation, the material breach of any material covenant, or, as to Developer Parties, Material Changes from approved Development Plans without prior written consent of NTIFA in accordance with the terms set forth in Section 2.02 of this Agreement; or

(b) Any representation, statement, certificate, schedule or report made or furnished by any Party to other Parties with respect to the matters and transactions covered by this Agreement which proves to be false or erroneous in any material respect at the time of its making or any warranty of a continuing nature which ceases to be complied with in any material respect and which the offending Party fails to take or cause to be taken corrective measures satisfactory to the other Party within 30 days after written notice from the other Party to the offending Party; or

(c) The initiation of bankruptcy or receivership proceedings by or against Landowner and the pendency of such proceedings without discharge for 90 days.

Section 8.02 Notice and Opportunity to Cure.

Upon a Default, a non-offending Party will provide the offending Party, copying all other non-offending Parties, with notice identifying all specific actions or omissions of the offending Party constituting the basis for the Default and the sections of this Agreement which render such action(s) or omission(s) to be a Default. The offending Party shall have at least thirty (30) days

opportunity to cure such Default. If the Default is of such a nature so as to reasonably require more than thirty (30) days in which to cure, the offending Party shall have such additional time as is reasonable under the circumstances in which to cure such Default, so long as the offending Party promptly commences the cure within such thirty (30) day period and thereafter diligently and continuously prosecutes such cure to completion.

Section 8.03 Termination.

(a) In the event that NTIFA unreasonably fails to approve the Phasing Plan or any Development Plans and, if any such default or failure shall not be cured within 30 days after the date of NTIFA's receipt of written demand by Landowner or CC Trust, then this Agreement, or the relevant portion thereof, may, at the option of either Landowner or CC Trust, be terminated by written notice thereof to the Parties, and NTIFA, the City, and Developer Parties shall not have any further rights against or liability to the others under this Agreement with respect to the terminated portion thereof.

(b) In the event that Developer Parties fail to submit the Phasing Plan or Development Plans to NTIFA and within the timeframes mandated by this Agreement, and, if any default or failure shall not be commenced to be cured within 30 business days after the date of Developer Parties' receipt of written demand by NTIFA, then this Agreement, or the relevant portion thereof, may, at the option of NTIFA, be terminated by written notice thereof to Landowner and CC Trust, and NTIFA, the City, Landowner, and CC Trust shall not have any further rights against or liability to the others under this Agreement with respect to the terminated portion thereof.

(c) Upon completion of development of the Project, the issuance of Certificates of Completion for all components in all Phases therefor, and the payment of all Public Assistance payable under Article V hereof, this Agreement shall automatically terminate in which event none of the Parties will have any further liabilities or obligations hereunder. This Agreement shall not otherwise be terminable by any Party except upon the mutual agreement of the City, NTIFA, the Developer Parties and all Qualified Lenders. For purposes of this subsection (c), "Qualified Lenders" shall mean, collectively: (i) the trustee of the Anchor Financing or its designee; and (ii) each secured lender of CC Trust, or any assignee of CC Trust who holds a fee or leasehold mortgage of the part of the Property on which the Anchor Project will be located, to secure construction financing of the Anchor Project.

Section 8.04 Remedies.

Upon the occurrence of a Default, any Party may, in addition to any other remedies specifically provided for hereunder, exercise any remedy available to that Party by law or in equity, at its option without prior demand or notice, except as provided in this Agreement. Such remedies shall expressly include recovery of such Party's actual damages incurred in connection with the Default, and pursuant of specific performance of the defaulting Party's undischarged obligations to the extent otherwise available. Notwithstanding anything to the contrary contained herein, in no event shall NTIFA or the City have any right to terminate future payments of the Public Assistance or to claw back or recover any amounts of Public Assistance previously disbursed by NTIFA pursuant to this Agreement.

Section 8.05 Enforced Delay; Extension of Times of Performance.

(a) In addition to specific provisions of this Agreement, performance by any Party hereunder shall not be deemed to be in Default, and all performance and other dates specified in this Agreement shall be extended, where the Party seeking the extension has acted diligently and delays or defaults are due to events beyond the reasonable control of the Party such as but not limited to: default of another Party; war; insurrection; strikes; lockouts; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; pandemics; quarantine restrictions; freight embargoes; invasion, lack of transportation; litigation; unusually severe weather; or any other causes beyond the control or without the fault of the Party claiming an extension of time to perform.

(b) Times of performance under this Agreement may also be extended in writing by the mutual agreement of the Parties.

Section 8.06 Non-liability of Officials, Employees and Agents of NTIFA or the City.

No official, employee or agent of NTIFA, the City or CC Trust shall be personally liable to Landowner or CC Trust, or any successors in interest, pursuant to the provisions of this Agreement, for any default or breach by NTIFA or the City.

Section 8.07 Limitations of Liability.

No Party under this Agreement may pursue or recover punitive damages from the other Parties hereunder.

ARTICLE IX. MISCELLANEOUS

Section 9.01 NTIFA's and the City's Obligations Limited.

Nothing in this Agreement is intended to require or obligate nor shall anything herein be interpreted to require or obligate NTIFA or the City to provide, apply or make any payment or advance from any revenue or funds coming into its hands other than the Public Assistance and in the manner provided in this Agreement. The City and/or NTIFA shall have no liability for repayment of any indebtedness incurred by Developer Parties or any assignee of Developer Parties pursuant to this Agreement other than the obligation to collect, account for, and timely provide the Public Assistance as herein authorized and agreed.

Section 9.02 Notices.

All notices and other communications required, permitted or contemplated by this Agreement ("**Notices**" and each a "**Notice**") must be in writing, signed by the Party giving the Notice, and sent using the contact information below. Notices must be sent by: (1) hand-delivery in return for a receipt; (2) United States mail with postage prepaid; (3) nationally recognized overnight courier service; or (4) email, so long as the intended recipient acknowledges by email or other writing as having received the Notice (with an automatic "read receipt" not constituting acknowledgment). A Notice is effective on the earlier of: (1) the date of actual delivery; or (2) for mailed Notices (without a return receipt), three 3 business days after the date of mailing. However, if the receipt

of Notice is refused, the Notice is effective upon attempted delivery. Any Party may change its contact information by notifying the other Parties as required by this Section. Notwithstanding the foregoing, Notices advising the other Parties of a Default under this Agreement must be sent by: (1) hand-delivery in return for a receipt; (2) certified United States mail, return receipt requested with postage prepaid; or (3) nationally recognized overnight courier service. Such Notices are effective on the date of actual delivery. However, if receipt of the Notice is refused, the Notice is effective upon attempted delivery.

Notices to Landowner will be addressed as follows:

UNP North, LLC
Attn: Guy L. Patton, Manager
100 W. Timberdell Rd.
Norman, OK 73019

Notices to CC Trust will be addressed as follows:

Cleveland County Recreational and Entertainment Facilities Authority
Attn: Chair
201 S. Jones Ave., Suite 200
Norman, OK 73069

Notices to NTIFA will be addressed as follows:

Norman Tax Increment Finance Authority
Attn: General Manager
P.O. Box 370
201 West Gray
Norman, OK 73070

Notices to City will be addressed as follows:

City of Norman
Attn: Darrel Pyle, City Manager
P.O. Box 370
201 West Gray
Norman, OK 73070

Section 9.03 Amendment.

This Agreement may not be amended or modified in any way, except by an instrument in writing executed by all Parties hereto and approved in writing by Landowner, CC Trust, NTIFA, and the City.

Section 9.04 Non-Waiver; Cumulative Remedies.

No failure on the part of any Party to exercise and no delay in exercising any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by any Party of any right

hereunder preclude any other or further right thereof. The remedies herein provided are cumulative and not alternative.

Section 9.05 Applicable Law.

This Agreement and the documents issued and executed hereunder shall be deemed to be a contract made under the laws of the State of Oklahoma and shall not be construed to constitute NTIFA or the City as a joint venturer with Landowner or CC Trust, or to constitute a partnership among the Parties.

Section 9.06 Descriptive Headings.

The descriptive headings of the articles and sections of this Agreement are for convenience only and shall not be used in the construction of the terms hereof.

Section 9.07 Integrated Agreement.

This Agreement constitutes the entire agreement between the Parties hereto, and there are no agreements, understandings, warranties or representations between the Parties regarding the financing of the Project other than those set forth herein.

Section 9.08 Binding Effect.

This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors, legal representatives and assigns.

Section 9.09 Counterparts.

This Agreement may be executed in several counterparts, and all such executed counterparts shall constitute the same Agreement. It shall be necessary to account for only one such counterpart in proving this Agreement.

Section 9.10 Construction of this Agreement.

The Parties acknowledge that the Parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the City caused this Agreement to be duly executed as of the Effective Date.

THE CITY OF NORMAN,
a municipal corporation
("City")

By: _____
Larry Heikkila, Mayor

ATTEST:

_____
City Clerk

IN WITNESS WHEREOF, NTIFA caused this Agreement to be duly executed as of the Effective Date.

NORMAN TAX INCREMENT FINANCE AUTHORITY,
a public trust
("NTIFA")

By: _____
_____, Chair

ATTEST:

_____
Secretary

IN WITNESS WHEREOF, CC Trust caused this Agreement to be duly executed as of the Effective Date.

CLEVELAND COUNTY RECREATIONAL AND ENTERTAINMENT FACILITIES AUTHORITY,
a public trust
("CC Trust")

By: _____
_____, Chair

ATTEST:

_____
Secretary

IN WITNESS WHEREOF, Landowner has caused this Agreement to be duly executed as of the Effective Date.

UNP NORTH, LLC,
an Oklahoma limited liability company
("Landowner")

By: _____
Name: _____
Title: _____

EXHIBIT 1

LEGAL DESCRIPTION OF THE PROPERTY

A tract of land lying in the East Half (E/2) of Section Fourteen (14), Township Nine (9) North, Range Three (3) West of the Indian Meridian, Cleveland County, Oklahoma being more particularly described as follows:

COMMENCING at the southeast corner of the Southeast Quarter of said Section 14;

THENCE North 89°06'20" East, along the south line of said Southeast Quarter, a distance of 205.03 feet;

THENCE North 00°21'28" West a distance of 280.01 feet to a point of intersection of the east right of way line of Interstate Drive as established in Book 5288, Page 52 with the north right of way line of Rock Creek Road as established in Book 4630, Page 406 and the POINT OF BEGINNING;

THENCE along the east right of way line of said Interstate Drive, the following Five (5) courses:

1. Continuing North 00°21'28" West a distance of 1,107.06 feet to a point of curvature;

2. Northerly along a non tangent curve to the right having a radius of 910.00 feet (said curve subtended by a chord which bears North 05°50'27" East a distance of 196.52 feet) for an arc distance of 196.90 feet to a point of reverse curvature;

3. Northerly along a non tangent curve to the left having a radius of 990.00 feet (said curve subtended by a chord which bears North 06°09'41" East a distance of 202.77 feet) for an arc distance of 203.13 feet;

4. North 00°17'00" East, a distance of 1,427.78 feet;

5. North 47°18'26" East a distance of 244.88 feet to a point on the south right of way line of Corporate Center Drive as established by said document recorded in Book 5288, Page 52;

THENCE along said south right of way line, the following Five (5) courses:

1. North 89°38'32" East a distance of 915.55 feet to a point of curvature;

2. Easterly along a curve to the left having a radius of 540.00 feet (said curve subtended by a chord which bears North 68°06'45" East a distance of 396.34 feet) for an arc distance of 405.82 feet to a point of reverse curvature;

3. Easterly along a curve to the right having a radius of 159.92 feet (said curve subtended by a chord which bears South 82°04'47" East a distance of 249.79 feet) for an arc distance of 286.65 feet;

4. South 30°46'30" East, a distance of 177.61 feet;
5. South 20°48'48" West a distance of 32.32 feet to a point on the westerly right of way line of 24th Avenue N.W. as established in Book 2552, Page 472;

THENCE South 75°46'31" East, along said westerly right of way line, a distance of 27.24 feet;

THENCE South 30°46'30" East a distance of 60.00 feet to a point on the centerline of said 24th Avenue N.W.;

THENCE along said centerline, the following Four (4) courses:

1. South 59°13'30" West a distance of 506.75 feet to a point of curvature;

2. Southerly along a curve to the left having a radius of 1,225.41 feet (said curve subtended by a chord which bears South 10°24'11" West a distance of 1,844.66 feet) for an arc distance of 2,088.36 feet;

3. South 38°25'09" East a distance of 400.00 feet to a point of curvature;

4. Southeasterly along a curve to the right having a radius of 1,905.41 feet (said curve subtended by a chord which bears South 25°52'38" East a distance of 827.54 feet) for an arc distance of 834.18 feet;

South 76°39'53" West, a distance of 60.01 feet;

THENCE South 38°04'45" West a distance of 31.45 feet to a point on the north right of way line of Rock Creek Road as established in Book 4630, Page 406;

THENCE along said north right of way line, the following Six (6) courses:

1. South 89°06'20" West a distance of 164.31 feet;

2. North 86°07'59" West a distance of 222.17 feet;

3. North 74°46'41" West a distance of 371.81 feet;

4. North 85°32'53" West a distance of 340.56 feet;

5. North 82°57'16" West a distance of 482.29 feet;

6. South 89°06'20" West a distance of 89.68 feet to the POINT OF BEGINNING.

Said described tract of land contains an area of 3,923,449 square feet or 90.0700 acres, more or less

EXHIBIT 2

FORM OF PILOT COVENANT

After Recording, Return To:

Norman Tax Increment Finance Authority
Attn: General Manager
P.O. Box 370
201 West Gray
Norman, OK 73070

Covenant Agreement

This Covenant Agreement ("Covenant Agreement") is made effective as of the _____ day of _____, 20_____ ("Effective Date"), by and between the Norman Tax Increment Finance Authority, an Oklahoma public trust ("NTIFA"), the City of Norman ("City"), UNP North, LLC ("Landowner"), and the Cleveland County Recreational and Entertainment Facilities Authority, an Oklahoma public trust ("CC Trust"), with reference to the following:

A. NTIFA, the City, CC Trust, and Landowner have previously entered into that certain Economic Development Agreement: Rock Creek Entertainment District, dated _____, 2024 ("EDA").

B. The EDA sets forth the obligations of CC Trust and Landowner and their permitted assignees to undertake the development of a $650,000,000.00 mixed use project anchored by a multipurpose event venue and arena ("Project") on property more particularly described on Exhibit A to this Covenant Agreement ("Property"). CC Trust will construct, or cause to be constructed, and own the event venue/arena and parking garage on a portion of the Property identified on Exhibit A as the "Anchor Property", and Landowner will construct the surrounding mixed use project on the surrounding property identified on Exhibit A as the "Mixed Use Property."

C. The City Council of the City has approved and adopted the Rock Creek Entertainment District Project Plan (the "Project Plan"), creating and establishing Increment District Number 4, The City of Norman ("Increment District No. 4"), and Increment District Number 5, The City of Norman ("Increment District No. 5") (Increment District No. 4 and Increment District No. 5, collectively, "Increment Districts").

D. Pursuant to the terms and provisions of the EDA, under which NTIFA has agreed to provide certain financial assistance to support the Project, Landowner and CC Trust has agreed to cause to be made payment of ad valorem taxes in an annual minimum amount for the duration of Increment District No. 5.

E. Accordingly, Landowner and CC Trust have agreed that a recordable instrument would include a covenant running with the land providing that the owner(s) and any successors in interest of the Anchor Property will pay or cause to be paid a minimum annual amount of ad

valorem taxes on the Anchor Property and taxable personal property during the Minimum Annual Payment Period (as defined below).

The parties hereby agree and covenant as follows:

1. Imposition of Covenants. This Covenant Agreement is made as of the Effective Date and as consideration for the execution and delivery of the EDA. This Covenant Agreement imposes the covenants herein on the Anchor Property. Pursuant to Section 4.08 of the EDA, CC Trust hereby binds itself and its successors and assigns to the covenants herein, which shall continue in effect for the duration of Increment District No. 5.

2. Minimum Annual Payment. Commencing on the earlier of (i) December 31, 2029 or (ii) the year following the year in which NTIFA files a Certificate of Completion for the Anchor Project (both as defined in the EDA), the Anchor Property shall be subject to a minimum annual ad valorem payment (whether classified, in whole or in part, as a tax payment or an in lieu of payment) obligation in the amount of not less than the amount calculated by multiplying $290,000,000.00 (or, if individual components are not assessed, $263,000,000.00 for the arena component of the Anchor Project or $27,000,000.00 for the parking garage component of the Anchor Project, individually) by an assessment ratio of 12%, then increasing the resulting product by 1.5% for every 12 month period that has passed since NTIFA issued a Certificate of Completion for the Anchor Project, and then multiplying that resulting product by the annual ad valorem tax levy millage rate in effect within TIF 5 for that tax year ("Minimum Annual Payment"), which shall continue in effect for each year thereafter through the duration of Increment District No. 5 ("Minimum Annual Payment Period").

3. Obligation to Pay Minimum Annual Payment. Subject to Section 8 of this Covenant Agreement, during the Minimum Annual Payment Period, the owner(s) (and any successors in interest) of the Anchor Property will pay, or cause to be paid, not less than the Minimum Annual Payment of ad valorem taxes (or will make a payment in lieu of taxes in the Minimum Annual Payment amount). During the Minimum Annual Payment Period, if the county assessment ratios, levy rates, or taxable assessed values that are in effect for any subsequent fiscal year prior to the termination of Increment District No. 5 result in an ad valorem tax liability that is less than the Minimum Annual Payment amount, the owner(s) of the Anchor Property shall, in addition to paying ad valorem taxes on the property based on the county assessment ratios, levy rates, and taxable assessed values then in effect, make, or cause to be made, a payment in lieu of ad valorem taxes in the amount of the difference between (i) the ad valorem tax calculation then in effect, and (ii) the Minimum Annual Payment amount.

4. Payments in Lieu of Ad Valorem Taxes. During the Minimum Annual Payment Period, if all or a portion of the Anchor Property is exempt from ad valorem taxes (whether resulting from ownership of such real or personal property by a public or private tax-exempt entity

or a lease or sublease of such property to a public or private tax-exempt entity), the owner(s) of the Anchor Property shall make (or cause to be made) payments in lieu of ad valorem taxes with respect to the real property and/or personal property to which such exemption applies, commencing in any year in which such ad valorem tax exemption is in effect and terminating upon the first to occur of termination of such ad valorem tax exemption or termination of Increment District No. 5.

5. Lien Securing Minimum Annual Payment Obligations. The Minimum Annual Payment obligations of the Anchor Property pursuant to the covenants in this Covenant Agreement are secured by a lien (or liens) on the Anchor Property in favor of Cleveland County, Oklahoma ("County") for the benefit of the apportionment fund of Increment District No. 5 arising annually at the same time, in the same manner, having the same priority, and subject to the same enforcement and remedies as liens to secure the annual payments of other ad valorem taxes, which lien or liens may also be evidenced by written notice executed by or on behalf of the County, NTIFA, the City, or the duly authorized designee of NTIFA and filed in the records of the County Clerk of Cleveland County, and which lien or liens may also be enforced by the County, NTIFA, or the City on its behalf by its authorized designee by foreclosure in the same manner as foreclosure of a mortgage.

6. Covenants Running with the Land. The covenants in this Covenant Agreement shall run with the Anchor Property described in Exhibit A to this Covenant Agreement. The County, NTIFA, the City, and the Landowner shall each be deemed a beneficiary of the covenants in this Covenant Agreement, and such covenants shall run in favor of the County, NTIFA, the City, and Landowner, for the entire period during which such covenants shall be in force and effect. As such beneficiaries, in the event of any breach of such covenants, the County (or NTIFA or the City, if the County does not elect to exercise its rights and remedies) shall have the right to exercise all the rights and remedies, and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach, to which beneficiaries of such covenant may be entitled; provided, however, that in all such events, NTIFA and/or the City, as applicable, shall be required to provide notice of any such breach to all lienholders of record at such notice address as is provided in such record document prior to the exercise of any of its rights and remedies hereunder; further provided, however, that the failure to provide such notice shall not prevent the exercise of any of its rights and remedies hereunder.

7. Timing of Minimum Annual Payment. The Minimum Annual Payment shall be made by December 31 of each year to the Cleveland County Treasurer.

8. No Personal Liability; Right to Dispute Any Tax Increases. In no event shall the covenants in this Covenant Agreement constitute a personal liability of CC Trust (or their respective successors and assigns), nor will the owner(s) of any portion of the Anchor Property be prevented from disputing any proposed increased ad valorem taxes that may be in excess of the

Minimum Annual Payment amount. In the event of a default in payment of the Minimum Annual Payment obligation, the beneficiaries of the Minimum Annual Payment pursuant to this Covenant Agreement shall look exclusively to the Anchor Property for satisfaction thereof and shall not seek or obtain a personal judgment against CC Trust or its successors or assigns.

9. Termination of Ad Valorem Tax Covenants. The covenants in this Covenant Agreement shall terminate upon the termination or dissolution of Increment District No. 5, and, upon such termination or dissolution of Increment District No. 5, shall be extinguished and of no further force and effect.

The parties have executed and delivered this Covenant Agreement as of the day and year first above written.

NORMAN TAX INCREMENT FINANCE AUTHORITY,
an Oklahoma public trust

BY: _____
Name: _____
Title: _____

CLEVELAND COUNTY RECREATIONAL AND ENTERTAINMENT FACILITIES AUTHORITY, an Oklahoma public trust

BY: _____
Name: _____
Title: _____

UNP NORTH, LLC, an Oklahoma limited liability company

BY: _____
Name: _____
Title: _____

CITY OF NORMAN, OK

STAFF REPORT

MEETING DATE: 09/17/2024

REQUESTER: University North Park, L.L.C.

PRESENTER: Jane Hudson, Planning and Community Development Director

ITEM TITLE: CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF ORDINANCE O-2324-35 UPON SECOND AND FINAL READING: AN ORDINANCE OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, AMENDING SECTION 36-201 OF THE CODE OF THE CITY OF NORMAN SO AS TO REMOVE THE PART OF THE EAST HALF (E/2) OF SECTION FOURTEEN (14), TOWNSHIP NINE (9) NORTH, RANGE THREE (3) WEST OF THE INDIAN MERIDIAN, TO NORMAN, CLEVELAND COUNTY, OKLAHOMA, FROM THE PUD, PLANNED UNIT DEVELOPMENT DISTRICT, AND PLACE SAME IN THE PUD, PLANNED UNIT DEVELOPMENT DISTRICT; AND PROVIDING FOR THE SEVERABILITY THEREOF. (GENERALLY LOCATED EAST OF I-35 BETWEEN CORPORATE CENTRE DRIVE AND ROCK CREEK ROAD)

APPLICANT/REPRESENTATIVE: University North Park, L.L.C./Rieger Law Group, P.L.L.C.

WARD: 8

CORE AREA: No

BACKGROUND: The applicant requests rezoning from PUD, Planned Unit Development, Ordinance O-0607-13, to a new PUD, Ordinance O-2324-35, for approximately 90 acres. The property is currently vacant. The new PUD would allow for single-family residential, townhomes, multi-family, and commercial uses, including a multipurpose event venue and live outdoor entertainment.

This rezoning application is accompanied by a request for a preliminary plat. This project was previously zoned in 2006 and a preliminary plat was never submitted for the property north of Rock Creek Road. The applicant would like to move forward with the development and has brought forth the current applications for rezoning and preliminary platting.

A related item on this same agenda is the City Council's consideration of O-2425-2, an Ordinance determining that the Rock Creek Entertainment District Project Plan, including related TIF proposals, is in conformance with the City of Norman's Comprehensive Plan, and is therefore approved.

PROCEDURAL REQUIREMENTS:

GREENBELT MEETING: GBC 23-28, November 21, 2023
The Greenbelt Commission recommended approval with the recommendation to have a pedestrian crosswalk to connect the Legacy Trail (south side of Rock Creek Rd.) to the UNP Entertainment District.

PRE-DEVELOPMENT: PD23-39, November 30, 2023
The applicant explained the rezoning process and details of the entertainment district project to attendees. An attendee asked who the developer was for this project. Applicant explained they are still working on the rezoning process and do not have a developer yet. An attendee asked about the Traffic Plan. The project's traffic engineer consultant explained more details. Another concern of attendees was parking. The applicant explained there will be a parking garage to limit surface parking and incentivize pedestrian walkability. An attendee asked about the distance to the Max Westheimer Airport. The applicant confirmed the development is a safe distance from the airport. Attendees asked about financing and timeframe details; the applicant needs to verify information on these topics and mentioned they are focusing on the rezoning process.

BOARD OF PARKS COMMISSIONERS:
Parks staff recommended to support the developer's request for a private parkland decision, provided that a combination of active and passive space is included in the planning of the private parkland. Please see the attached report and exhibits. The decision was unanimous for private parkland by a vote of 7-0.

ZONING ORDINANCE CITATION:
SECTION 36-509, PUD, PLANNED UNIT DEVELOPMENT

1. Statement of Purpose. It is the intent of this section to encourage developments with a superior built environment brought about through unified development and to provide for the application of design ingenuity in such developments while protecting existing and future surrounding areas in achieving the goals of the comprehensive plan of record. The "PUD" Planned Unit Development district herein established is intended to provide for greater flexibility in the design of buildings, yards, courts, circulation, and open space than would otherwise be possible through the strict application of other district regulations. In this way, applicants may be awarded certain premiums in return for assurances of overall planning and design quality, or which will be of exceptional community benefit and which are not now required by other regulations. By permitting and encouraging the use of such procedures, the Planning Commission and City Council will be able to make more informed land use decisions and thereby guide development more effectively in the best interest of the health, safety, and welfare of the City.

Specifically, the purposes of this section are to encourage:

(a) A maximum choice in the types of environment and living units available to the public.
(b) Provision of more usable and suitably located open space, recreation areas, or other common facilities than would otherwise be required under conventional land development regulations.
(c) Maximum enhancement and minimal disruption of existing natural features and

amenities.

(d) Comprehensive and innovative planning and design of diversified developments which are consistent with the City's long range plan and remain compatible with surrounding developments.

(e) More efficient and economic use of land resulting in smaller networks of utilities and streets, thereby lowering costs.

(f) Preparation of more complete and useful information which will enable the Planning Commission and City Council to make more informed decisions on land use.

The PUD (Planned Unit Development) Regulations are designed to provide for small and large scale developments incorporating a single type or a variety of residential, commercial, industrial and related uses which are planned and developed as a unit. Such development may consist of individual lots, or it may have common building sites. Private or public common land and open space must be an essential, major element of the development which is related to, and affects, the long term value of the homes and other development. A Planned Unit Development shall be a separate entity with a distinct character that respects and harmonizes with surrounding development.

STAFF ANALYSIS:

USE: The allowable uses for this PUD are included in the PUD Narrative as Exhibit C, Allowable Uses. The uses are divided into lists for each Development Area; Area 1 is Urban Residential, Area 2 is High Density Residential, and Area 3 is Commercial.

SITE PLAN/ACCESS: The proposed site plan shows six access points from 24th Ave. N.W. Three access points are shown off Corporate Centre Dr. Two access points are proposed off Rock Creek Rd. Three more access points are proposed off Interstate Dr. The northwest corner of the development, shown as Development Area 1, is designated for single-family or townhome residential. The area north of Radius Way between 24th Ave. N.W. and Interstate Dr., shown as Development Area 2, is designated as multi-family residential. The area south of Radius Way and north of Rock Creek Rd. is the commercial area. This includes the proposed arena/event venue.

The PUD Narrative states Development Area 1 will contain approximately 37 residential lots; each lot may contain one main dwelling and one accessory dwelling unit. Development Area 2 will have a density of 758 multi-family dwelling units and 24 townhomes. The area regulations for each Development Area are detailed in III. B. Area Regulations.

Building heights in the development must comply with regulations from the Federal Aviation Administration and the Oklahoma Department of Aerospace and Aeronautics.

OPEN SPACE: The PUD Narrative and Exhibits describe the current proposed open space as 24% of the PUD. It is noted that the actual allotment of open space may be a minimum of 10% of the PUD, which is less than shown on the Greenspace Exhibit.

PARKING: The PUD Narrative states there will be no minimum parking requirements for any use and end users are encouraged to reduce parking to the extent feasible and to utilize shared

parking options, which can be finalized at final building permit stage. All parking spaces may be 18' by 9'. A parking structure is proposed to the northwest of the arena in Development Area 3.

LANDSCAPING: As applicable, landscaping will be installed and maintained according to Section 36-551, Landscaping Requirements for Off-Street Parking Facilities. The PUD Narrative states landscaping shall be installed and maintained as applicable to underlying uses of each individual lot, however the landscaping ordinance is applicable when new parking is installed. A landscape plan was not submitted with the application but will be required at permitting for each site.

SIGNAGE: Signage allowances for the development are outlined in Exhibit F, Development Signage Allowances.

LIGHTING: Except for the allowances enumerated in Exhibit F for Development Area 3, and the exempt entertainment plazas discussed below, all other exterior lighting within Development Areas 2 and 3 shall be installed in conformance with the City of Norman's Commercial Outdoor Lighting Standards (Section 36-549), as amended from time to time. The allowances include large-scale architectural lighting and aerial view signs.

SANITATION: Dumpsters will be utilized for sanitation services in locations shown on the attached Site Development Plan. All locations will be reviewed and approved by City Staff.

EXTERIOR MATERIALS: The exterior of the buildings constructed within the development may be constructed of brick, glass, stone, synthetic stone, stucco, EIFS, masonry, metal accents, and any combination thereof. The applicant may further restrict and control the exterior materials and aesthetics of the buildings to be developed within the Property through the use of private design guidelines and restrictive covenants.

PHASING: The PUD Narrative contains Exhibit G, Preliminary Phasing Plan. This details the anticipated phasing of the development. It is divided into three phases. The applicant has provided that, through phasing, the applicant may utilize multiple transaction types within the entire property, including, but not limited to, selling, leasing, and otherwise conveying lots, buildings, and dwelling units with the Property.

EXISTING ZONING: The existing zoning for the subject property is PUD Ordinance O-0607-13. The existing PUD does not allow for the arena/event venue use or the single-family/townhome residential uses.

ALTERNATIVES/ISSUES:

IMPACTS: According to the Transportation Impacts form prepared by the City Transportation Engineer, no traffic operational issues are anticipated due to the development assuming improvements are in place to support this intense level of development. These improvements are detailed in the attached report.

In the proposed PUD Narrative, the Applicant is requesting an exception for Development Area 3 from applicability of the City's Noise Ordinance and Commercial Outdoor Lighting Standards. Any impacts on neighbors would thus be enforceable principally through private means.

OTHER AGENCY COMMENTS:

FIRE DEPARTMENT AND BUILDING PERMIT REVIEW: Items regarding fire hydrants and fire/building codes will be considered at the building permit stage.

PUBLIC WORKS/ENGINEERING: Please see the attached report from Engineering regarding the Preliminary Plat.

TRAFFIC ENGINEER: Please see the attached report from the City Transportation Engineer.

UTILITIES: City Utilities are available in this area with extensions to be completed in accordance with City requirements. Two water recoupment projects are currently in effect for the proposed development area and payment of the fees will be required at final platting for residential construction and at building permitting for non-residential construction. Dumpster locations may require revisions but this will be addressed as development occurs to ensure compliance with City requirements.

CONCLUSION: Staff forwards this request for rezoning to a new PUD, Planned Unit Development, for approximately 90 acres, and Ordinance O-2324-35 to the Planning Commission for consideration and recommendation to City Council.

PLANNING COMMISSION RESULTS: At their meeting of June 13, 2024, Planning Commission recommended adoption of Ordinance O-2324-35 by a vote of 8-0 with Commissioner McKown abstaining.

STAFF REPORT UPDATE, SEPTEMBER 11, 2024: City staff updated the zoning packet to include the below noted amendments as submitted from the applicant.

1. Retail at the corner of 24th and Rock Creek has been redesigned to include two buildings flanking an entry plaza. This plaza is an opportunity to create a visual entrance to the district from the south and allow a stronger pedestrian connection from the intersection. The plaza is intended as a space to contain outdoor dining for restaurants, public art, and/or district signage. The entry plaza is connected to the retail main street by a series of secondary plazas and sidewalks that run east/west between the retail buildings.
2. The office buildings directly adjacent to Radius Way have been moved to the north to create a strong linkage between the entertainment district and the residential to the north. A pedestrian cross walk at the junction strengthens connectivity between the districts. The entry to the surface parking to the west has been relocated to minimize impact on the pedestrian zones, similarly the driveway connecting the east and west surface lots has been moved south (it was previously located directly adjacent to Radius Way).

3. Retail on the west side of the main street has been slightly reconfigured to improve pedestrian connectivity between the retail street and parking behind the buildings (to the west).
4. There are a few minor adjustments to the parcel areas and utilities. The parcel changes do not reflect any changes to the number of parcels shown on the Preliminary Plat and Preliminary Site Development Plan; however, the lot lines are adjusted to be consistent with the building modifications. Likewise, the utilities with their associated easements are adjusted.

O-2324-35

AN ORDINANCE OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, AMENDING SECTION 36-201 OF THE CODE OF THE CITY OF NORMAN SO AS TO REMOVE THE PART OF THE EAST HALF (E/2) OF SECTION FOURTEEN (14), TOWNSHIP NINE (9) NORTH, RANGE THREE (3) WEST OF THE INDIAN MERIDIAN, TO NORMAN, CLEVELAND COUNTY, OKLAHOMA, FROM THE PUD, PLANNED UNIT DEVELOPMENT DISTRICT, AND PLACE SAME IN THE PUD, PLANNED UNIT DEVELOPMENT DISTRICT; AND PROVIDING FOR THE SEVERABILITY THEREOF. (GENERALLY LOCATED EAST OF I-35 BETWEEN CORPORATE CENTRE DRIVE AND ROCK CREEK ROAD)

§ 1. WHEREAS, University North Park LLC, the owners of the hereinafter described property, have made application to have the subject property removed from the PUD, Planned Unit Development District and placed in the PUD, Planned Unit Development District; and

§ 2. WHEREAS, said application has been referred to the Planning Commission of said City and said body has, after conducting a public hearing on June 13, 2024 as required by law, considered the same and recommended that the same should be granted and an ordinance adopted to effect and accomplish such rezoning; and

§ 3. WHEREAS, the City Council of the City of Norman, Oklahoma, has thereafter considered said application and has determined that said application should be granted and an ordinance adopted to effect and accomplish such rezoning.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA:

§ 4. That Section 36-201 of the Code of the City of Norman, Oklahoma, is hereby amended so as to remove the following described property from the PUD, Planned Unit Development District and place the same in the PUD, Planned Unit Development District, to wit:

A tract of land lying in the East Half (E/2) of Section Fourteen (14), Township Nine (9) North, Range Three (3) West of the Indian Meridian, Cleveland County, Oklahoma being more particularly described as follows:

COMMENCING at the southeast corner of the Southeast Quarter of said Section 14;

THENCE North 89°06'20" East, along the south line of said Southeast Quarter, a distance of 205.03 feet;

THENCE North 00°21'28" West a distance of 280.01 feet to a point of intersection of the east right of way line of Interstate Drive as established in Book 5288, Page 52 with the north right of way line of Rock Creek Road as established in Book 4630, Page 406 and the POINT OF BEGINNING;

THENCE along the east right of way line of said Interstate Drive, the following Five (5) courses:

1. Continuing North 00°21'28" West a distance of 1,107.06 feet to a point of curvature;

2. Northerly along a non tangent curve to the right having a radius of 910.00 feet (said curve subtended by a chord which bears North 05°50'27" East a distance of 196.52 feet) for an arc distance of 196.90 feet to a point of reverse curvature;

3. Northerly along a non tangent curve to the left having a radius of 990.00 feet (said curve subtended by a chord which bears North 06°09'41" East a distance of 202.77 feet) for an arc distance of 203.13 feet;

4. North 00°17'00" East, a distance of 1,427.78 feet;

5. North 47°18'26" East a distance of 244.88 feet to a point on the south right of way line of Corporate Center Drive as established by said document recorded in Book 5288, Page 52;

THENCE along said south right of way line, the following Five (5) courses:

1. North 89°38'32" East a distance of 915.55 feet to a point of curvature;

2. Easterly along a curve to the left having a radius of 540.00 feet (said curve subtended by a chord which bears North 68°06'45" East a distance of 396.34 feet) for an arc distance of 405.82 feet to a point of reverse curvature;

3. Easterly along a curve to the right having a radius of 159.92 feet (said curve subtended by a chord which bears South 82°04'47" East a distance of 249.79 feet) for an arc distance of 286.65 feet;

4. South 30°46'30" East, a distance of 177.61 feet;

5. South 20°48'48" West a distance of 32.32 feet to a point on the westerly right of way line of 24th Avenue N.W. as established in Book 2552, Page 472;

THENCE South 75°46'31" East, along said westerly right of way line, a distance of 27.24 feet;

THENCE South 30°46'30" East a distance of 60.00 feet to a point on the centerline of said 24th Avenue N.W.;

THENCE along said centerline, the following Four (4) courses:

1. South 59°13'30" West a distance of 506.75 feet to a point of curvature;

2. Southerly along a curve to the left having a radius of 1,225.41 feet (said curve subtended by a chord which bears South 10°24'11" West a distance of 1,844.66 feet) for an arc distance of 2,088.36 feet;

3. South 38°25'09" East a distance of 400.00 feet to a point of curvature;

4. Southeasterly along a curve to the right having a radius of 1,905.41 feet (said curve subtended by a chord which bears South 25°52'38" East a distance of 827.54 feet) for an arc distance of 834.18 feet;

South 76°39'53" West, a distance of 60.01 feet;

THENCE South 38°04'45" West a distance of 31.45 feet to a point on the north right of way line of Rock Creek Road as established in Book 4630, Page 406;

THENCE along said north right of way line, the following Six (6) courses:

1. South 89°06'20" West a distance of 164.31 feet;

2. North 86°07'59" West a distance of 222.17 feet;

3. North 74°46'41" West a distance of 371.81 feet;

4. North 85°32'53" West a distance of 340.56 feet;

5. North 82°57'16" West a distance of 482.29 feet;

6. South 89°06'20" West a distance of 89.68 feet to the POINT OF BEGINNING.

Said described tract of land contains an area of 3,923,449 square feet or 90.0700 acres, more or less.

§ 5. Further, pursuant to the provisions of Section 36-509 of the Code of the City of Norman, as amended, the following condition is hereby attached to the zoning of the tract:

a. The site shall be developed in accordance with the PUD Narrative, Site Development Plan, and supporting documentation, which are made a part hereof.

§ 6. Severability. If any section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this ordinance.

ADOPTED this _____ day of

_____, 2024.

_____
(Mayor)

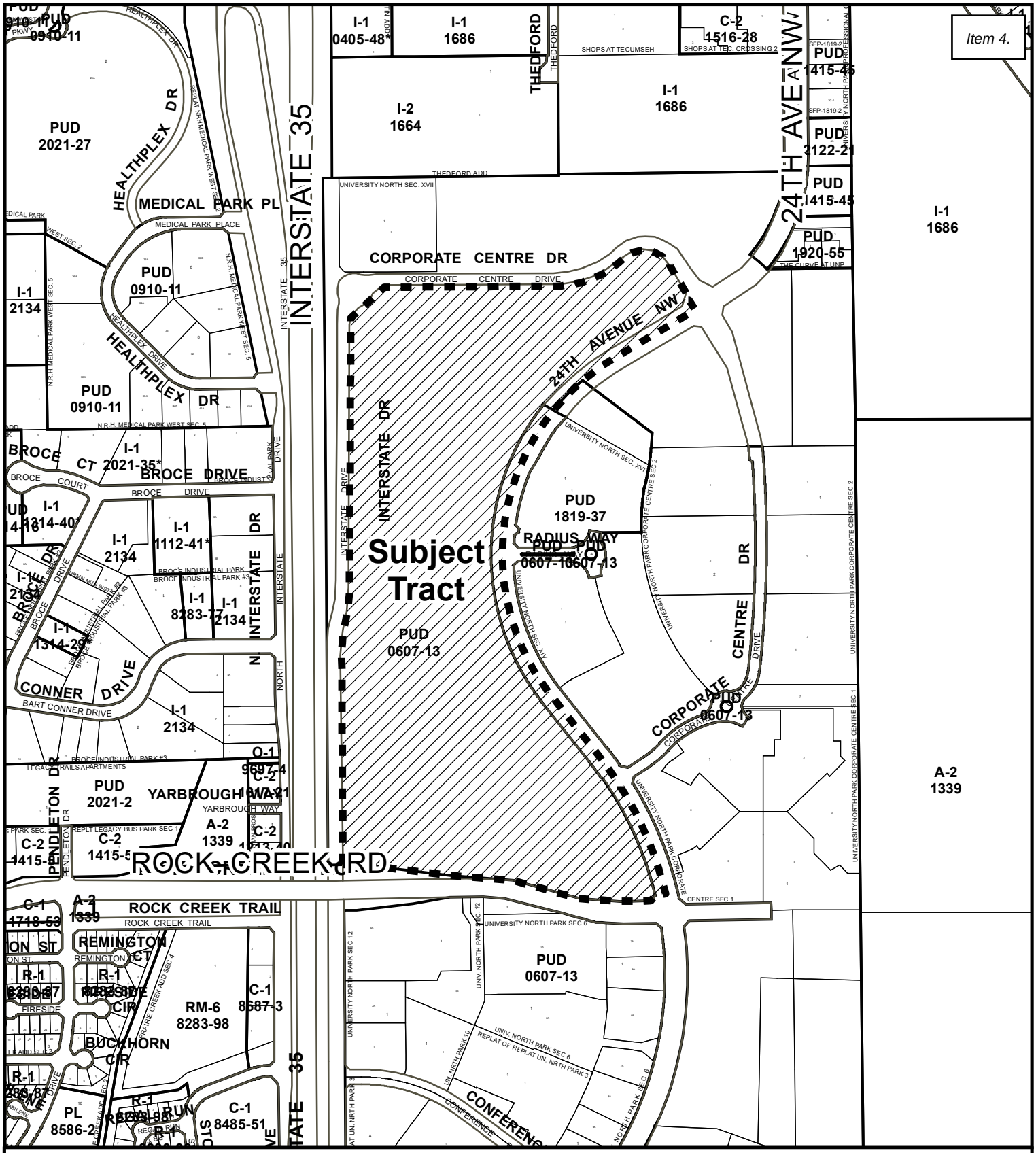
ATTEST:

_____
(City Clerk)

NOT ADOPTED this _____day of

_____, 2024.

_____
(Mayor)



Location Map

Map Produced by the City of Norman Geographic Information System. The City of Norman assumes no responsibility for errors or omissions in the information presented.

N W E S

November 16, 2023

0 350 700 Ft.

Subject Tract

Zoning

G:\ArcGIS10.Map Templates\8x11_LocationMapArcMap10.mxd

UNIVERSITY NORTH PARK ENTERTAINMENT DISTRICT

A PLANNED UNIT DEVELOPMENT
NORMAN, OKLAHOMA

APPLICANT:
UNIVERSITY NORTH PARK, LLC

APPLICATION FOR:

PLANNED UNIT DEVELOPMENT
PRELIMINARY PLAT

Submitted: November 1, 2023
Revised: September 11, 2024

PREPARED BY:

RIEGER SADLER JOYCE LLC
136 Thompson Drive
Norman, Oklahoma 73069

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A. Legal Description of the Property
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I. INTRODUCTION

University North Park, LLC (the "**Applicant**") intends to rezone the real property that is more particularly described on **Exhibit A** (the "**Property**") to a Planned Unit Development ("**PUD**") in order to develop a mixed-use master planned community, with allowances for various residential opportunities, hospitality and entertainment anchors, and compatible commercial uses within the Property, as more particularly enumerated in this PUD Narrative. The Applicant has also submitted a corresponding Preliminary Plat for the Property in order to facilitate the subdivision of the Property. The Property contains approximately 90 acres. A preliminary conceptual site plan of the proposed development has been attached hereto as **Exhibit B**.

The project design team consists of the Applicant, Rainier Development, Arcadis, SMC Consulting Engineers, and Traffic Engineering Consultants.

II. PROPERTY DESCRIPTION/GENERAL SITE CONDITIONS

A. Location

The Property is generally located East of Interstate Drive, West of 24th Avenue NW, North of Rock Creek Road, and South of Corporate Centre Drive, as is more particularly shown on the attached exhibits.

B. Existing Land Use and Zoning

The Property is currently zoned PUD, pursuant to O-0607-13. Additionally, the Property currently has a NORMAN 2025 designation of Mixed-Use. The Property is located within the University North Park development and all immediately adjacent parcels are zoned PUD and designated Mixed-Use by NORMAN 2025. The Property is undeveloped.

C. Elevation and Topography

Generally, the Property is flat, with only gradual elevation changes from the East towards the West. The Property contains little to no vegetation or heavily wooded areas.

D. Drainage

The Property will utilize stormwater and drainage management systems that will meet or exceed the City's applicable ordinances and regulations. A preliminary drainage report has been provided to City Staff as part of the Preliminary Plat application. As noted in the drainage report, portions of the Property drain into two (2) separate watersheds.

E. Utility Services

All necessary utilities for this project are currently located within the proximity to serve the Property, or they will be extended as necessary to facilitate the planned development as future development phases commence.

F. Fire Protection Services

Fire Protection services will be provided by the City of Norman Fire Department and by individual property owners as may be required by applicable City codes, ordinances, and regulations.

G. Traffic Circulation and Access

Access to the Property shall be permitted in the manner depicted on the attached Preliminary Site Development Plan and Preliminary Plat. A Traffic Impact Analysis, conducted and prepared by Traffic Engineering Consultants, Inc., has been provided to City Staff as part of the Preliminary Plat application.

III. DEVELOPMENT PLAN AND DESIGN CONCEPT

The Property shall be developed in compliance with the Preliminary Site Development Plan, attached hereto as **Exhibit B**, subject to final design development and the changes allowed by Section 36-509 of the City of Norman's PUD Ordinance, as may be amended from time to time. The Exhibits attached hereto, and as submitted on behalf of the Applicant, are incorporated herein by reference and further depict the development criteria for the Property.

A. Uses Permitted:

The Property will be developed as a mixed-use master planned community, with allowances for various residential opportunities, hospitality and entertainment anchors, and compatible commercial uses within the Property. For purposes of area regulations and allowable uses, the Property shall be divided into three (3) Development Areas. Development Area 1 is planned as the Urban Residential Area. Development Area 2 is planned as the High-Density Residential Area. Finally, Development Area 3 is planned as the Commercial Area. A complete list of the allowable uses for the Property is attached as **Exhibit C**. A depiction of the Development Areas is attached as **Exhibit H**.

B. Area Regulations:

1. Development Area 1 – Urban Residential

Front Yard: The minimum depth of the front yard setback shall be ten (10') feet provided that all garages shall have a minimum nineteen (19') foot front yard setback to allow for a parking space in the driveway.

Side Yard: The minimum depth of the side yard setback shall be five (5') feet provided that roof, gutter, window, patio, patio coverings, and similar improvement overhangs shall be allowed to encroach upon the side yard setback, up to a maximum of two (2') feet.

Rear Yard: The minimum depth of the rear yard setback shall be ten (10') feet, with the allowance for patios, sheds, balconies, ADUs, and similar residential accessory improvements (i.e., gazebos, storm shelters, etc.) to be five (5') feet from the rear property line.

Lot Size: The minimum lot width shall be thirty (30') feet at the front building line and twenty (20') feet along street frontage. The minimum lot area shall be three thousand (3,000) square feet. Minimum lot depth shall be ninety (90') feet.

Building Coverage: Main and accessory buildings shall not cover more than fifty percent (50%) of the lot area.

Impervious Area: The total amount of impervious area, including all buildings and permanently paved areas shall not cover more than seventy-five percent (75%) of a lot.

Development Area Density: Development Area 1 is anticipated to contain approximately 37 residential lots, which each may contain one (1) main dwelling and one (1) ADU.

2. Development Area 2 – High Density Residential

24th Avenue NW Setback: There shall be a minimum ten-foot (10') building setback from any property line fronting 24th Avenue NW.

Interstate Drive Setback: There shall be a minimum ten-foot (10') building setback from any property line fronting Interstate Drive.

No Other Required Setbacks: Except for the two setbacks enumerated above, in an effort to create a vibrant, walkable, pedestrian friendly and high-quality development, there shall be no minimum building setbacks from any property lines or interior streets, subject to applicable sight line and sight triangle requirements. Notwithstanding the foregoing, no building shall be permitted to encroach upon any public easement or right-of-way without obtaining City Council approval pursuant to a Consent to Encroach or similar written agreement.

Impervious Area/Building Coverage: The total amount of impervious area, including all buildings and permanently paved areas shall not cover more than eighty percent (80%) of Development Area 2.

Lot Size: The minimum lot area shall be nine thousand (9,000) square feet.

Development Area Density: The maximum total density for Development Area 2 shall be 758 multi-family dwelling units and 24 townhomes.

3. Development Area 3 – Commercial

24th Avenue NW Setback: There shall be a minimum ten-foot (10') building setback from any property line fronting 24th Avenue NW.

Interstate Drive Setback: There shall be a minimum ten-foot (10') building setback from any property line fronting Interstate Drive.

Rock Creek Road Setback: There shall be a minimum twenty-five-foot (25') building setback from any property line fronting Rock Creek Road.

No Other Required Setbacks: Except for the two setbacks enumerated above, in an effort to create a vibrant, walkable, pedestrian friendly and high-quality development, there shall be no minimum building setbacks from any property lines or interior streets. Notwithstanding the foregoing, no building shall be permitted to encroach upon any public easement or right-of-way without obtaining City Council approval pursuant to a Consent to Encroach or similar written agreement.

Impervious Area/Building Coverage: Buildings may not cover more than fifty percent (50%) of Development Area 3. There shall be no maximum impervious area for Development Area 3.

Lot Size: The minimum lot area shall be nine thousand (9,000) square feet.

C. Additional Development Criteria:

1. Height

Due to the proximity of the Property to the Max Westheimer Airport, the maximum building height for each individual lot within the Property shall be governed by the maximum height allowable under applicable state and federal regulations, including, but not limited to, those prescribed by the Federal Aviation Administration and the Oklahoma Department of Aerospace and Aeronautics. Maximum gross floor areas for each individual platted lot shall be determined by utilizing maximum coverage allowances and maximum heights enumerated in this PUD.

2. Exterior Materials

The exterior of the buildings constructed within the Property may be constructed of brick, glass, stone, synthetic stone, stucco, EIFS, masonry, metal accents, and any combination thereof. The Applicant may further restrict and control the exterior materials and aesthetics of the buildings to be developed within the Property through the use of private design guidelines and restrictive covenants.

3. Sanitation

Sanitation services for the Property will comply with the City of Norman's sanitation ordinances, rules, and regulations, as may be amended from time to time. Final sanitation plans shall be subject to review and approval of City Staff.

4. Signage

In order to enhance wayfinding and to facilitate the vibrant entertainment development envisioned by this PUD, additional signage allowances are warranted. Development signage allowances are enumerated in **Exhibit F**, attached hereto. All other signs not discussed in Exhibit F shall comply with the sign standards of the City of Norman Sign Code, and as thereafter amended, as applicable to the underlying use for each lot. The Applicant may further restrict and control signage within the Property through the use of private design guidelines and restrictive covenants.

5. Traffic access and circulation

Access to the Property shall be permitted in the manner and locations depicted on the attached Preliminary Site Development Plan and Preliminary Plat.

6. Open Space

The areas initially planned as open space are depicted on the attached Preliminary Open Space Plan. The preliminary open space area shown on the Greenspace Exhibit contemplates approximately 24% of the Property will be used as open space; however, the total open space actually developed within the Property may be less than the amount shown on the Greenspace Exhibit. Notwithstanding the foregoing, the minimum amount of open space developed on the Property shall be ten percent (10%) of the Property.

7. Parking

Parking for the Property may be developed in general compliance with the parking layout shown on the Preliminary Site Development Plan. The Property shall comply with Norman's applicable parking ordinances, as

amended from time to time, provided that all parking spaces within the Property may be eighteen feet (18') by nine feet (9'). There shall be no minimum parking requirements for any use within the Property and actual end users are encouraged to reduce parking to the extent feasible and to utilize shared parking options, which can be finalized at final building permit stages.

8. Landscaping

Landscaping shall be installed and maintained in order to meet or exceed the City of Norman's applicable landscaping requirements applicable to the underlying uses of each individual lot within the Property.

9. Sidewalks

Sidewalks will be constructed within the Property in accordance with the City of Norman's applicable standards and specifications, as may be amended from time to time.

10. Lighting

Except for the allowances enumerated in Exhibit F for Development Area 3, and the exempt entertainment plazas discussed below, all other exterior lighting within Development Areas 2 and 3 shall be installed in conformance with the City of Norman's Commercial Outdoor Lighting Standards, as amended from time to time.

11. Entertainment Plazas

This PUD desires to create a vibrant and animated entertainment area within Development Area 3, with dynamic and creative signage, lighting, speakers, and other associated entertainment elements. Therefore, the entertainment plazas and outdoor entertainment areas that may be developed on Lots within Development Area 3 will be permitted to utilize outdoor speakers, televisions, stages, food trucks, and other similar entertainment elements. The Development Area 3 entertainment plazas and outdoor entertainment areas will be exempt from the City of Norman Noise Ordinance and the City of Norman's Commercial Outdoor Lighting Standards.

12. Initial Phasing and Development Plan

It is anticipated that the development of the Property will occur in multiple phases. A Preliminary Phasing Plan is attached showing a conceptual sequencing of development. Notwithstanding the foregoing, the actual timing, sequence, commencement, completion, and number of future phases will be determined by market demand and absorption rates, and many other

market factors outside the control of the Applicant. In order to allow for the type of high-quality development contemplated by this PUD, the Applicant may utilize multiple transaction types within the entire Property, including, but not limited to, selling, leasing, and otherwise conveying lots, buildings, and dwelling units with the Property.

EXHIBIT A

Legal Description of the Property

A tract of land lying in the East Half (E/2) of Section Fourteen (14), Township Nine (9) North, Range Three (3) West of the Indian Meridian, Cleveland County, Oklahoma being more particularly described as follows:

COMMENCING at the southeast corner of the Southeast Quarter of said Section 14;

THENCE North 89°06'20" East, along the south line of said Southeast Quarter, a distance of 205.03 feet;

THENCE North 00°21'28" West a distance of 280.01 feet to a point of intersection of the east right of way line of Interstate Drive as established in Book 5288, Page 52 with the north right of way line of Rock Creek Road as established in Book 4630, Page 406 and the POINT OF BEGINNING;

THENCE along the east right of way line of said Interstate Drive, the following Five (5) courses:

1. Continuing North 00°21'28" West a distance of 1,107.06 feet to a point of curvature;

2. Northerly along a non tangent curve to the right having a radius of 910.00 feet (said curve subtended by a chord which bears North 05°50'27" East a distance of 196.52 feet) for an arc distance of 196.90 feet to a point of reverse curvature;

3. Northerly along a non tangent curve to the left having a radius of 990.00 feet (said curve subtended by a chord which bears North 06°09'41" East a distance of 202.77 feet) for an arc distance of 203.13 feet;

4. North 00°17'00" East, a distance of 1,427.78 feet;

5. North 47°18'26" East a distance of 244.88 feet to a point on the south right of way line of Corporate Center Drive as established by said document recorded in Book 5288, Page 52;

THENCE along said south right of way line, the following Five (5) courses:

1. North 89°38'32" East a distance of 915.55 feet to a point of curvature;

2. Easterly along a curve to the left having a radius of 540.00 feet (said curve subtended by a chord which bears North 68°06'45" East a distance of 396.34 feet) for an arc distance of 405.82 feet to a point of reverse curvature;

3. Easterly along a curve to the right having a radius of 159.92 feet (said curve subtended by a chord which bears South 82°04'47" East a distance of 249.79 feet) for an arc distance of 286.65 feet;

4. South 30°46'30" East, a distance of 177.61 feet;

5. South 20°48'48" West a distance of 32.32 feet to a point on the westerly right of way line of 24th Avenue N.W. as established in Book 2552, Page 472;

THENCE South 75°46'31" East, along said westerly right of way line, a distance of 27.24 feet;

THENCE South 30°46'30" East a distance of 60.00 feet to a point on the centerline of said 24th Avenue N.W.;

THENCE along said centerline, the following Four (4) courses:

1. South 59°13'30" West a distance of 506.75 feet to a point of curvature;

2. Southerly along a curve to the left having a radius of 1,225.41 feet (said curve subtended by a chord which bears South 10°24'11" West a distance of 1,844.66 feet) for an arc distance of 2,088.36 feet;

3. South 38°25'09" East a distance of 400.00 feet to a point of curvature;

4. Southeasterly along a curve to the right having a radius of 1,905.41 feet (said curve subtended by a chord which bears South 25°52'38" East a distance of 827.54 feet) for an arc distance of 834.18 feet;

South 76°39'53" West, a distance of 60.01 feet;

THENCE South 38°04'45" West a distance of 31.45 feet to a point on the north right of way line of Rock Creek Road as established in Book 4630, Page 406;

THENCE along said north right of way line, the following Six (6) courses:

1. South 89°06'20" West a distance of 164.31 feet;

2. North 86°07'59" West a distance of 222.17 feet;

3. North 74°46'41" West a distance of 371.81 feet;

4. North 85°32'53" West a distance of 340.56 feet;

5. North 82°57'16" West a distance of 482.29 feet;

6. South 89°06'20" West a distance of 89.68 feet to the POINT OF BEGINNING.

Said described tract of land contains an area of 3,923,449 square feet or 90.0700 acres, more or less.

The basis of bearings for this legal description was the Oklahoma State Plane Coordinate System (NAD83-South Zone) using a bearing of North 89°06'20" East on the south line of the Southeast Quarter of Section 14, Township 9 North, Range 3 West of the Indian Meridian.

EXHIBIT B

Preliminary Site Development Plan

Full Size Documents Submitted to City Staff

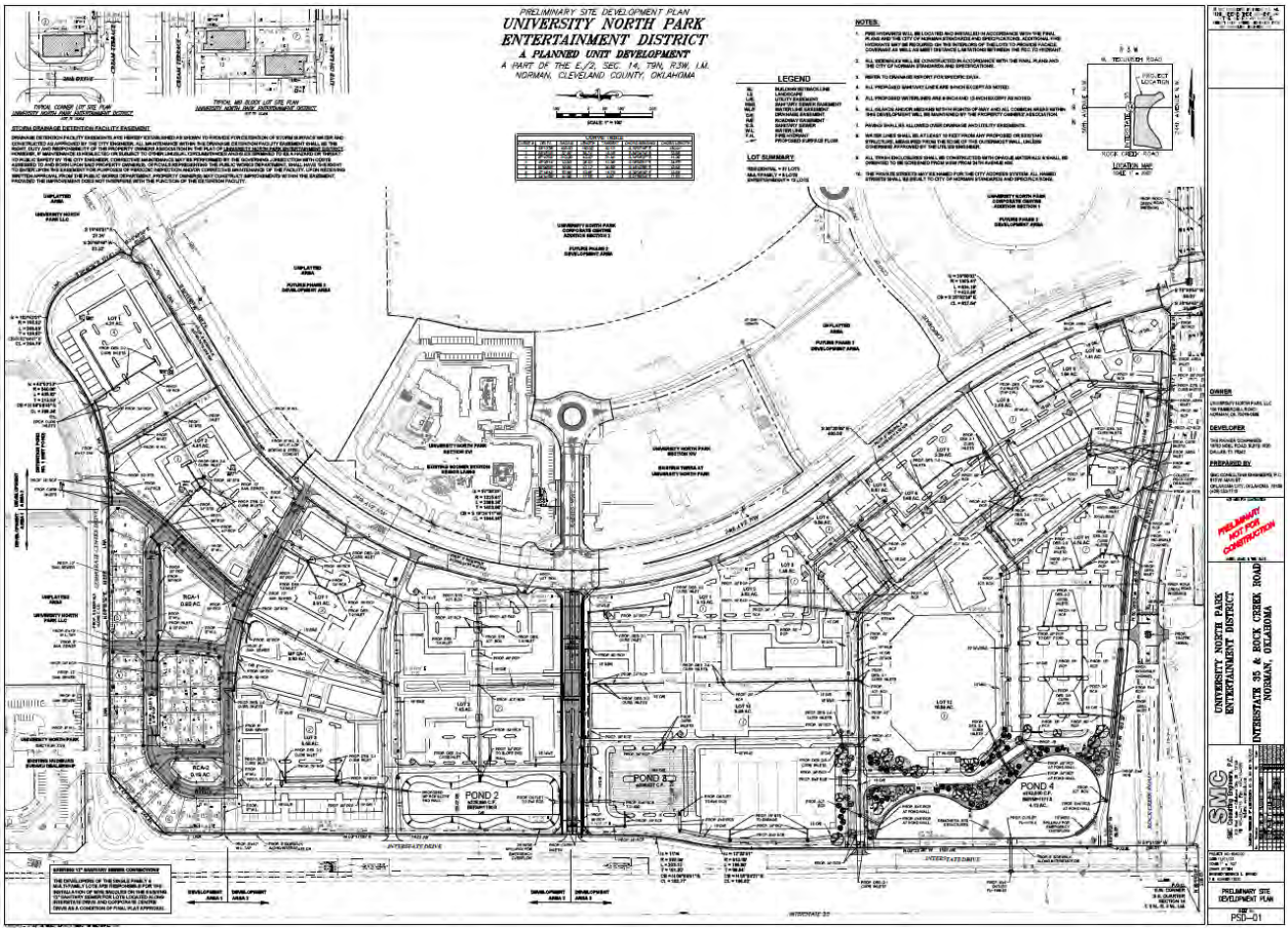


EXHIBIT C
Allowable Uses

Development Area 1 – Urban Residential

- Detached one family dwelling.
- Townhomes
- Family day care home.
- Discreet Home Business:
    - Within Development Area 1, home occupations will be allowed in a slightly greater intensity of use than as allowed under the City of Norman's standard R-1, Single-Family Residential zoning district. Such business activity will be limited to types of businesses that do not require more than two customer or client parked cars at any given time. No retail activity or sales of merchandise would be allowed. Employees would be limited to one on-site worker and patronage would have to be by appointment only. Minimal, non-illuminated identification signage of no more than four (4) sf in area, attached to the surface of the main dwelling, would be allowed to denote the business being carried on within.
- Municipal recreation or water supply.
- Model Home, subject to an applicable City of Norman annual permit.
- Short-term rentals.
- One accessory dwelling unit (ADU) may be developed on each lot provided (a) it is clearly secondary to the main dwelling; and (b) is not a mobile home;
    - The ADU may be used as a permanent residence and may contain its own attached garage, kitchen, and similar components to allow the occupant to maintain autonomy while allowing for creative housing opportunities, such as, by way of example, aging in place. The ADU may be leased (but not owned) separate from the main principal dwelling.
- Neighborhood/Community Clubhouse and similar associated amenities
- Accessory buildings and uses customarily incidental to any of the above uses when located on the same lot.

Development Area 2 – High Density Residential

- Apartment Buildings
- Townhomes
- Short-term rentals
- Ground floors may contain, but are not obligated to contain, office uses, commercial shops and services, retail, and other mixed-use offerings within the larger apartment/residential structures.
- Leasing offices, pool areas, dog parks, sports courts, walking trails, fitness stations, frisbee golf, outdoor grill areas, and similar recreational amenities for the residents of the development.
- Accessory buildings and uses customarily incidental to any of the above uses when located on the same lot

Development Area 3 – Commercial

- Multi-Purpose Event Venue
- Convention/Conference Center
- Banquet Hall
- Hotel
- Office Buildings
- Amusement and Entertainment Enterprises
- Parking Garage
- General Commercial and Retail Uses, such as, but not limited to:
    - Art Gallery, Museum, Shop, Store, or Studio
    - Athletic Gyms and Similar Workout Facilities;
    - Baby or Maternity Store;
    - Bank;
    - Bakery and Baked Goods;
    - Bar;
    - Barber Shop, Beauty Parlor, Salon, and Similar Establishments;
    - Book Store;
    - Butcher or Meat Market;
    - Carpenter and cabinet shop;
    - Cleaning and dyeing works;
    - Camera shop;
    - Candy store;
    - Catering establishment;
    - Childcare establishment;
    - Clothing or apparel store;
    - Coffee Shop;
    - Cosmetics;
    - Craft Store;
    - Department Store;
    - Dairy products or ice cream store;
    - Delicatessen store;
    - Dress shop;
    - Drug store or fountain;
    - Electric sales and service;
    - Electric transmission station;
    - Farmers Market;
    - Feed and fuel store;
    - Frozen food locker;
    - Fabric or notion store;
    - Florist;
    - Furniture Store;
    - Fine Goods;
    - Gift Shop;
    - Grocery or supermarket;
    - Glass shop;
    - Golf course, miniature or practice range;

- Hardware store;
- Heating, ventilating or plumbing supplies, sales and service;
- Health and Personal Goods Store;
- Home Décor;
- Home Goods;
- Ice plant or storage house for ice and food housing not more than ten (10) tons capacity;
- Interior decorating store;
- Jewelry/Fine Goods;
- Key Shop;
- Leather Store/ Leather Goods;
- Laundry;
- Lodge hall;
- Lumber and building materials sales yard;
- Music, radio or television shop;
- Messenger/Phone/Electronic Store;
- New Auto Sales;
- Optical Store;
- Party Supply Store;
- Printing plant;
- Painting and decorating shop;
- Pet shop;
- Pharmacy;
- Photographer's studio;
- Radio and television sales and service;
- Restaurants; A restaurant may include live entertainment and/or a dance floor, provided the kitchen remains open with full food service whenever live entertainment is offered;
- Retail spirits store/Liquor Store;
- Retail Stores, Kiosks, Stalls, and Booths;
- Supermarket;
- Sporting goods sales;
- Stationery store;
- Shoe store or repair shop;
- Sign painting shop;
- Tailor Shop/Services;
- Theaters, Bowling Alley, Arcade, and Similar Entertainment Establishments, including those that sell alcoholic beverages in compliance with state law;
- Toy Store; and
- Wholesale distributing center.

- Live Outdoor Entertainment
- Outdoor advertising signs; and
- Accessory buildings and uses customarily incidental to any of the above uses when located on the same lot

EXHIBIT D

Preliminary Plat

Full Size Documents Submitted to City Staff

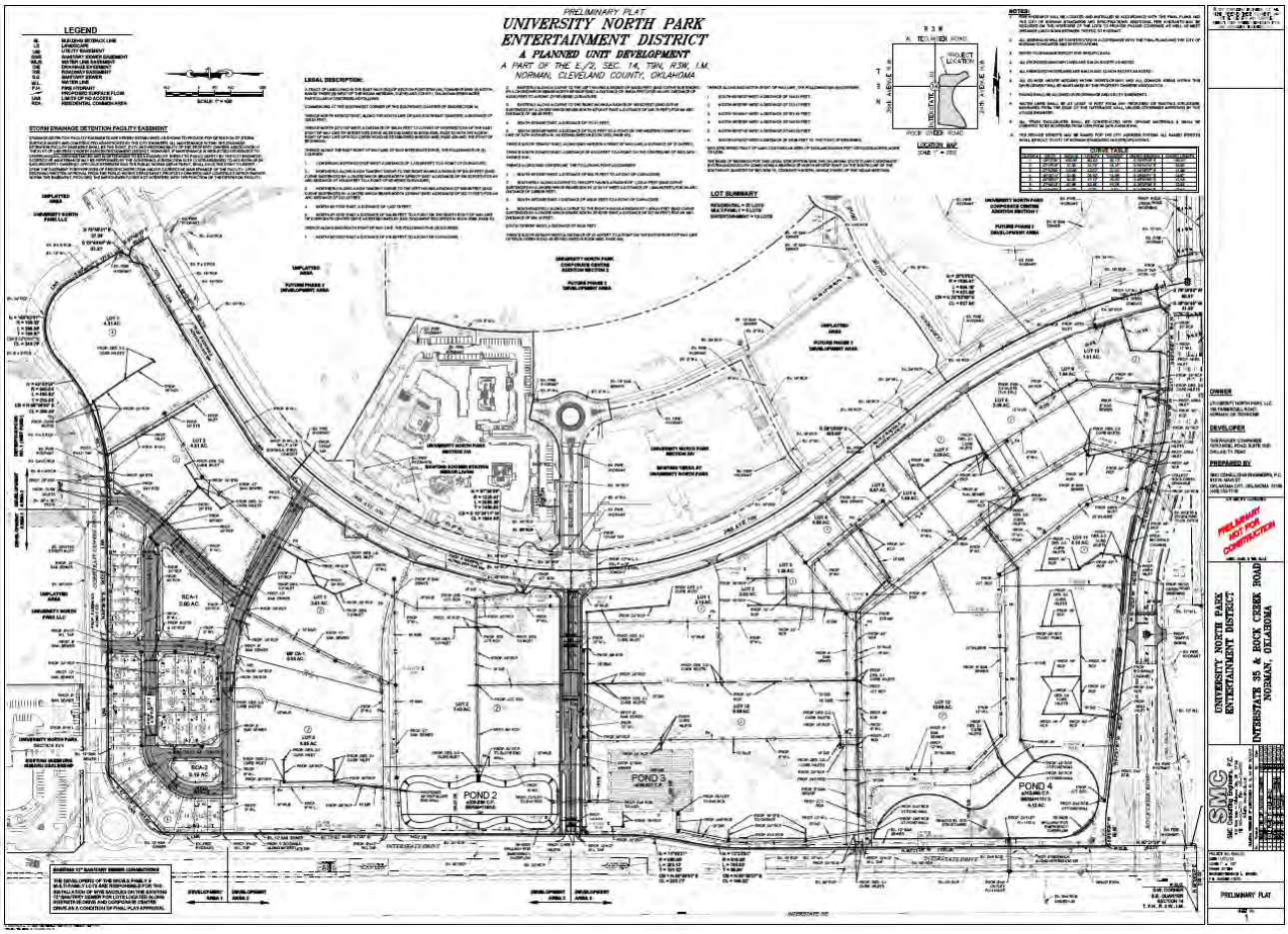


EXHIBIT E

Greenspace Exhibit

Full Size Documents Submitted to City Staff

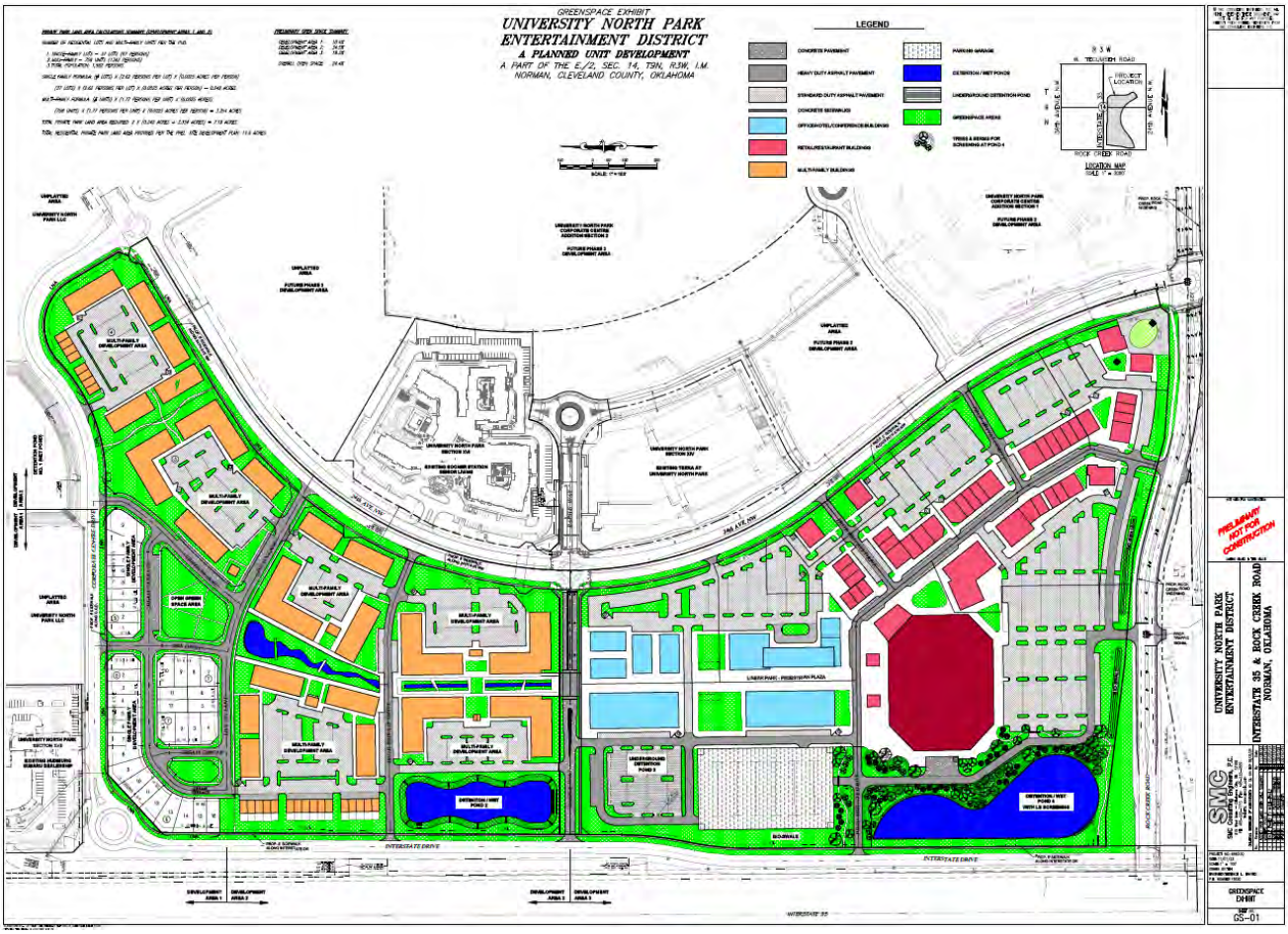


EXHIBIT F

Development Signage Allowances

In addition to all signage allowances enumerated in the City of Norman Signage Code, as may be amended from time to time, the following signage allowances shall be applicable to the development of the Property:

1. **Development Area 3 Main Message Center** – Development Area 3 may feature a large message center to enhance, identity, advertise, and otherwise support the Multi-Purpose Event Venue to be located within Development Area 3 (the "**Main Message Center**"). The Main Message Center may be freestanding or attached to a building. The Main Message Center sign may be a maximum of 750 square feet of signage. The Main Message Center may be an electronic or digital sign.
2. **Development Area 3 Entrance Signs** – Development Area 3 may feature up to seven entrance identification signs advertising the entrances to Development Area 3, and any buildings, tenants, users, or destinations located therein. Each such Development Area 3 Entrance Sign may be a maximum of 300 square feet per side.
3. **Development Area 2 Entrance Signs** – Development Area 2 may feature up to five entrance identification signs advertising the entrances to Development Area 2, and any buildings, tenants, users, or destinations located therein. Each such Development Area 2 Entrance Sign may be a maximum of 300 square feet per side.
4. **Development Area 1 Entrance Signs** – Development Area 1 may feature up to five entrance identification signs advertising the entrances to Development Area 1. Each such Development Area 1 Entrance Sign may be a maximum of 100 square feet per side.
5. **Major Directional Signs** – Up to ten Major Directional Signs shall be allowed within the Property indicating directions to the different locations, services, offices, areas, or entrances contained within the Property. The Major Directional Signs are intended to contain directions to multiple locations or destinations on each sign, such as directions to the entrances, parking locations, retail districts, entertainment districts, and various other locations within the Property. Each Major Directional Sign may be a maximum of 200 square feet per side.
6. **Minor Directional Signs** – Up to fifteen Minor Directional Signs shall be allowed within the Property indicating directions to the different locations, services, offices, areas, or entrances contained within the Property. The Minor Directional Signs are intended to be ancillary and supplementary to the Major Development Signs, with each Minor Directional Sign indicating directions to a single location or destination, such as directions to entrances, parking locations, retail districts, entertainment districts, and various other locations within the Property. Each Minor Directional Sign may be a maximum of 100 square feet per side.
7. **Service Directional Signs** – Service Directional Signs may be installed at each service entry and exit location within the Property to direct service, delivery, drop off, and similar traffic along the correct route. Each Service Directional Sign may be a maximum of 50 square feet per side.
8. **Major Façade Signs** – There shall be no maximum signage limitations for façade signs located on the Multi-Purpose Event Venue to be located within Development Area 3 or on

any building constructed on a lot within Development Area 3 that shares a property line with the lot containing the Multi-Purpose Event Venue. Portions of Major Façade Signs may extend above the roof line of the buildings. For clarity, the Major Façade Signs may be constructed above the roof deck of the occupiable space of the buildings, such as, without limitation, along the façade of mechanical units, equipment, screening, parapet walls, or penthouse structures.

9. **Minor Façade Signs** – Buildings located within Development Area 3 that do not qualify for Major Façade Signs, as enumerated above, and buildings located within Development Area 2, may feature up to five Minor Façade Signs per building. Each Minor Façade Sign may be a maximum of 500 square feet and portions of each Minor Façade Sign may extend above the roof line of the building. For clarity, the Minor Façade Signs may be constructed above the roof deck of the occupiable space of the buildings, such as, without limitation, along the façade of mechanical units, equipment, screening, parapet walls, or penthouse structures.
10. **Outdoor Plaza** – This PUD desires to create a vibrant and animated entertainment area within Development Area 3, with dynamic and creative signage, lighting, and other associated entertainment elements. Therefore, the following will all be permissible within the designated entertainment plazas and associated outdoor entertainment areas:
    a. Plaza Tower Signs: Signs that consist of free-standing multisided structures.
    b. Supergraphic Signs: Signs which consist of an image, with or without written text, which is applied to and made integral with a wall, projected onto a wall, illuminated by LED or other pixilated lighting where permitted, or printed on vinyl, mesh, window film, or other material supported and attached to a wall or window by an adhesive and/or by using stranded cable and eye-bolts and/or other materials or methods.
    c. Large-Scale Architectural Lighting: Lighting elements placed on a significant portion of a building's facade to highlight or accentuate vertical, horizontal, or other elements of the structure's architecture.
    d. Electronic Message Display Sign: Signs that display still images, scrolling images or moving images, including video and animation, utilizing a series or grid of lights that may be changed by electronic means, including cathode ray, light emitting diode display (LED), plasma screen, liquid crystal display (LCD), fiber optic, or other electronic media or technology.
    e. Sponsorship Signs: Signs which identify or promote a facility, use, business, product, service, profession, commodity, activity, exhibition, display, promotion, presentation, event, person, institution, or sponsor of any of the foregoing, which is conducted, sold, manufactured, produced, exhibited, displayed, promoted, presented, broadcast, televised, offered or occurring within Development Area 3, including any incidental facility, use, business, product, service, profession, commodity, activity, exhibition, display, promotion, presentation, event, person or institution. Such signs may be permanent or temporary in nature.

f. Aerial View Signs: Sign that are applied or placed upon the roof surface, approximately parallel with the roof plane, intended to be viewed from the sky. An Aerial View Sign shall not be visible from any adjacent public right-of-way.
g. Architectural Ledge Signs: Signs with individual channel letters, numbers, symbols or icons, which stand atop a horizontal projection forming a narrow shelf on a wall or architectural projection. The signs may not be on top of a roof.
h. Animated Sign: Signs that contain images, parts, or illumination which flash, change, move, stream, scroll, blink or otherwise incorporate motion.

11. **Illumination** – All of the signage discussed in this exhibit may be backlit or otherwise illuminated with LED or similar lighting.
12. **Banner Signage** – Banners, flag signs, and other similar decorative signage may be displayed on the Property. Banners may be attached to private light poles or to the buildings to advertise the Property, holidays, events within the Property, the University of Oklahoma, the City of Norman, or other similar instances or community organizations.
13. **Sight Triangle Protection** – All signage within the Property shall be placed in appropriate locations to not interfere with applicable traffic sight triangles.
14. **Platted Easements** – Signs may not be placed in any platted easements without first obtaining consent to such encroachment from the applicable utility providers and City Council.
15. **Height** – Due to the proximity of the Property to the Max Westheimer Airport, the maximum signage height within the Property shall be governed by the maximum height allowable under applicable state and federal regulations, including, but not limited to, those prescribed by the Federal Aviation Administration and the Oklahoma Department of Aerospace and Aeronautics.
16. **Safety –** All signage discussed within this exhibit shall be constructed, located, and displayed in accordance with prevailing industry standards of care and practices for signage of such type and comparable entertainment districts in order to ensure such signage does not pose a safety hinderance to drivers or pedestrians.

EXHIBIT G

Preliminary Phasing Plan

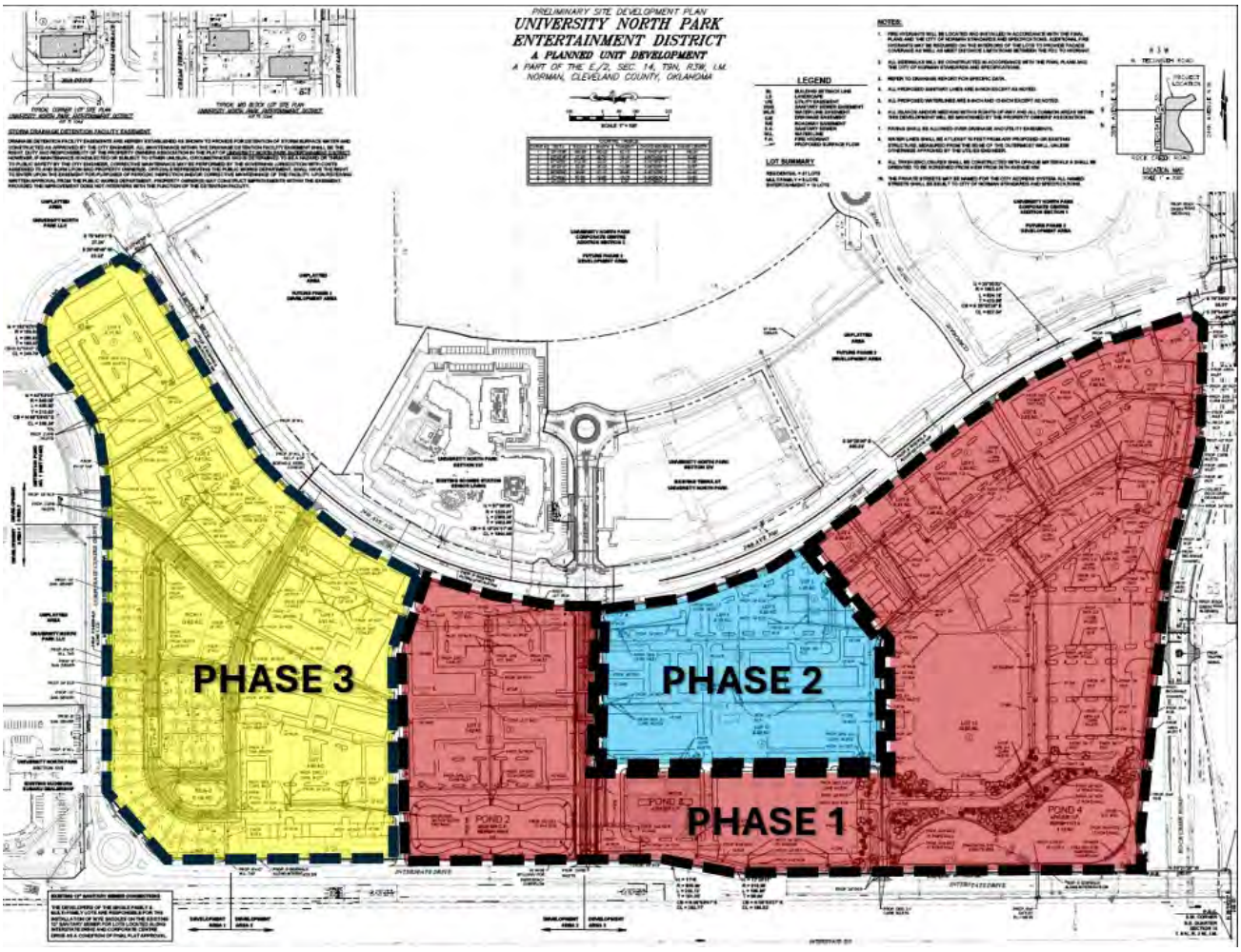
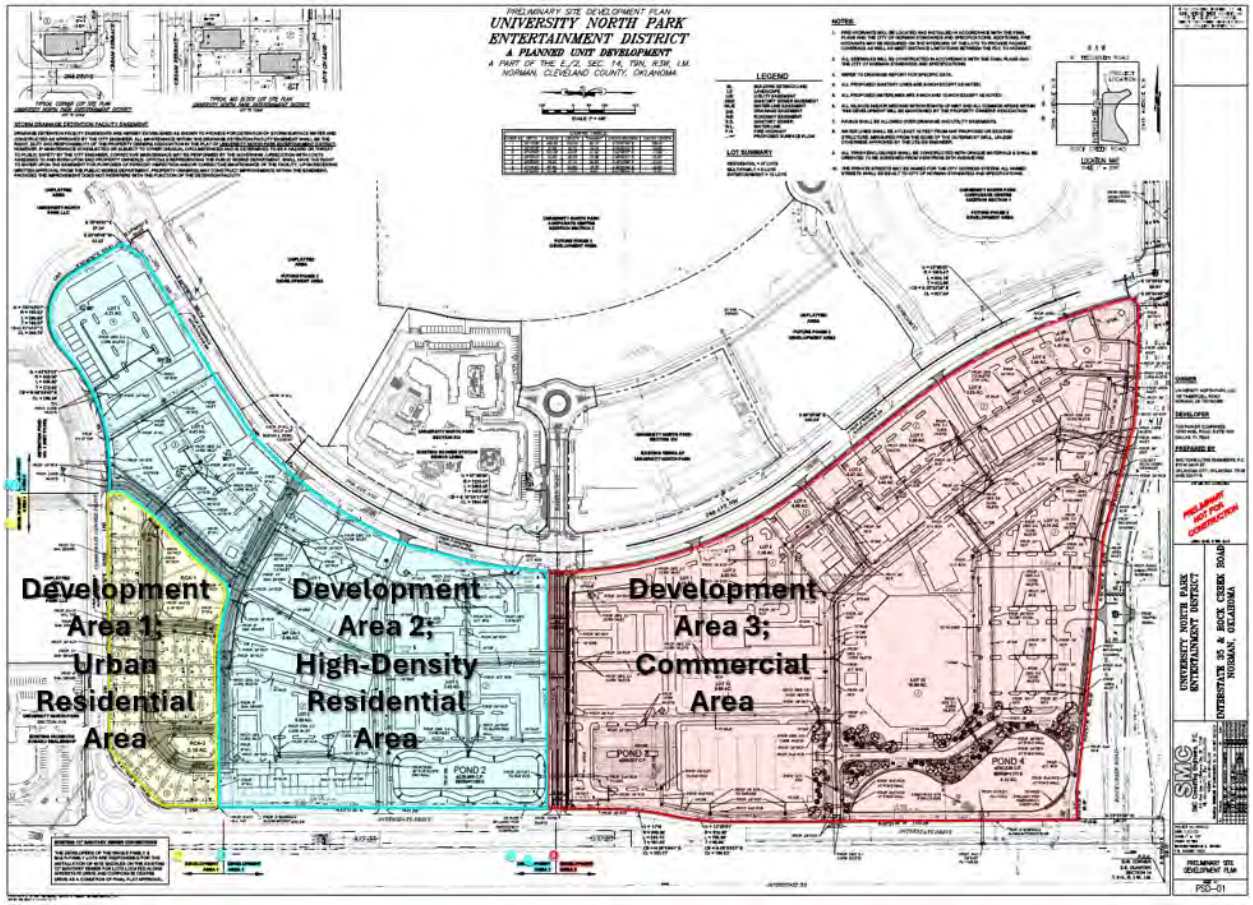


EXHIBIT H

Depiction of Development Areas

Full Size Documents Submitted to City Staff



UNIVERSITY NORTH PARK ENTERTAINMENT DISTRICT

A PLANNED UNIT DEVELOPMENT
NORMAN, OKLAHOMA

APPLICANT:
UNIVERSITY NORTH PARK, LLC

APPLICATION FOR:

PLANNED UNIT DEVELOPMENT
PRELIMINARY PLAT

Submitted: November 1, 2023
Revised: ~~June 7, 2024~~September 11, 2024

PREPARED BY:

RIEGER LAW GROUP PLLC
136 Thompson Drive
Norman, Oklahoma 73069

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I. INTRODUCTION

University North Park, LLC (the "**Applicant**") intends to rezone the real property that is more particularly described on **Exhibit A** (the "**Property**") to a Planned Unit Development ("**PUD**") in order to develop a mixed-use master planned community, with allowances for various residential opportunities, hospitality and entertainment anchors, and compatible commercial uses within the Property, as more particularly enumerated in this PUD Narrative. The Applicant has also submitted a corresponding Preliminary Plat for the Property in order to facilitate the subdivision of the Property. The Property contains approximately 90 acres. A preliminary conceptual site plan of the proposed development has been attached hereto as **Exhibit B**.

The project design team consists of the Applicant, Rainier Development, Arcadis, SMC Consulting Engineers, and Traffic Engineering Consultants.

II. PROPERTY DESCRIPTION/GENERAL SITE CONDITIONS

A. Location

The Property is generally located East of Interstate Drive, West of 24th Avenue NW, North of Rock Creek Road, and South of Corporate Centre Drive, as is more particularly shown on the attached exhibits.

B. Existing Land Use and Zoning

The Property is currently zoned PUD, pursuant to O-0607-13. Additionally, the Property currently has a NORMAN 2025 designation of Mixed-Use. The Property is located within the University North Park development and all immediately adjacent parcels are zoned PUD and designated Mixed-Use by NORMAN 2025. The Property is undeveloped.

C. Elevation and Topography

Generally, the Property is flat, with only gradual elevation changes from the East towards the West. The Property contains little to no vegetation or heavily wooded areas.

D. Drainage

The Property will utilize stormwater and drainage management systems that will meet or exceed the City's applicable ordinances and regulations. A preliminary drainage report has been provided to City Staff as part of the Preliminary Plat application. As noted in the drainage report, portions of the Property drain into two (2) separate watersheds.

E. Utility Services

All necessary utilities for this project are currently located within the proximity to serve the Property, or they will be extended as necessary to facilitate the planned development as future development phases commence.

F. Fire Protection Services

Fire Protection services will be provided by the City of Norman Fire Department and by individual property owners as may be required by applicable City codes, ordinances, and regulations.

G. Traffic Circulation and Access

Access to the Property shall be permitted in the manner depicted on the attached Preliminary Site Development Plan and Preliminary Plat. A Traffic Impact Analysis, conducted and prepared by Traffic Engineering Consultants, Inc., has been provided to City Staff as part of the Preliminary Plat application.

III. DEVELOPMENT PLAN AND DESIGN CONCEPT

The Property shall be developed in compliance with the Preliminary Site Development Plan, attached hereto as **Exhibit B**, subject to final design development and the changes allowed by Section 36-509 of the City of Norman's PUD Ordinance, as may be amended from time to time. The Exhibits attached hereto, and as submitted on behalf of the Applicant, are incorporated herein by reference and further depict the development criteria for the Property.

A. Uses Permitted:

The Property will be developed as a mixed-use master planned community, with allowances for various residential opportunities, hospitality and entertainment anchors, and compatible commercial uses within the Property. For purposes of area regulations and allowable uses, the Property shall be divided into three (3) Development Areas. Development Area 1 is planned as the Urban Residential Area. Development Area 2 is planned as the High-Density Residential Area. Finally, Development Area 3 is planned as the Commercial Area. A complete list of the allowable uses for the Property is attached as **Exhibit C**. A depiction of the Development Areas is attached as **Exhibit H**.

B. Area Regulations:

1. Development Area 1 – Urban Residential

Front Yard: The minimum depth of the front yard setback shall be ten (10') feet provided that all garages shall have a minimum nineteen (19') foot front yard setback to allow for a parking space in the driveway.

Side Yard: The minimum depth of the side yard setback shall be five (5') feet provided that roof, gutter, window, patio, patio coverings, and similar improvement overhangs shall be allowed to encroach upon the side yard setback, up to a maximum of two (2') feet.

Rear Yard: The minimum depth of the rear yard setback shall be ten (10') feet, with the allowance for patios, sheds, balconies, ADUs, and similar residential accessory improvements (i.e., gazebos, storm shelters, etc.) to be five (5') feet from the rear property line.

Lot Size: The minimum lot width shall be thirty (30') feet at the front building line and twenty (20') feet along street frontage. The minimum lot area shall be three thousand (3,000) square feet. Minimum lot depth shall be ninety (90') feet.

Building Coverage: Main and accessory buildings shall not cover more than fifty percent (50%) of the lot area.

Impervious Area: The total amount of impervious area, including all buildings and permanently paved areas shall not cover more than seventy-five percent (75%) of a lot.

Development Area Density: Development Area 1 is anticipated to contain approximately 37 residential lots, which each may contain one (1) main dwelling and one (1) ADU.

2. Development Area 2 – High Density Residential

24th Avenue NW Setback: There shall be a minimum ten-foot (10') building setback from any property line fronting 24th Avenue NW.

Interstate Drive Setback: There shall be a minimum ten-foot (10') building setback from any property line fronting Interstate Drive.

No Other Required Setbacks: Except for the two setbacks enumerated above, in an effort to create a vibrant, walkable, pedestrian friendly and high-quality development, there shall be no minimum building setbacks from any property lines or interior streets, subject to applicable sight line and sight triangle requirements. Notwithstanding the foregoing, no building shall be permitted to encroach upon any public easement or right-of-way without obtaining City Council approval pursuant to a Consent to Encroach or similar written agreement.

Impervious Area/Building Coverage: The total amount of impervious area, including all buildings and permanently paved areas shall not cover more than eighty percent (80%) of Development Area 2.

Lot Size: The minimum lot area shall be nine thousand (9,000) square feet.

Development Area Density: The maximum total density for Development Area 2 shall be 758 multi-family dwelling units and 24 townhomes.

3. Development Area 3 – Commercial

24th Avenue NW Setback: There shall be a minimum ten-foot (10') building setback from any property line fronting 24th Avenue NW.

Interstate Drive Setback: There shall be a minimum ten-foot (10') building setback from any property line fronting Interstate Drive.

Rock Creek Road Setback: There shall be a minimum twenty-five-foot (25') building setback from any property line fronting Rock Creek Road.

No Other Required Setbacks: Except for the two setbacks enumerated above, in an effort to create a vibrant, walkable, pedestrian friendly and high-quality development, there shall be no minimum building setbacks from any property lines or interior streets. Notwithstanding the foregoing, no building shall be permitted to encroach upon any public easement or right-of-way without obtaining City Council approval pursuant to a Consent to Encroach or similar written agreement.

Impervious Area/Building Coverage: Buildings may not cover more than fifty percent (50%) of Development Area 3. There shall be no maximum impervious area for Development Area 3.

Lot Size: The minimum lot area shall be nine thousand (9,000) square feet.

C. Additional Development Criteria:

1. Height

Due to the proximity of the Property to the Max Westheimer Airport, the maximum building height for each individual lot within the Property shall be governed by the maximum height allowable under applicable state and federal regulations, including, but not limited to, those prescribed by the Federal Aviation Administration and the Oklahoma Department of Aerospace and Aeronautics. Maximum gross floor areas for each individual platted lot shall be determined by utilizing maximum coverage allowances and maximum heights enumerated in this PUD.

2. Exterior Materials

The exterior of the buildings constructed within the Property may be constructed of brick, glass, stone, synthetic stone, stucco, EIFS, masonry, metal accents, and any combination thereof. The Applicant may further restrict and control the exterior materials and aesthetics of the buildings to be developed within the Property through the use of private design guidelines and restrictive covenants.

3. Sanitation

Sanitation services for the Property will comply with the City of Norman's sanitation ordinances, rules, and regulations, as may be amended from time to time. Final sanitation plans shall be subject to review and approval of City Staff.

4. Signage

In order to enhance wayfinding and to facilitate the vibrant entertainment development envisioned by this PUD, additional signage allowances are warranted. Development signage allowances are enumerated in **Exhibit F**, attached hereto. All other signs not discussed in Exhibit F shall comply with the sign standards of the City of Norman Sign Code, and as thereafter amended, as applicable to the underlying use for each lot. The Applicant may further restrict and control signage within the Property through the use of private design guidelines and restrictive covenants.

5. Traffic access and circulation

Access to the Property shall be permitted in the manner and locations depicted on the attached Preliminary Site Development Plan and Preliminary Plat.

6. Open Space

The areas initially planned as open space are depicted on the attached Preliminary Open Space Plan. The preliminary open space area shown on the Greenspace Exhibit contemplates approximately 24% of the Property will be used as open space; however, the total open space actually developed within the Property may be less than the amount shown on the Greenspace Exhibit. Notwithstanding the foregoing, the minimum amount of open space developed on the Property shall be ten percent (10%) of the Property.

7. Parking

Parking for the Property may be developed in general compliance with the parking layout shown on the Preliminary Site Development Plan. The Property shall comply with Norman's applicable parking ordinances, as

amended from time to time, provided that all parking spaces within the Property may be eighteen feet (18') by nine feet (9'). There shall be no minimum parking requirements for any use within the Property and actual end users are encouraged to reduce parking to the extent feasible and to utilize shared parking options, which can be finalized at final building permit stages.

8. Landscaping

Landscaping shall be installed and maintained in order to meet or exceed the City of Norman's applicable landscaping requirements applicable to the underlying uses of each individual lot within the Property.

9. Sidewalks

Sidewalks will be constructed within the Property in accordance with the City of Norman's applicable standards and specifications, as may be amended from time to time.

10. Lighting

Except for the allowances enumerated in Exhibit F for Development Area 3, and the exempt entertainment plazas discussed below, all other exterior lighting within Development Areas 2 and 3 shall be installed in conformance with the City of Norman's Commercial Outdoor Lighting Standards, as amended from time to time.

11. Entertainment Plazas

This PUD desires to create a vibrant and animated entertainment area within Development Area 3, with dynamic and creative signage, lighting, speakers, and other associated entertainment elements. Therefore, the entertainment plazas and outdoor entertainment areas that may be developed on Lots within Development Area 3 will be permitted to utilize outdoor speakers, televisions, stages, food trucks, and other similar entertainment elements. The Development Area 3 entertainment plazas and outdoor entertainment areas will be exempt from the City of Norman Noise Ordinance and the City of Norman's Commercial Outdoor Lighting Standards.

12. Initial Phasing and Development Plan

It is anticipated that the development of the Property will occur in multiple phases. A Preliminary Phasing Plan is attached showing a conceptual sequencing of development. Notwithstanding the foregoing, the actual timing, sequence, commencement, completion, and number of future phases will be determined by market demand and absorption rates, and many other

market factors outside the control of the Applicant. In order to allow for the type of high-quality development contemplated by this PUD, the Applicant may utilize multiple transaction types within the entire Property, including, but not limited to, selling, leasing, and otherwise conveying lots, buildings, and dwelling units with the Property.

EXHIBIT A

Legal Description of the Property

A tract of land lying in the East Half (E/2) of Section Fourteen (14), Township Nine (9) North, Range Three (3) West of the Indian Meridian, Cleveland County, Oklahoma being more particularly described as follows:

COMMENCING at the southeast corner of the Southeast Quarter of said Section 14;

THENCE North 89°06'20" East, along the south line of said Southeast Quarter, a distance of 205.03 feet;

THENCE North 00°21'28" West a distance of 280.01 feet to a point of intersection of the east right of way line of Interstate Drive as established in Book 5288, Page 52 with the north right of way line of Rock Creek Road as established in Book 4630, Page 406 and the POINT OF BEGINNING;

THENCE along the east right of way line of said Interstate Drive, the following Five (5) courses:

1. Continuing North 00°21'28" West a distance of 1,107.06 feet to a point of curvature;

2. Northerly along a non tangent curve to the right having a radius of 910.00 feet (said curve subtended by a chord which bears North 05°50'27" East a distance of 196.52 feet) for an arc distance of 196.90 feet to a point of reverse curvature;

3. Northerly along a non tangent curve to the left having a radius of 990.00 feet (said curve subtended by a chord which bears North 06°09'41" East a distance of 202.77 feet) for an arc distance of 203.13 feet;

4. North 00°17'00" East, a distance of 1,427.78 feet;

5. North 47°18'26" East a distance of 244.88 feet to a point on the south right of way line of Corporate Center Drive as established by said document recorded in Book 5288, Page 52;

THENCE along said south right of way line, the following Five (5) courses:

1. North 89°38'32" East a distance of 915.55 feet to a point of curvature;

2. Easterly along a curve to the left having a radius of 540.00 feet (said curve subtended by a chord which bears North 68°06'45" East a distance of 396.34 feet) for an arc distance of 405.82 feet to a point of reverse curvature;

3. Easterly along a curve to the right having a radius of 159.92 feet (said curve subtended by a chord which bears South 82°04'47" East a distance of 249.79 feet) for an arc distance of 286.65 feet;

4. South 30°46'30" East, a distance of 177.61 feet;

5. South 20°48'48" West a distance of 32.32 feet to a point on the westerly right of way line of 24th Avenue N.W. as established in Book 2552, Page 472;

THENCE South 75°46'31" East, along said westerly right of way line, a distance of 27.24 feet;

THENCE South 30°46'30" East a distance of 60.00 feet to a point on the centerline of said 24th Avenue N.W.;

THENCE along said centerline, the following Four (4) courses:

1. South 59°13'30" West a distance of 506.75 feet to a point of curvature;

2. Southerly along a curve to the left having a radius of 1,225.41 feet (said curve subtended by a chord which bears South 10°24'11" West a distance of 1,844.66 feet) for an arc distance of 2,088.36 feet;

3. South 38°25'09" East a distance of 400.00 feet to a point of curvature;

4. Southeasterly along a curve to the right having a radius of 1,905.41 feet (said curve subtended by a chord which bears South 25°52'38" East a distance of 827.54 feet) for an arc distance of 834.18 feet;

South 76°39'53" West, a distance of 60.01 feet;

THENCE South 38°04'45" West a distance of 31.45 feet to a point on the north right of way line of Rock Creek Road as established in Book 4630, Page 406;

THENCE along said north right of way line, the following Six (6) courses:

1. South 89°06'20" West a distance of 164.31 feet;

2. North 86°07'59" West a distance of 222.17 feet;

3. North 74°46'41" West a distance of 371.81 feet;

4. North 85°32'53" West a distance of 340.56 feet;

5. North 82°57'16" West a distance of 482.29 feet;

6. South 89°06'20" West a distance of 89.68 feet to the POINT OF BEGINNING.

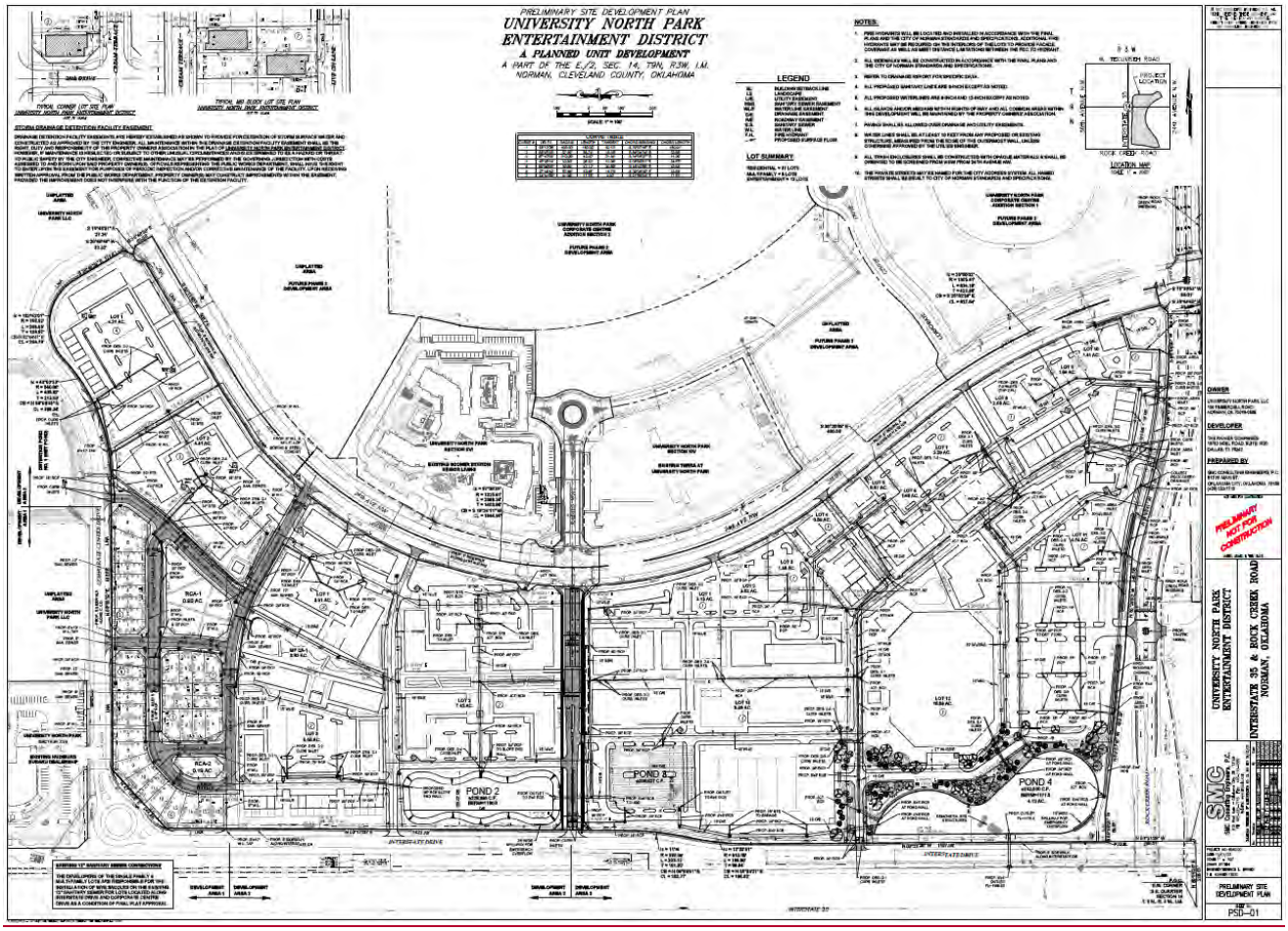
Said described tract of land contains an area of 3,923,449 square feet or 90.0700 acres, more or less.

The basis of bearings for this legal description was the Oklahoma State Plane Coordinate System (NAD83-South Zone) using a bearing of North 89°06'20" East on the south line of the Southeast Quarter of Section 14, Township 9 North, Range 3 West of the Indian Meridian.

EXHIBIT B

Preliminary Site Development Plan

Full Size Documents Submitted to City Staff



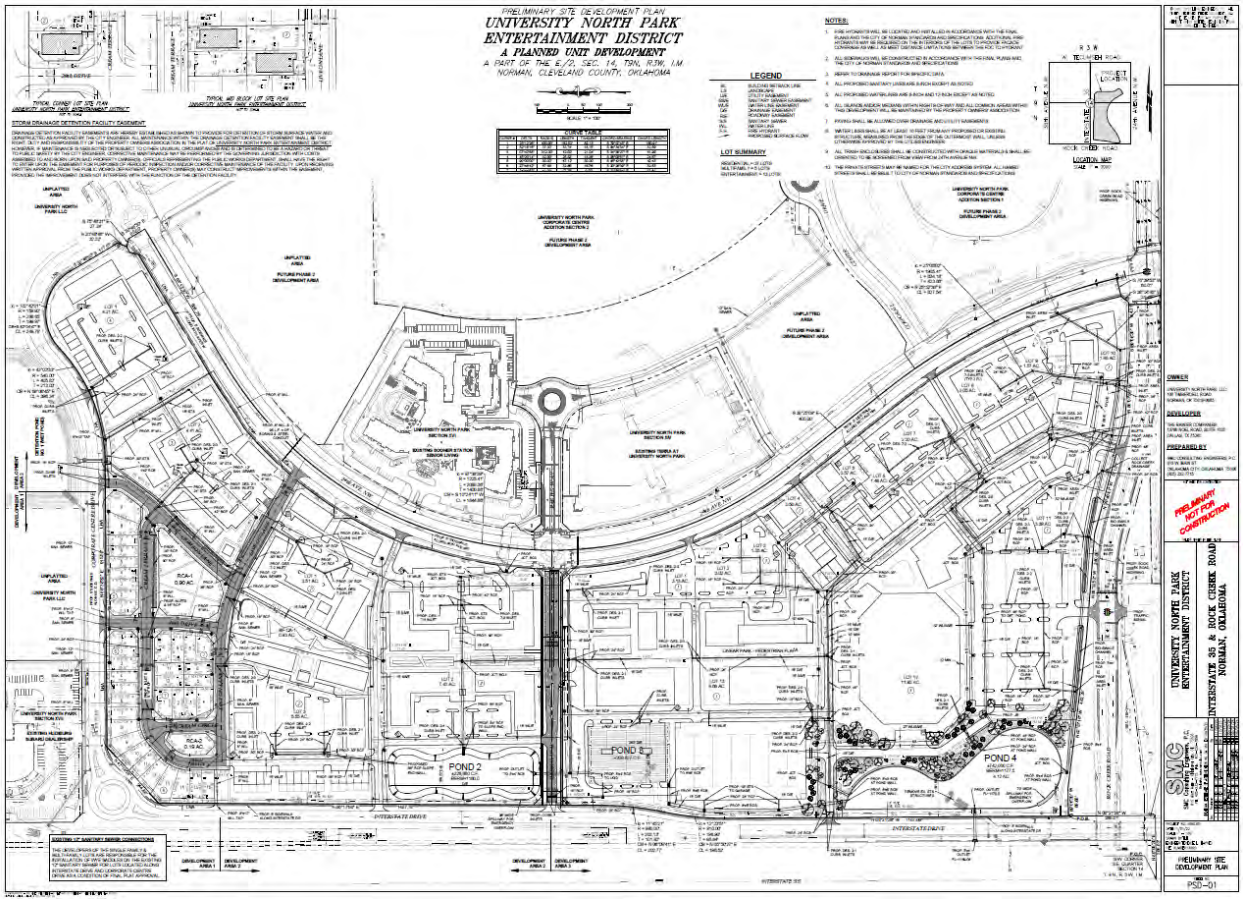

PRELIMINARY SITE DEVELOPMENT PLAN
UNIVERSITY NORTH PARK
ENTERTAINMENT DISTRICT
A PLANNED UNIT DEVELOPMENT
A PART OF THE E1/2, SEC. 14, T9N, R3W, I.M.
NORMAN, CLEVELAND COUNTY, OKLAHOMA
LEGEND
LOT SUMMARY
NOTES:
LOCATION MAP
POND 2
POND 4
INTERSTATE DRIVE
PRELIMINARY NOT FOR CONSTRUCTION
UNIVERSITY NORTH PARK ENTERTAINMENT DISTRICT
INTERSTATE 35 & ROCK CREEK ROAD
NORMAN, OKLAHOMA
PRELIMINARY SITE DEVELOPMENT PLAN
PSD-01

EXHIBIT C
Allowable Uses

Development Area 1 – Urban Residential

- Detached one family dwelling.
- Townhomes
- Family day care home.
- Discreet Home Business:
    - Within Development Area 1, home occupations will be allowed in a slightly greater intensity of use than as allowed under the City of Norman's standard R-1, Single-Family Residential zoning district. Such business activity will be limited to types of businesses that do not require more than two customer or client parked cars at any given time. No retail activity or sales of merchandise would be allowed. Employees would be limited to one on-site worker and patronage would have to be by appointment only. Minimal, non-illuminated identification signage of no more than four (4) sf in area, attached to the surface of the main dwelling, would be allowed to denote the business being carried on within.
- Municipal recreation or water supply.
- Model Home, subject to an applicable City of Norman annual permit.
- Short-term rentals.
- One accessory dwelling unit (ADU) may be developed on each lot provided (a) it is clearly secondary to the main dwelling; and (b) is not a mobile home;
    - The ADU may be used as a permanent residence and may contain its own attached garage, kitchen, and similar components to allow the occupant to maintain autonomy while allowing for creative housing opportunities, such as, by way of example, aging in place. The ADU may be leased (but not owned) separate from the main principal dwelling.
- Neighborhood/Community Clubhouse and similar associated amenities
- Accessory buildings and uses customarily incidental to any of the above uses when located on the same lot.

Development Area 2 – High Density Residential

- Apartment Buildings
- Townhomes
- Short-term rentals
- Ground floors may contain, but are not obligated to contain, office uses, commercial shops and services, retail, and other mixed-use offerings within the larger apartment/residential structures.
- Leasing offices, pool areas, dog parks, sports courts, walking trails, fitness stations, frisbee golf, outdoor grill areas, and similar recreational amenities for the residents of the development.
- Accessory buildings and uses customarily incidental to any of the above uses when located on the same lot

Development Area 3 – Commercial

- Multi-Purpose Event Venue
- Convention/Conference Center
- Banquet Hall
- Hotel
- Office Buildings
- Amusement and Entertainment Enterprises
- Parking Garage
- General Commercial and Retail Uses, such as, but not limited to:
    - Art Gallery, Museum, Shop, Store, or Studio
    - Athletic Gyms and Similar Workout Facilities;
    - Baby or Maternity Store;
    - Bank;
    - Bakery and Baked Goods;
    - Bar;
    - Barber Shop, Beauty Parlor, Salon, and Similar Establishments;
    - Book Store;
    - Butcher or Meat Market;
    - Carpenter and cabinet shop;
    - Cleaning and dyeing works;
    - Camera shop;
    - Candy store;
    - Catering establishment;
    - Childcare establishment;
    - Clothing or apparel store;
    - Coffee Shop;
    - Cosmetics;
    - Craft Store;
    - Department Store;
    - Dairy products or ice cream store;
    - Delicatessen store;
    - Dress shop;
    - Drug store or fountain;
    - Electric sales and service;
    - Electric transmission station;
    - Farmers Market;
    - Feed and fuel store;
    - Frozen food locker;
    - Fabric or notion store;
    - Florist;
    - Furniture Store;
    - Fine Goods;
    - Gift Shop;
    - Grocery or supermarket;
    - Glass shop;
    - Golf course, miniature or practice range;
    - Hardware store;

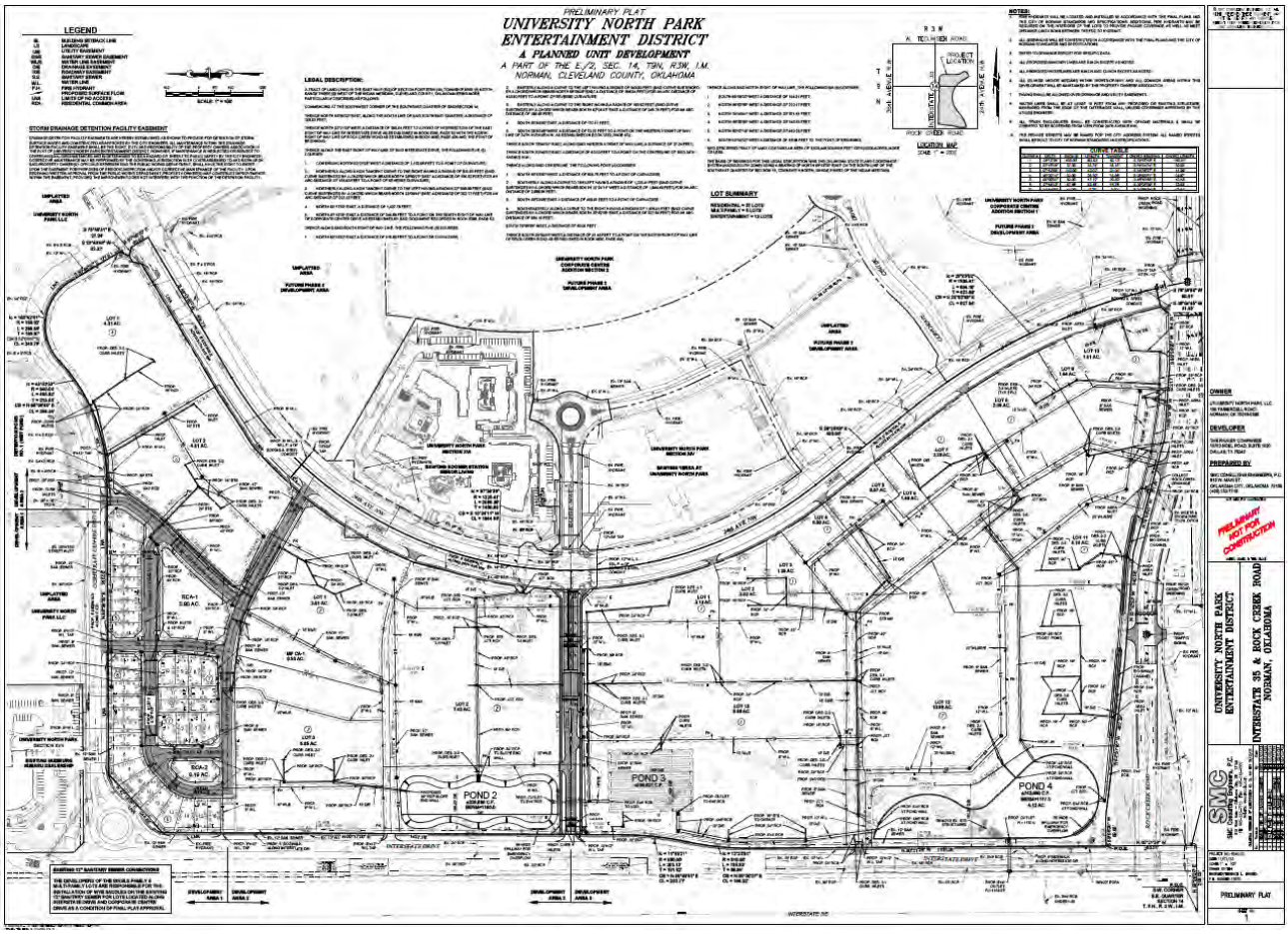
- Heating, ventilating or plumbing supplies, sales and service;
- Health and Personal Goods Store;
- Home Décor;
- Home Goods;
- Ice plant or storage house for ice and food housing not more than ten (10) tons capacity;
- Interior decorating store;
- Jewelry/Fine Goods;
- Key Shop;
- Leather Store/ Leather Goods;
- Laundry;
- Lodge hall;
- Lumber and building materials sales yard;
- Music, radio or television shop;
- Messenger/Phone/Electronic Store;
- New Auto Sales;
- Optical Store;
- Party Supply Store;
- Printing plant;
- Painting and decorating shop;
- Pet shop;
- Pharmacy;
- Photographer's studio;
- Radio and television sales and service;
- Restaurants; A restaurant may include live entertainment and/or a dance floor, provided the kitchen remains open with full food service whenever live entertainment is offered;
- Retail spirits store/Liquor Store;
- Retail Stores, Kiosks, Stalls, and Booths;
- Supermarket;
- Sporting goods sales;
- Stationery store;
- Shoe store or repair shop;
- Sign painting shop;
- Tailor Shop/Services;
- Theaters, Bowling Alley, Arcade, and Similar Entertainment Establishments, including those that sell alcoholic beverages in compliance with state law;
- Toy Store; and
- Wholesale distributing center.

- Live Outdoor Entertainment
- Outdoor advertising signs; and
- Accessory buildings and uses customarily incidental to any of the above uses when located on the same lot

EXHIBIT D

Preliminary Plat

Full Size Documents Submitted to City Staff



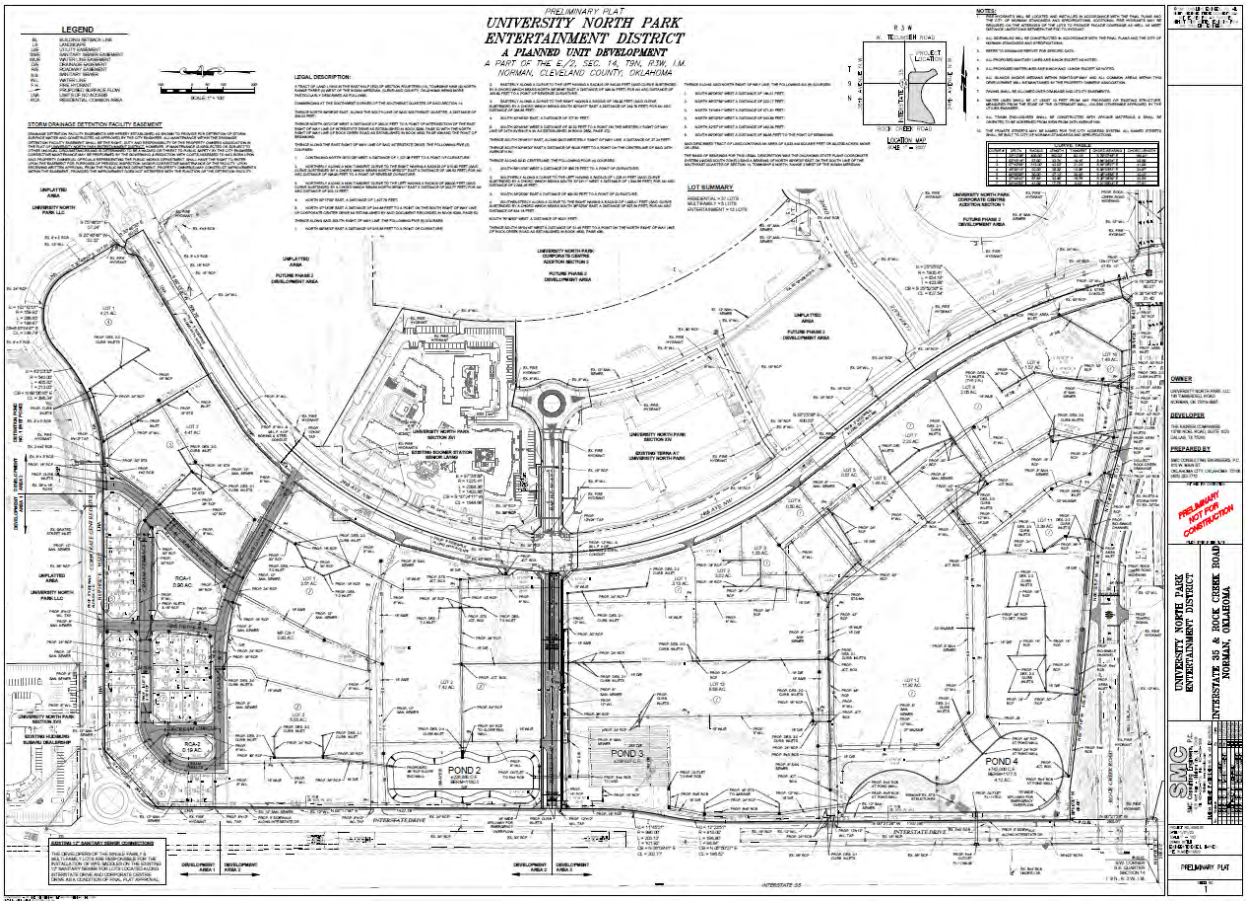
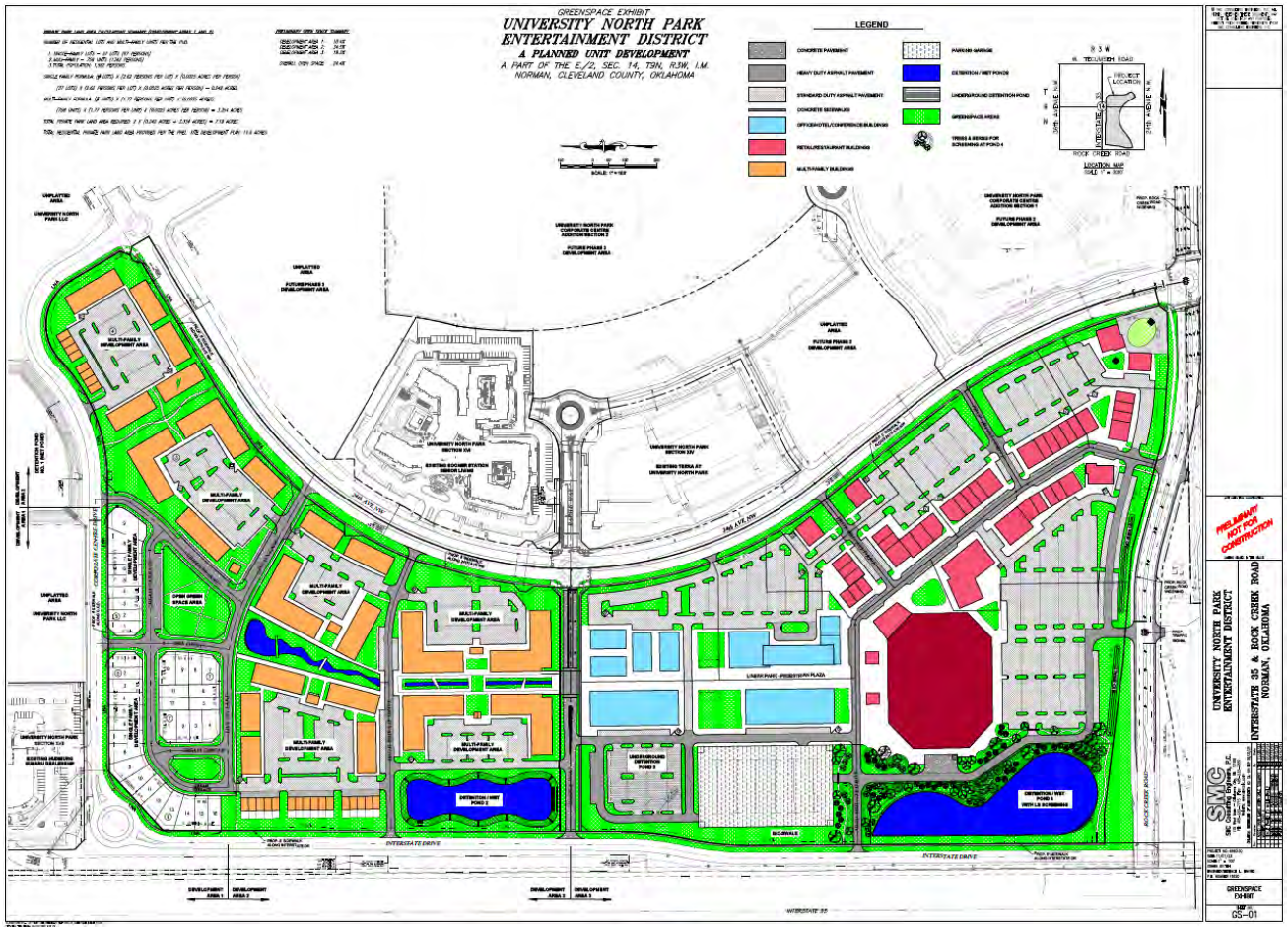

PRELIMINARY PLAT
UNIVERSITY NORTH PARK
ENTERTAINMENT DISTRICT
A PLANNED UNIT DEVELOPMENT
A PART OF THE E.1/2, SEC. 14, T9N, R3W, I.M.
NORMAN, CLEVELAND COUNTY, OKLAHOMA
LEGEND
LEGAL DESCRIPTION:
STORM DRAINAGE DETENTION FACILITY EASEMENT
LOT SUMMARY
NOTES:
OWNER
DEVELOPER
PREPARED BY
PRELIMINARY NOT FOR CONSTRUCTION
UNIVERSITY NORTH PARK ENTERTAINMENT DISTRICT
INTERSTATE 35 & ROCK CREEK ROAD
NORMAN, OKLAHOMA
POND 2
POND 3
POND 4
INTERSTATE 35
PRELIMINARY PLAT

EXHIBIT E

Greenspace Exhibit

Full Size Documents Submitted to City Staff



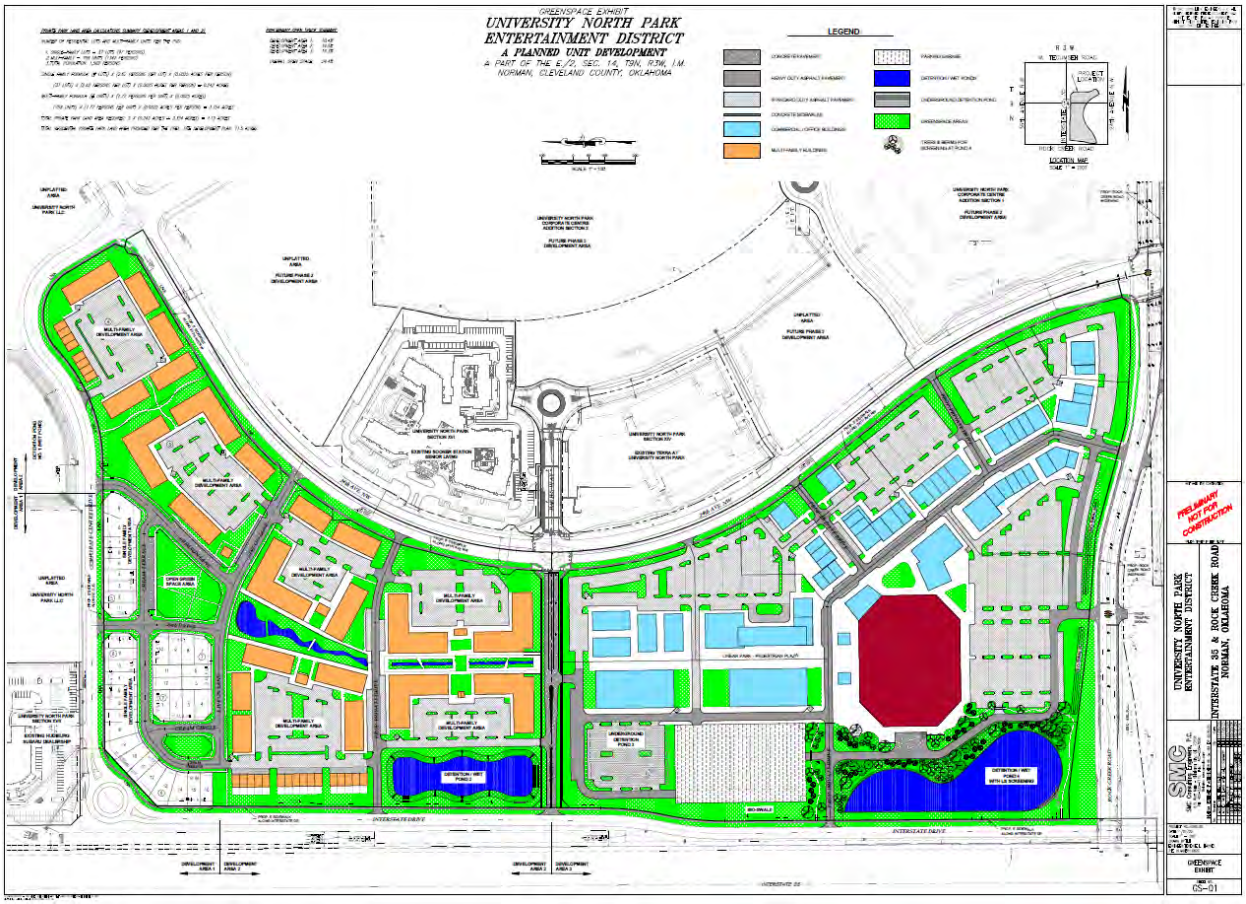

GREENSPACE EXHIBIT
UNIVERSITY NORTH PARK
ENTERTAINMENT DISTRICT
A PLANNED UNIT DEVELOPMENT
A PART OF THE E.1/2, SEC. 14, T9N, R3W, I.M.
NORMAN, CLEVELAND COUNTY, OKLAHOMA
LEGEND
PRELIMINARY NOT FOR CONSTRUCTION
UNIVERSITY NORTH PARK ENTERTAINMENT DISTRICT
INTERSTATE 35 & ROCK CREEK ROAD
NORMAN, OKLAHOMA
SMC
GREENSPACE EXHIBIT
GS-01

EXHIBIT F

Development Signage Allowances

In addition to all signage allowances enumerated in the City of Norman Signage Code, as may be amended from time to time, the following signage allowances shall be applicable to the development of the Property:

1. **Development Area 3 Main Message Center** – Development Area 3 may feature a large message center to enhance, identity, advertise, and otherwise support the Multi-Purpose Event Venue to be located within Development Area 3 (the "**Main Message Center**"). The Main Message Center may be freestanding or attached to a building. The Main Message Center sign may be a maximum of 750 square feet of signage. The Main Message Center may be an electronic or digital sign.
2. **Development Area 3 Entrance Signs** – Development Area 3 may feature up to seven entrance identification signs advertising the entrances to Development Area 3, and any buildings, tenants, users, or destinations located therein. Each such Development Area 3 Entrance Sign may be a maximum of 300 square feet per side.
3. **Development Area 2 Entrance Signs** – Development Area 2 may feature up to five entrance identification signs advertising the entrances to Development Area 2, and any buildings, tenants, users, or destinations located therein. Each such Development Area 2 Entrance Sign may be a maximum of 300 square feet per side.
4. **Development Area 1 Entrance Signs** – Development Area 1 may feature up to five entrance identification signs advertising the entrances to Development Area 1. Each such Development Area 1 Entrance Sign may be a maximum of 100 square feet per side.
5. **Major Directional Signs** – Up to ten Major Directional Signs shall be allowed within the Property indicating directions to the different locations, services, offices, areas, or entrances contained within the Property. The Major Directional Signs are intended to contain directions to multiple locations or destinations on each sign, such as directions to the entrances, parking locations, retail districts, entertainment districts, and various other locations within the Property. Each Major Directional Sign may be a maximum of 200 square feet per side.
6. **Minor Directional Signs** – Up to fifteen Minor Directional Signs shall be allowed within the Property indicating directions to the different locations, services, offices, areas, or entrances contained within the Property. The Minor Directional Signs are intended to be ancillary and supplementary to the Major Development Signs, with each Minor Directional Sign indicating directions to a single location or destination, such as directions to entrances, parking locations, retail districts, entertainment districts, and various other locations within the Property. Each Minor Directional Sign may be a maximum of 100 square feet per side.
7. **Service Directional Signs** – Service Directional Signs may be installed at each service entry and exit location within the Property to direct service, delivery, drop off, and similar traffic along the correct route. Each Service Directional Sign may be a maximum of 50 square feet per side.
8. **Major Façade Signs** – There shall be no maximum signage limitations for façade signs located on the Multi-Purpose Event Venue to be located within Development Area 3 or on

any building constructed on a lot within Development Area 3 that shares a property line with the lot containing the Multi-Purpose Event Venue. Portions of Major Façade Signs may extend above the roof line of the buildings. For clarity, the Major Façade Signs may be constructed above the roof deck of the occupiable space of the buildings, such as, without limitation, along the façade of mechanical units, equipment, screening, parapet walls, or penthouse structures.

9. **Minor Façade Signs** – Buildings located within Development Area 3 that do not qualify for Major Façade Signs, as enumerated above, and buildings located within Development Area 2, may feature up to five Minor Façade Signs per building. Each Minor Façade Sign may be a maximum of 500 square feet and portions of each Minor Façade Sign may extend above the roof line of the building. For clarity, the Minor Façade Signs may be constructed above the roof deck of the occupiable space of the buildings, such as, without limitation, along the façade of mechanical units, equipment, screening, parapet walls, or penthouse structures.
10. **Outdoor Plaza** – This PUD desires to create a vibrant and animated entertainment area within Development Area 3, with dynamic and creative signage, lighting, and other associated entertainment elements. Therefore, the following will all be permissible within the designated entertainment plazas and associated outdoor entertainment areas:
    a. Plaza Tower Signs: Signs that consist of free-standing multisided structures.
    b. Supergraphic Signs: Signs which consist of an image, with or without written text, which is applied to and made integral with a wall, projected onto a wall, illuminated by LED or other pixilated lighting where permitted, or printed on vinyl, mesh, window film, or other material supported and attached to a wall or window by an adhesive and/or by using stranded cable and eye-bolts and/or other materials or methods.
    c. Large-Scale Architectural Lighting: Lighting elements placed on a significant portion of a building's facade to highlight or accentuate vertical, horizontal, or other elements of the structure's architecture.
    d. Electronic Message Display Sign: Signs that display still images, scrolling images or moving images, including video and animation, utilizing a series or grid of lights that may be changed by electronic means, including cathode ray, light emitting diode display (LED), plasma screen, liquid crystal display (LCD), fiber optic, or other electronic media or technology.
    e. Sponsorship Signs: Signs which identify or promote a facility, use, business, product, service, profession, commodity, activity, exhibition, display, promotion, presentation, event, person, institution, or sponsor of any of the foregoing, which is conducted, sold, manufactured, produced, exhibited, displayed, promoted, presented, broadcast, televised, offered or occurring within Development Area 3, including any incidental facility, use, business, product, service, profession, commodity, activity, exhibition, display, promotion, presentation, event, person or institution. Such signs may be permanent or temporary in nature.