



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

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

Tuesday, October 15, 2024 at 1:30 PM

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 contact the ADA Technician at 405-366-5424, Relay Service: 711. To better serve you, five (5) business days' advance notice is preferred.

ROLL CALL

MINUTES

1. CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT AND/OR POSTPONEMENT OF MINUTES FROM SEPTEMBER 17, 2024

REPORTS

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

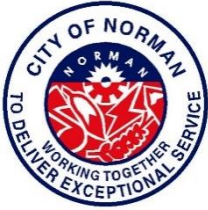
DISCUSSION & ACTION ITEMS

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

- STATUS OF TOWN CENTER INCENTIVE RECOMMENDATION
4. DISCUSSION OF COMMITTEE'S PURVIEW (RE: ROCK CREEK TIF)

MISCELLANEOUS COMMENTS

ADJOURNMENT



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

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

Tuesday, September 17, 2024 at 1:30 PM

MINUTES

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

ROLL CALL

PRESENT

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

ABSENT

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

OTHERS

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

MINUTES

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

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

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

REPORTS

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

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

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

Items submitted for the record:
Financial Report

DISCUSSION & ACTION ITEMS

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

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

A) STATUS OF TOWN CENTER INCENTIVE RECOMMENDATION

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

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

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

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

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

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

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

MISCELLANEOUS COMMENTS

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

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

ADJOURNMENT

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

Greg Burge, Chair
Development Oversight Committee for TIF District 2

Expenses From Fund 87:
As of the End of Period 3 (September) - FY25

	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY18	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Rd 13 FY24	Rd 3 FY25	Total
Project UT0001 - 24th NW & Conf. Cr. Dr. Signal		158,018.20																			153,353.56
Project UT0002 - OS Frontage/24th NW Imp.	343,807.00	676,141.00																			1,021,948.00
Project UT0003 - 24th & Rock Crk Intersection		765,149.76																			1,530,299.52
Project UT0005 - 24th & Rock Crk Intersection		36,043.75	300,890.54	41,062.50	785,149.76	385,280.72	4,714.90														742,068.66
Project UT0006 - Legacy Pl. Dr. & 24th Intersection		4,282,377.02		1,381,241.00	12,417.11	4,800.00	684,454.58														720,488.33
Project UT0007 - Rock Creek Overpass							11,271.00														5,142,333.13
Project UT0008 - Robinson/35 NE Ramp							140,895.94		237,115.93												1,892,602.66
Project UT0009 - Economic Development							569,652.12		3,084,506.34												4,833,999.57
Project UT0010 - Interstate Dr. East Extern							17,128.00														3,681,021.70
Project UT0011 - UNP Master Lighting Plan							20,872.00														38,000.00
Project UT0012 - Robinson West/Crossroads							100,580.48														2,120,000.00
Project UT0013 - 24th NW & Radius Intersection																					884,131.16
Project UT0014 - UNP TIP Entry Sign (BID)																					1,451,324.73
Project UT0015 - 24th & Flood @ Intersect In																					370,746.00
Project UT0016 - 24th & Flood @ Intersect In																					189,765.87
Project UT0017 - UNP Master Land Use Plan																					5,000.00
Project UT0018 - UNP Master Land Use Plan																					1,877.50
Project UT0019 - UNP Master Land Use Plan																					184,366.88
Project UT0020 - Leasow Park		24,250.00		189,117.00			918,044.82	3,024,388.17	2,556,507.66												10,063.58
Project UT0021 - Transportation Improv			12,250.00																		7,023,221.25
Total Project Costs to Date	343,807.00	840,409.29	5,264,229.14	1,489,118.14	1,233,673.54	2,286,638.84	1,858,531.10	3,637,043.75	5,880,129.93	670,440.53	3,804,868.56	517,778.07	252,195.13	1,513,349.98	143,247.65	100,135.58	219,432.25	29,960,102.00			30,964,897.88
Interest Expense:																					
Loan Interest																					
Internal Transfers:																					
Internal Transfers	144,266.00			112,487.08	194,057.53	208,590.56	227,364.30	434,020.52	528,809.11	489,276.50	467,844.00	432,801.50	207,525.75								3,312,575.85
Issue Costs:																					
Issue Costs																					
Services & Maintenance:																					
Services & Maintenance																					
Total	488,073.00	840,409.29	5,819,692.14	1,601,605.22	1,472,239.90	2,504,132.69	2,346,411.88	4,692,423.79	6,721,449.41	1,549,719.88	4,786,388.87	4,786,388.87	841,031.95	6,537,392.95	653,047.82	208,882.26	414,687.33	26,219.28	26,219.28	44,806,117.67	
Loan Principal Repayments 1			1,070,914.00			400,000.00	425,000.00	13,735,000.00	750,000.00	800,000.00	850,000.00	850,000.00	1,000,000.00	10,815,000.00							29,960,102.00
Balance @ 9/30/24																					
Escrow Balances (Bank of Oklahoma unless otherwise noted):																					
Traffic & Roadway																					38,506.51
Leasow Park																					13,424.76
Recreation Facility																					3,861,012
Loan Cost Development																					29,960,102
Loan Cost Development																					85,785,420
Miscellaneous Costs																					30,564,698
Custody Account																					10,936,759
																					3,312,576
																					29,960,102
																					74,774,435
																					11,010,985
																					506,546
																					10,500,389
																					11,010,985
																					(1,000)

Balance @ 9/30/24	Sales Taxes	Property Taxes	Other	Bond/Loan Proceeds	Total Cash In	Project Payments	Other Payments	Interest Payments	Principal Payments	Total Cash Out	Total Cash
10,504,439.38											11,010,985
											506,546
											10,500,389
											11,010,985
											(1,000)

1 - Loan principal repayments removed from "expense" presentation.
 2 - Legal fee reimbursement to General Fund
 3 - Legal & professional fee reimbursements \$142,563, reimbursement Capital Fund for Rock Creek Overpass improvements \$641,700
 4 - Includes audit expense, county assessor valuation fees, 3% indirect assessment for city staff services, and BID expenses.
 5 - Includes \$44,575.24 legal fee reimbursement to General Fund and \$57,690.89 in NEDC loan interest.
 6 - NEDC loan interest.
 7 - Return of funds from ODOT

Ordinance O-1920-24

AN ORDINANCE OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, AMENDING AND REPLACING ORDINANCE O-0506-66, AS AMENDED BY ORDINANCE O-0809-8, THAT APPROVED AND ADOPTED THE UNIVERSITY NORTH PARK PROJECT PLAN, TO INCLUDE AN ADDITION TO THE AMOUNT OF AUTHORIZED TRAFFIC AND ROADWAY COSTS, A REDUCTION IN THE AMOUNT OF AUTHORIZED LEGACY PARK COSTS, A REDUCTION IN FUNDING FOR RECREATION FACILITIES COSTS (PREVIOUSLY CALLED CULTURAL FACILITY COSTS), A REDUCTION IN FUNDING AUTHORIZATION TO TOWN CENTER COSTS (PREVIOUSLY CALLED LIFESTYLE CENTER COSTS), A REDUCTION IN ECONOMIC DEVELOPMENT COSTS, AND ADDING A CATEGORY FOR MISCELLANEOUS COSTS, ALTOGETHER REDUCING THE TOTAL PROJECT COSTS AUTHORIZATION BY \$7.8 MILLION AND PROVIDING FOR THE END OF THE SALES TAX INCREMENT COLLECTION AS OF JUNE 30, 2019 AND THE AD VALOREM TAX INCREMENT COLLECTION AS OF APRIL 30, 2020; RATIFYING AND CONFIRMING THE ACTIONS, RECOMMENDATIONS AND FINDINGS OF THE REVIEW COMMITTEE REGARDING SAID AMENDMENT; AND PROVIDING FOR THE SEVERABILITY THEREOF.

WHEREAS, the Norman University North Park Project Plan (“Original Project Plan”) was adopted in 2006 to provide up to \$54.725 million in tax increments as a financing tool for certain improvements to develop an area in Norman known as University North Park, the southern portion of which was envisioned as a unique retail, restaurant and lifestyle center destination spot; the north portion of which was envisioned as a significant economic development component (collectively, the “Original Project”); and

WHEREAS, the City of Norman (“City”) sought to promote and develop the Project Area (as defined in Section 6 of this ordinance) in order to make possible additional development, attract new businesses, create new employment, and stimulate private investment; and

WHEREAS, the Original Project Plan was an eligible project plan under the Oklahoma Local Development Act, Title 62, Oklahoma Statutes, Section 850 *et. seq.*, as amended (the “Local Development Act”) because the proposed Project Area lay within a state-designated enterprise area, as approved by the Oklahoma Department of Commerce on August 19, 1999, pursuant to City of Norman Resolution R-9900-12, adopted July 13, 1999, and because the Project Area is a reinvestment area as defined by the Local Development Act;

WHEREAS, the Original Project Plan was amended in 2008 by Ordinance O-0809-8 to eliminate the Conference Center project and add a project for the construction of an overpass at Rock Creek Road; and

WHEREAS, the Norman Planning Commission has reviewed the 2019 Project Plan and failed to adopt a resolution that would have set forth a finding that the amendments conform with the Comprehensive Plan of the City of Norman and recommend to the City Council that approval of the amendments to the Project Plan; and

WHEREAS, the City Council affirms that the 2019 Project Plan does not change the prior Project Plan's conformance with the Comprehensive Plan of the City of Norman; and

WHEREAS, all required notices have been given and all required hearings have been held in connection with the proposed Project Plan, as prescribed by the Local Development Act, the Oklahoma Open Meetings Act, Title 25, Oklahoma Statutes, Section 301, *et seq.*, and other applicable law.

NOW, THEREFORE, BE IT ENACTED by the City Council of the City of Norman:

SECTION 1. The Norman University North Park Amended and Restated Project Plan, attached hereto as Exhibit A, is hereby adopted and approved, as recommended by the Review Committee.

SECTION 2. 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.

INTRODUCED AND CONSIDERED in an open meeting of the Council of the City of Norman on this 26th day of November, 2019.

PASSED by the Council of the City of Norman this 26th day of November, 2019.

SIGNED by the Mayor of Norman on the 26th day of November, 2019.



Mayor Breea Clark

ATTEST:


Brenda Hall, City Clerk



9-17-19

determinations regarding the eligibility of certain Project Costs shall be provided by the City, subject to the limitations of 62 O.S. § 853.

- B. The Authority is the public entity of the City authorized to assist in carrying out this 2019 Project Plan and to exercise all powers necessary or appropriate thereto pursuant to 62 O.S. § 854, except for approval of this 2019 Project Plan and those powers enumerated in paragraphs 1, 3, 4, 7, 13 and 16 of 62 O.S. § 854. The Authority, as the public entity designated by the City, is legally authorized to: (1) issue tax apportionment bonds or notes, or both; (2) incur Project Costs, pursuant to Section IX of this 2019 Project Plan; (3) provide funds to or reimburse the City of Norman for the payment of Project Costs and other costs incurred in support of the implementation of the Project; and (4) incur the cost of issuance of bonds for payment of such costs and to accumulate appropriate reserves, if any, in connection with them; however, it is intended that the entirety of the Project Costs in this 2019 Project Plan will be paid with cash accumulated by the Authority from the sales tax increment and ad valorem tax increment assessed and apportioned as provided in Section IX in addition to the interest earnings thereon. Based on the amount of cash on hand in the City UNP TIF Account (as defined in Section X.B) and projected incremental sales and ad valorem tax revenues through the dates set forth in Article VI, it is anticipated that available revenues for Project Costs as set forth herein will be sufficient to pay all authorized Project Costs upon the final collection of the ad valorem increment. Should the sales tax increment and ad valorem tax increment accumulated by the Authority exceed the Project Cost authorizations outlined herein, any excess revenues will be refunded to the taxing jurisdictions upon the completion of all authorized projects as provided in the Local Development Act. It is not intended that the Project Costs set forth in this 2019 Project Plan will be funded through tax apportionment bonds, notes, or any other financing. As used in this 2019 Project Plan, "Project Costs" shall mean the costs authorized to be paid by apportioned tax increments pursuant to Section IX.A and B of this 2019 Project Plan. From and after the Effective Date, no administrative fees shall be deducted or paid to the City or the Authority from such apportioned tax increments.
- C. The City Manager (acting in his or her capacity as the General Manager of the Authority) or the City Manager's designee shall be the person in charge of implementation of this 2019 Project Plan in accordance with the provisions, authorizations, and respective delegations of responsibilities contained in this 2019 Project Plan. The City Manager, his or her successor in office, or the City Manager's designee is authorized to empower one or more designees to exercise responsibilities in connection with Project implementation.

VIII. SPECIAL REVIEW AND APPROVAL REQUIREMENTS

- A. The Developer shall have access to funds for Town Center Costs (as defined in Section IX.A.4 of this 2019 Project Plan) upon verification by the General Manager of the Authority that the criteria set forth in Section IX.A.4 have been met.

9-17-19

- B. All expenditures for Economic Development Costs (as defined in Section IX.A.5 of this 2019 Project Plan), shall be approved by the City Council. Economic Development Costs are intended to be only those costs necessary and appropriate to provide and foster new quality employment opportunities by attracting and retaining enterprises deemed desirable to the future of Norman. The City Council should be guided by these principles, and the City Council shall have broad discretion to review proposed developments to assure they are used only to satisfy the development goals articulated above. Appropriation and expenditure of Economic Development Costs must be approved by the City Council.
- C. A Development Oversight Committee was appointed by the Mayor and confirmed by the Norman City Council upon adoption of the Original Project Plan. The Development Oversight Committee shall oversee the implementation of this 2019 Project Plan on behalf of the City Council as set forth specifically herein. The Development Oversight Committee shall make recommendations on the use of revenues and expenditures for Economic Development Costs. Upon request by the City Council, prior to any authorization for expenditures by the City Council for Economic Development Costs, the Development Oversight Committee shall report to the City Council whether applicable objectives of the Project Plan will be met by the proposed action. The Development Oversight Committee shall at all times be guided by the goals of this 2019 Project Plan.
- D. All property in University North Park shall be developed in accordance with the PUD (including any amendments thereto), City of Norman regulations, and all requisite approvals by the architectural review board established pursuant to the restrictive covenants required by the PUD (including design guidelines promulgated by the architectural review board).
- E. The street and traffic improvements included in this 2019 Project Plan shall provide a minimum of Service Level D as defined under the Norman City Code. If the existing PUD is amended to permit future development north of Rock Creek Road that would result in higher traffic counts than projected in the Traffic Impact Analysis dated November 10, 2009 prepared by Traffic Engineering Consultants, Inc. (the "2009 TIA"), and, as a result, such development would result in a failure to maintain Service Level D at University North Park, any necessary traffic improvements, to the extent necessary to achieve the same Service Level D as set forth in the 2009 TIA, will be determined in accordance with Section 4006.1 of the City's Engineering Design Criteria. Under the City development process, the developer of any lot is required to construct any required infrastructure improvements prior to each lot or section being final platted, unless concurrent construction is allowed. As such, on lots or sections within the PUD that already have been final platted, additional infrastructure improvements will not be required.

**IX. BUDGET OF REMAINING AUTHORIZED PROJECT COSTS
TO BE FINANCED BY TAXES APPORTIONED FROM
INCREMENT DISTRICT NO. 2, CITY OF NORMAN**

A. Categories of Remaining Authorized Project Costs. The remaining authorized Project Costs (as reduced and reallocated in this 2019 Project Plan) will be financed by the cash accumulated by the Authority from apportionment of ad valorem and sales tax increments from Increment District No. 2, City of Norman. The categories are:

1. *Traffic and Roadway Improvements Costs.*

Traffic and Roadway Improvements Costs included in this 2019 Project Plan are for design and construction of traffic and roadway improvements to the following intersections (which are estimated to be sequenced as follows):

- Robinson Avenue at West I-35/Crossroads Blvd.
- Tecumseh Road and Flood & 24th Ave NW
- Tecumseh Road and Interstate Drive East
- Tecumseh Road and Interstate Drive West

2. *Legacy Park Costs.*

The Developer donated the land for Legacy Park to the City, and Legacy Park was constructed with funding generated by the sales and ad valorem tax increments pursuant to the Original Project Plan. Remaining Legacy Park costs included in this 2019 Project Plan are (a) costs to construct a surface parking lot primarily providing additional parking spaces for those attending events at Legacy Park, and (b) funds to fulfill the remaining balance of the Authority’s matching contributions to the University North Park Business Improvement District as provided by City Council Resolution R-1415-11.

3. *Recreation Facilities Costs.*

Recreation Facilities Costs include funds for Recreation Facilities designed to accommodate regional sporting events. The Original Project Plan envisioned that funds for Cultural Facility Costs would be used for “museums and/or similar cultural facilities.” The Recreation Facilities are intended to accomplish a similar purpose by creating a regional attraction to encourage a regional draw of customers and hotel patrons from outside of Norman. The Recreation Facilities will be located on a +/- 12 acre site south of Rock Creek Road and bordering the Max Westheimer airport. Funds for Recreation Facilities Costs may be used to acquire the site, to supplement the anticipated annual contributions by Norman Public Schools to the operation of the indoor aquatic facility, and for construction and equipping of the Recreation Facilities.

4. *Town Center Costs.*

Town Center Costs (described as “Lifestyle Center Costs” in the Original Project Plan) are costs of infrastructure and other improvements designed to foster

9-17-19

the quality of development at University North Park. Such improvements are necessary to facilitate the creation of a retail and entertainment environment that will be a regional draw of customers to Norman. The retail and entertainment environment envisioned is one that will draw shoppers not currently shopping in the City and will complement retail stores and entertainment opportunities existing outside the Project Area. Accordingly, to qualify for Town Center Costs to facilitate retail and entertainment development, the costs must be related to retail stores or entertainment venues that purchase property in the Increment District or sign leases for space in the Increment District for a term of not less than three years and that meet all of the following criteria:

- a. Costs are needed to support retail or entertainment development in the portion of University North Park identified as "Area 5" on attached Exhibit G; and
- b. Costs are needed to support a retail or entertainment user that is not already located in Norman; and
- c. If the costs are associated with a retail user, then anticipated retail sales of not less than \$300 per square foot for a store larger than 10,000 square feet or not less than \$400 per square foot for stores of 10,000 square feet or smaller must be demonstrated based on past performance in communities with demographics similar to Norman; and
- d. If the costs are associated with an entertainment user, then no minimum sales per square foot applies; however, the proposed user must present an entertainment option that is not already located in Norman (such as but not limited to a boutique or luxury first run theater); and
- e. Parcel development plan must incorporate urban design elements of walkability and connectivity, as determined by the Architectural Review Board for University North Park.

If the proposed retail or entertainment development does not meet all of these criteria, but incentives are still requested, then such request will be approved only upon execution of a satisfactory development agreement by the Authority. The deadline to request Town Center incentive funds is June 30, 2026. To the extent such funds have not been requested by June 30, 2026, any remaining funds shall be transferred to other Project Costs outlined herein, or, if all such Project Costs have been paid in full, distributed to the taxing jurisdictions as set forth in the Local Development Act. On the Effective Date, any penalties for failure to construct a Town Center or Lifestyle Center by a specific deadline will be waived, including any penalties set forth in the Master Agreement or other development agreements.

5. *Economic Development Costs.*

Economic Development Costs are costs related to the location of businesses in the Project Area not currently located in Norman or seeking to expand in

9-17-19

Norman, and providing quality employment opportunities in Norman. For this purpose, quality employment opportunities shall mean jobs providing such salaries and benefits as are required for an employer to qualify for benefits under the Oklahoma Quality Jobs Act and such additional employment as determined by the City to qualify for purposes of this 2019 Project Plan. Economic Development Costs are intended to foster special employment opportunities in Norman. This includes the cost of planning, financing, assistance in development financing, acquiring, constructing, and developing facilities to foster such opportunities.

6. *Miscellaneous Costs.*

To verify the amount of funds available for authorized Project Costs and in furtherance of the goals of transparency and accountability expressed in the Original Project Plan and related agreements, the City and the Authority engaged independent certified public accountants to perform a special audit of the Authority and the City UNP TIF Account (as defined in Section X.B) including collection of incremental sales and ad valorem tax revenues, deposits and transfer of funds in various accounts maintained by the Authority at commercial banks, and verification of all relevant calculations, including transfer and annual growth rate adjustments, payment of administrative fees, and expenditure of funds for payment of authorized Project Costs.

In recognition that there will be certain costs associated with this 2019 Project Plan that are not captured in another project category, this 2019 Project Plan includes authorization for payment of certain miscellaneous costs, including the costs of the special audit.

B. Allocation of Remaining Authorized Project Costs. The remaining authorized Project Costs are to be allocated in amounts not to exceed those set forth below.

1. Traffic and Roadway Improvements Costs:	\$ 5,024,394
2. Legacy Park Costs:	\$ 250,000
3. Recreation Facilities Costs:	\$ 5,154,762
4. Town Center Costs:	\$ 5,000,000
5. Economic Development Costs:	\$ 1,425,000
6. Miscellaneous Costs	<u>\$ 125,000</u>

TOTAL REMAINING AUTHORIZED PROJECT COSTS: \$ 16,979,156