



CITY OF NORMAN, OK CITY COUNCIL BUSINESS & COMMUNITY AFFAIRS COMMITTEE MEETING

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

Thursday, October 03, 2024 at 4:00 PM

MINUTES

The City Council Business & Community Affairs Committee of the City of Norman, Cleveland County, State of Oklahoma, met in Regular Session in the Executive Conference Room on the 3rd day of October, 2024 at 4:00 p.m. and notice of the agenda of the meeting were posted at the Municipal Building at 201 West Gray and on the City website at least 24 hours prior to the beginning of the meeting.

CALL TO ORDER

Chairman Peacock called meeting to order at 4:00 p.m.

PRESENT:

Councilmember Ward 2 Matthew Peacock – Chair
Councilmember Ward 4 Helen Grant
Councilmember Ward 5 Michael Nash

OTHER PRESENT:

Mayor Larry Heikkila
Councilmember Ward 3 Bree Montoya
Councilmember Ward 6 Joshua Hinkle
Councilmember Ward 8 Scott Dixon
Mr. Darrel Pyle, City Manager
Ms. Shannon Stevenson, Assistant City Manager
Mr. Jason Olsen, Director Parks and Recreation
Ms. Brenda Hall, City Clerk
Mr. Chris Mattingly, Director of Utilities
Ms. Jane Hudson, Director of Planning and Development
Mr. Scott Sturtz, Interim Director of Public Works
Ms. Shaakira Calnick, Internal Auditor
Mr. Rick Knighton, Interim City Attorney
Dr. Joyce Green, GIS Services Manager
Ms. Sandra Simeroth, Administrative Technician IV
Mr. Trent Brown, Director of Norman Sports
Ms. Kathryn Walker, Center for Economic Development Law
Mr. Scott Martin, Norman Chamber President

AGENDA ITEMS

1. REPORT ON SPECIAL EVENTS ATTENDANCE AND VISITORS.

Mr. Jason Olsen, Director of Parks and Recreation, said the City has Game Day Highlights showing approximately 200,000 people are visiting the City on average. He said not all are at the game, but here in the City at local establishments or shopping, or just hanging out around campus. The numbers at kick-off during football games spike to 150,000 and start to trend down at the end of the game. The Tulane game has had the most out of town visitors so far in Norman. Staff will have numbers for Council next month on length of stay for the visitors and how much money they spent.

The percentage of people going to the game from Norman is around 20% and 80% from other parts of Oklahoma. Texas visitors are between nine and 23%. Campus Corner is around 30,000 to 40,000 between 2017- and 2019. Then 2020 Covid happened and the numbers went down to around 20,000 and by 2023-2024 they went back up to 40,000 to 60,000. Downtown numbers for the same time frame averaging 10,000 then spiking during big games and parents weekends in 2023 and 2024 to around 20,000.

Councilmember Hinkle asked if staff can get numbers from the surrounding areas during game day what their numbers are including Oklahoma City.

Mr. Jason Olsen said Oklahoma City's market is so much bigger than the rest, it would be hard to know what was from the game days or just other activities happening around the City.

Mr. Darrel Pyle, City Manager, said he has talked with Moore officials and during game day weekends, the Hotels are full and have zero capacity for anyone else. I think their numbers would be similar to Normans just on a smaller scale.

Mr. Trent Brown, Director of Norman Sports, said the average Hotel rate has almost doubled and the average stay has gone from 1.7 days to 2.1 days. Hotel average stay value is up two to three times more from last year with the SEC games and the numbers are amazing throughout the community of Norman. Event at YFAC in August, Mid America Youth Basketball (MAYB) tournament was a three-day tournament that brought in over 150 teams and the economic impact was over \$877,000 dollars in direct sales, also United Flag Football League (UFFL) two-day tournament had 32 teams and brought in just over \$100,000 in direct sales.

Chairman Peacock said Council appreciates these reports and it is exciting to see the progress and the interest in Norman being brought here today and in the future.

Agenda Item 2

2. DISCUSSION REGARDING CREATION OF A TAX INCREMENT FINANCE (TIF) MASTER PLAN.

Mr. Darrel Pyle, City Manager, introduced Ms. Kathryn Walker with Center for Economic Development Law for TIF Master Plan presentation. One of the areas that Council has been interested in is Griffin Hospital land. Staff had a Zoom meeting today with Carrie Carman with the Office of Management and Enterprise Services (OMES) and asked her what would be the

Item 2, continued

application for making this part of a TIF plan and she stated that OMES would not have any issues.

Ms. Walker said I know this was a suggestion a couple years ago by Councilmembers who noticed the City has some stagnant economic growth areas in town. There are opportunities with undeveloped land where a TIF may help develop it in a way that meets the goals and needs of the City. The Local Development Act (LDA) was enacted as a statutory method by which cities can undertake development projects contemplated by Article 10 Section 6C of the Oklahoma Constitution. The purpose of this section is to promote planning, financing, and development in areas determined to be unproductive, undeveloped or blighted.

Ms. Walker said There are three areas with automatic eligibility, Historic Preservation, Reinvestment and Enterprise areas. The Enterprise area is the most common across the state. Reinvestment area is any area requiring public improvement to reverse economic stagnation or decline and 50% or more of the structures in the area are 35 years or older. Historic Preservation Areas are geographic areas listed in the state Historic Preservation Office to the National Register of Historic Places and must meet Secretary of the Interior's Standards for Rehabilitation Eligibility. The Enterprise area is within a designate State or Federal Enterprise Zone.

Oklahoma Enterprise Zone Act assessment are designated annually on July 1st and consist of population of persons equal to or greater than 30% of the total population household income for which it is equal to or less than the poverty level. There are also Priority Enterprise Zones that are eligible for additional resources or programs. Legislative guidelines state where investment, development and economic growth is difficult, do not include areas where investment and development growth would have occurred anyway. The use of LDA is to supplement and not supplant or replace public functions and services, and in conjunction with existing programs and efforts where possible, not delineate boundaries that dissect a similar area. The LDA emphasizes conservation, preservation and rehabilitation and to minimize demolition clearance and relocation where it is possible. Courts are giving cities a lot of discretion because they recognize it is a community decision.

Project costs can really determine how TIF's are formed with needs in the infrastructure, acquisition of land and the construction of public facilities. Council needs to consider the financing costs, real property assembly costs, professional services, outside legal, Financial Bond Advisor cost and the cost for the maintenance, management, and marketing of other services if you have an active Main Street program.

Councilmember Grant asked if the city could have overlapping TIF areas.

Ms. Walker said you cannot overlap Increment Districts, but you could overlap The Project Area's so you can draw the project area a little broader to encompass all of Main Street or stop it at the tracks, it does not mean the Main street program stops at the tracks but the things that were TIF founded would be covered.

Councilmember Grant, ask about Historic Tax credits.

Ms. Walker said if you meet the criteria of Historic Tax Credits you can get those regardless of what designation you have.

Item 2, continued

Chairperson Peacock said you have to be on The Register of the Historic Places to receive tax credits.

Ms. Walker said the “Practical Considerations” are the City of Norman will have to make enough new revenue to cover the project cost. Maximum benefit is on undeveloped property and that is also a good way to get more increment revenue. There are other options to consider in those situations, if Council wanted to do improved or enhanced amenities within a district; Business Improvement District is a great option for downtown if there is interest and it could be done in conjunction with the Main Street program. Possibility to develop a general obligation bond package. Employment recruitment can connect with employers with the Department of Commerce for Quality Jobs incentives

Mr. Pyle asked if Council wanted to extend the Center City TIF or start a new one starting at the railroad tracks on Main Street going east. Staff believes there is more value with a new TIF and the revenue could support a future sales tax, there are currently properties that are tax exempt that we anticipate being under private ownership in the next year and vertical construction taking place. The Vista building is currently tax exempt and will be up for sale when the new Sheriff’s headquarters is built, giving the City a new assessed value will be a nice start to 25 year block. Staff has talked about capturing both sides of Gray Street, but Council may have other ideas of how far north you want the boundary line.

Chairman Peacock felt it should be carved up a bit so as not to have a bunch of projects going at one time.

Ms. Walker said you can have a broad project area and then individual increment districts for multiple projects.

Councilmember Grant, said she would like to include east of the tracks on Main Street and then off Finley Street down to Alameda Avenue. back to Robinson Street.

Mr. Pyle said the Council could include Robinson Street East past Porter Avenue to 12th Avenue and to Griffin, then asked how far West would you want to go.

Dr. Green said all the areas mentioned thus far are all in an Enterprise Zone and qualify for the TIF funding.

Chairman Peacock asked if there is such a thing as to big of an area, does Council need to define it more. The area looks like it is twice the size of the Center City

Ms. Walker said it depends on the time you think it would take to do the projects, you have to trigger the increment districts in so much time and then that starts your 25 year block.

Mr. Pyle said staff will save what we have outlined today and go over it more in-depth along with the Center for Economic Development Law attorneys and work on this and bring back some opportunities and possible list of infrastructure from our Utilities Department.

Item 2, continued

Councilmember Hinkle said he would like to include the area from Classen Boulevard. to SE 24th Avenue. and then from Lindsey to Cedar Lane hoping to capture the Colonial Estate Shopping Center just off of Lindsey and down around to the Perfect Swing area.

Ms. Walker we are going to have to check into this area due to all the residential properties there but we will see if we can include this area. Staff will get with Department of Commerce and see what is allowed exactly and bring it back to the next meeting.

Chairman Peacock said he would like to see I-35 down Lindsey Street included.

Ms. Walker said that area does not qualify but maybe some kind of grant for Business Improvement Districts would work.

Chairman Peacock asked about Flood Avenue from Robinson to Acres area would like to see business owners to get some kind of incentives to improve their store fronts.

Ms. Walker said she thinks the answer is to have a larger Project Area with Multiple Increment Districts just because there are not a lot of opportunities to generate a lot of increment in some of these areas.

Councilmember Grant asked if staff is talking about mostly property tax Ad Valorem.

Ms. Walker said there may be areas where sales tax is appropriate but most of it would be property tax.

Mr. Darrel Pyle said with this polygon tool we can assess property values we can look at Aerials and identify vacant land and data analytics just by knowing your polygon preferences. Our partners at The Center for Economic Development Law have the ability to develop project plans for each of those areas.

Councilmember Grant would like for residents to be able to have more input in what gets developed first.

ADJOURNMENT

The meeting was adjourned at 5:08 p.m.

ATTEST:

City Clerk

Mayor