



CITY OF NORMAN, OK CITY COUNCIL CONFERENCE

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

Tuesday, July 25, 2023 at 5:00 PM

MINUTES

The City Council of the City of Norman, Cleveland County, State of Oklahoma, met in Conference in the Executive Conference Room of the Norman Municipal Building, on the 25th day of July, 2023, at 5:00 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

Mayor Heikkila called the Meeting to Order at 5:00 p.m.

PRESENT

Mayor Larry Heikkila
Councilmember Ward 1 Austin Ball
Councilmember Ward 2 Lauren Schueler
Councilmember Ward 3 Bree Montoya
Councilmember Ward 4 Helen Grant
Councilmember Ward 5 Rarchar Tortorello
Councilmember Ward 6 Elizabeth Foreman
Councilmember Ward 7 Stephen Holman
Councilmember Ward 8 Matthew Peacock

ABSENT

None

AGENDA ITEMS

1. DISCUSSION REGARDING THE YOUNG FAMILY ATHLETIC CENTER OPERATOR.

Director of Parks and Recreation, Jason Olsen, presented an operator update for the YFAC. The YFAC is a Norman Forward project and it will have eight basketball courts, twelve volleyball courts, an eight lap-25 meter pool and a warm up pool, which is 25 yards long. In addition, there will be a concession stand, retail space and administrative offices. The City of Norman will have a partnership with Norman Regional Health System to put in a Sports Performance Center. In July 2021, the Parks and Recreation Department worked with the Trae Young Family Foundation for \$4 million, and named the center after the family, the Young Family Athletic Center.

The project budget is approximately \$44 million. The contractors are in the middle of construction and currently there is a clear view of the property. The building is one of a kind and will have the ability to hold sporting events, swimming events and will include a world-class

Item 1, continued:

sports performance center. No other place in the country will compare to what we have in Norman. Substantial completion of the building should occur in December. The Parks and Recreation Department plans to have a grand opening celebration as soon as the building is completed. Office access should occur in November with a temporary occupancy permit. Layouts of the gymnasium along with the Performance Center, locker rooms, retail and concession space are available. Additionally, there are layouts that show the bathrooms, courts and tournament areas. The 74 foot LED screen will be available to host e-sports tournaments or it can accommodate three individual game systems at the same time. This system will also allow streaming of games or activities held inside the gym or pool area. In addition, the screen will be available for advertising, showing movies and streaming live events.

Adidas has committed to operating a retail store located within the YFAC. Negotiations are ongoing with the Trae Young Family Foundation and Norman Regional Foundation regarding how to split the proceeds between the two Foundations. All proceeds made by the Trae Young Family Foundation will be invested back into the facility through scholarships. As kids come through the YFAC and see shoes that are one of a kind and can only be purchased at the Young Family Athletic Center, they will definitely want to purchase them. At a cost of \$170 each, the 8.25% tax will add up to a significant amount of tax money. As far as we know there is no other Athletic Center in the country that has a major shoe brand that will have a vendor spot inside of a City Recreation center.

Originally, back in 2001, Santa Fe Family Life Center out of Oklahoma City was selected to operate the YFAC. However, in May of this year, Staff realized that the relationship with Santa Fe Family Life Center was not going to work, so the City and Santa Fe came to a mutual agreement to stop negotiations. The Parks and Recreation Department feels it will be in the best interest of the facility if the Parks Department operates the facility. On August 8th you will see a facilities policy put forward on a Council agenda by Resolution giving the Parks Dept/Director the authority to set prices inside the YFAC. The Parks Director will also have the authority to choose the operating partners and design advertising and marketing fee agreements.

Identifying our community partners is vital, as there are several stakeholder groups that have helped the City get through the projects and they need to be recognized within the YFAC. A community partner is by definition, a school, sports club or non-profit that fits within the mission of the YFAC. Community partners will be able to enter into annual agreements with the Parks and Recreation Department and a list will be maintained by the Parks and Recreation Department and will be updated based on recommendations by the Board of Park Commissioners. As fees for the YFAC are set, there will be marketing agreements put in place with those community partners.

The entire facility is available to rent during off peak times and the average rental for the facility would be between \$65-\$85 per hour, with a minimum of four hours. The cost would depend on what services are required for the event. Services can range from utilizing the scoreboards and technology to needing staff for their event.

Item 1, continued:

YFAC operational partners are identified as follows:

Norman Public Schools – School Partner
Norman Regional Health System – Health Partner
Santa Fe Life Center – Tournament Partner
Norman Optimist Club – Youth League Partner
Trae Young Basketball – Basketball League Partner
Sooner Swim Club – Swim Club Partner
Volleyball Partner is to be determined

The basketball, swim and volleyball partners have all agreed to provide a minimum of \$50,000 per year to ensure they have plenty of practice time and when they hold events at the YFAC, the City will get a percentage of the profits from those events.

Councilmembers voiced their concern about what percentage of time would be open recreation time and open swim time for the public. The concern has been that hosting outside tournaments and accommodating partner organizations will leave little time for the public to utilize the facility.

Mr. Olsen said the gym portion will be open a minimum of 85 hours per week. There will be open gym time in the evenings and open swim times scheduled, all while accommodating our basketball and swim partners. Managing the space will be a balancing act between the youth leagues, partners and public availability.

A sliding scale for membership fees was mentioned and Mr. Olsen explained that the plan is to model the sliding fee scale at YFAC after Westwood Family Aquatic Center. Low-income families that are on the free meal plan at school will receive 80% off membership fees. Low-income families that qualify for the reduced price meal plan at school will receive 50% off membership fees. Day passes will be the same for all as there is no way to check everyone's financial status but for membership fees, the reduced price will be available.

City Manager Pyle said that the fee structure for membership is on target compared to similar facilities in Oklahoma City. We will offer scholarships and reduced price memberships so that everyone has an opportunity to enjoy this facility.

Mr. Olsen said that the Sports Commission will not host any events, their main purpose is to help recruit events to come to the YFAC. They will get the event booked and then it is handed to the Parks and Recreation Department to facilitate the event.

Mr. Pyle said that he has seen the wheelchair basketball tournament advertisements through Santa Fe Life Center and brought this to Mr. Olsen's attention. The City wants to host these types of events at the YFAC.

The operating budget shows \$938,000 for salaries and benefits of employees, 4 permanent positions, 24 permanent part-time positions, and 12 seasonal positions tied to the pool. On August 8th we will present a budget amendment the numbers will actually go down because it will be based on a seven to eight month plan instead of a twelve month plan. Additionally, there will be supplies and materials. Service and maintenance includes all of the utilities and custodial staff and is estimated at \$461,000.

Item 1, continued:

Revenue projections of \$1.56 million is included in the maximum operating budget. The numbers are conservative and is based on the lower end. Memberships should bring in \$387,000 and day passes \$104,000 and rentals \$650,000 per year. The City should receive 10% of sales for the concessions, and Staff projects the concessions operator will bring in \$500,000 per year. Classes and camps revenue is estimated to be \$150,000 and advertising revenue should be \$250,000.

Councilmembers asked what the revenue difference would be with the City running the operations at the YFAC versus a contractor running them and Mr. Olsen said that if a contractor were running operations, the City would come out in the hole due to utility costs, etc. but since the City will be running the facility, there is more opportunity to make a profit.

Mr. Anthony Francisco, Director of Finance, said with this type of setup, any profits that we make, we get to keep and if it was a contractor running the facility, they would get to keep their profits minus the small percentage paid to the City.

Councilmember asked how much money are we leaving on the table with discounts being afforded to our partners?

Mr. Olsen said that due to the high usage of the facility by the partners, he is not certain what amount of money but theorizes about 10-20% discount is being given. Due to the \$50,000 per year guaranteed by the partners will be calculated into how much time they have to use the facility and anything over and beyond that would be charged an hourly rate.

We are partnering with Norman Regional as far as the retail space is concerned. The people working in their retail spaces are volunteers so a portion of their profits go to their Foundation and then a portion goes to the Trae Young Family Foundation for scholarships.

Norman Regional has not been given this space for free, they are investing a portion of their earnings back to the City of Norman to be used by the Trae Young Family Foundation in the form of scholarships which in turn the City does not have to upcharge regular members to compensate for the scholarships given.

The City is not paying for or investing in any supplies or merchandise that goes into the retail space. This is being managed by Adidas and Norman Regional and they will pay for the merchandise and full build out of that space.

Councilmember Nash stated that this is all still up for negotiations and Mr. Olsen agreed that it was at this time.

There is a build out cost for that space and Norman Regional is paying to build out that space based on the images provided to Council. We expect to create something really unique and forward looking for patrons that visit the facility.

Councilmember Nash agrees that is generous but wants to be certain that the City is not being too generous.

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2. DISCUSSION REGARDING THE COMPREHENSIVE PLAN PROFESSIONAL SERVICES CONTRACT.

Ms. Jane Hudson, Planning and Community Development Director, presented the contract for professional services for the Master Plans coming forward.

Included in the City Council Agenda for tonight's meeting, the scope for these projects and as far as Staff knows, there is no other community that has done anything this large before. Included in the scope is the Land Use plan, the Housing Study, an update to the Transportation Plan, update to the Storm water Plan, the Water Hydraulic modeling update, the Wastewater Plan and an outline for Public Relations which relates to all of these plans.

The schedule is also included in the City Council Agenda for tonight. Once the schedule is approved, the background work should begin in August. Staff anticipates the entire project to take approximately sixteen months. The Steering Committee will be established and then the consultants will begin scheduling meetings.

Amy Haase with RDG and Mary Elizabeth Mack with Garver are here tonight and if there are any questions, they are here to assist with answers regarding the process and getting started.

There was concern from Council that there are no committees formed as of yet. The question was posed regarding what is being done as far as compiling names to submit to Council for committee members so we can get these committees established?

Ms. Haase said that their team needs to collect background data and documents in order to get started and this can be done through the month of August. The plan would be to start the committee meetings in September.

According to this schedule, the appointments to the committees need to be made by the second City Council meeting in August.

How does the Public Safety Assessment factor into this project? This may not start until the end of the year but this could include facilities, land and locations for public safety buildings.

Ms. Haase said that Public Safety would be one of the main stakeholder's involved in this process. During the Land Use workshops we hope to break down to different areas of the community and go there and talk to them.

Will there be citizen input for the other committees, other than the Land Use?

Ms. Haase said a key part of their process is talking to the community members. There will be opportunity to provide feedback online at their convenience as well as attending meetings in person if they so choose. We start off right away by laying out the public engagement plan and identifying all of those opportunities and laying out a schedule, but leaving some flexibility there in case things need to change direction. We also may do some pop up events as well to engage with the community even more.

There will also be committees for Stormwater, Wastewater, Transportation and Land Use. Due to the nature of these committees and resulting conversations there will be an education component provided for these committee members.

Item 2, continued:

Citizen input is a huge component to these projects and plans and the City wants to make sure that this continues throughout this process.

In summary, the types of sub-committees will include a Land Use and Housing sub-committee, a Transportation sub-committee, a Storm water sub-committee and a Water/Wastewater sub-committee. There will be an overall Steering Committee as well. The sub-committees will lean more heavily on the technical side of things. By having these sub-committees, there is more opportunity for public engagement.

RDG has led the effort to keep the public engaged throughout this process.

The Housing Study will be looking at the demographics of the community and different income levels and the types of housing that is needed for those income levels currently and projecting into the future.

In regard to the committee members, there is a need for people who have specific knowledge. It is important to have members that do not have expertise in these areas as well, but may have first hand knowledge of certain neighborhoods or areas of town simply because they have lived there for 35 years.

It is important to have certain types of people on certain sub-committees, such as having a plumber on the Water/Wastewater sub-committee would be beneficial.

In order to clarify who is being selected for these committees, will Council select and appoint only those members to the Steering Committee?

Ms. Hudson said that she understood that the City Council would appoint the Steering Committee members and that the Chair of the Steering Committee would then establish a Sub-chair for each of the categories. The entire Steering Committee could recruit for each of the sub-committees. Overall, we need to know what Council is looking for in the Steering Committee and then we can move forward and start filling the sub-committees.

Councilmember Schueler said that this helps clarify what the Council needs to focus on and who they need to consider appointing to the Steering Committee. The Steering Committee should consist of 12-15 members.

The current list of potential members is about 20 people so any of those that cannot be on the Steering Committee would be good candidates for sub-committees.

The scope of this project has been reviewed multiple times to ensure that double work is not being done. The scope of each of the Master Plans has been gone over by the departments involved to ensure that we are not duplicating things or have any surprises come up at a later time.

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ADJOURNMENT

The meeting was adjourned at 6:11 p.m.

ATTEST:

City Clerk

Mayor