

Proposed Room Tax Ordinance Changes

Section 12-501: Modify definition of Permanent Residents, Add definition for RVs:

Permanent resident means any occupant who has or shall have the right of occupancy of any rooms in a hotel or spaces for recreational vehicles in excess of 30 consecutive days during the current calendar year or preceding year.

Recreational vehicle (RV) means a motor vehicle or trailer equipped for living, offering temporary accommodations for camping, travel, and leisure, including features like beds, kitchens, and bathrooms, encompassing types of motorhomes (Class A, B, C) to towable trailers, campers, and truck campers, all designed for recreational use.

Section 12-502: Increase the Tax Rate from 8% to 10% and ensure it applies to spaces occupied by RV's:

There is hereby levied an excise tax of ~~eight~~ ten percent upon the gross proceeds or gross receipts derived from all rent for every occupancy of rooms in a hotel or spaces occupied by any recreational vehicle overnight in this City except that the tax shall not be imposed where the rent is less than a rate of \$3.00 per day.



Ballot Question – RV's and Rate Increase

Shall Sections 12-501 and 12-502 of the Code of the City of Norman be amended to include application of the Transient Guest Room Tax to spaces rented by recreational vehicles and to increase the excise tax upon the gross proceeds or gross receipts derived from rents received from occupancy of hotel rooms and spaces rented by recreational vehicles by two percent (2%) to a total of ten percent (10%) effective on July 1, 2026 be approved?



Additional Feedback Needed

Expand the purpose of the tax for other uses? Amend Section 12-521 Use of Funds:

~~All~~ The taxes collected pursuant to the provisions of this article shall be set aside and used ~~exclusively~~ for the purpose of encouraging, promoting and fostering the convention and tourism development of the City. Uses in parks development and in promotion of arts and humanities are those contemplated. A portion of the taxes collected, not to exceed 2.5% annually, may be spent on other priorities to be determined on an annual basis by the City Council during the budgeting process.

Note: If the increases fails, but this question passes, the portion available for Parks is reduced from 15.625% to 13.125% (an approximately \$95,000 decrease per year) assuming NAC and Visit Norman contracts remain the same.



Ballot Question – Expansion of Tax Purpose

Shall Section 12-521 of the Code of the City of Norman be amended to expand the purpose of the Transient Guest Room Tax to allow for expenditure of a maximum of two and one-half percent (2.5%) of the revenues on other priorities to be determined on an annual basis by the City Council during the budgeting process?



Possible Revenue Scenarios

Room Tax Split Options - FYE26

\$49,342,112.50 Projected Gross Revenue Subject to Tax

Current: 8% rate	\$3,947,369 Proj Revenue FYE26 \$157,895 Admin Fee \$2,250,000.33 Visit Norman \$947,368.56 Norman Arts Council \$592,105.35 Parks
Proposal 1 10% rate	\$4,934,211.25 Annual Revenue \$197,368.45 Admin Fee \$2,250,000.33 Visit Norman \$947,368.56 NAC \$1,539,473.91 Parks
Proposal 2 10% rate	\$4,934,211.25 Annual Revenue \$197,368.45 Admin Fee \$2,250,000.33 Visit Norman \$947,368.56 NAC \$118,421.07 General Fund purposes \$1,421,052.84 Parks

Current Rate Split- 8%:

- 4% administrative costs, then
- 59.375% Visit Norman
- 25% Norman Arts Council
- 15.625% Parks

Proposal 1 Split – 10%:

- 4% administrative costs, then
- 47.5% Visit Norman (maintains current revenue)
- 20% Norman Arts Council (maintains current revenue)
- 32.5 % Parks (includes entire 2% increase in rate)

Proposal 2 Split – 10%

- 4% administrative costs, then
- 47.5% Visit Norman (maintains current revenue)
- 20% Norman Arts Council (maintains current revenue)
- 30% Parks (includes 1.75% increase in rate)
- 2.5% Other GF purposes (includes .25% increase in rate)

Other Action Needed – Contracts

Visit Norman Current Contract (Section 3):

- A. The parties hereto agree that of the sums collected from the Norman Transient Guest Room Tax, the City of Norman shall retain Four Percent (4%) to reimburse the City for its administrative costs involved in administering the tax and administering the contract. Of the remaining Ninety-Six Percent (96%), 59.375% shall be paid to Visit Norman as compensation for its services rendered during the term of the Agreement. Of the remaining tax collected, 15.625 % shall be set aside for the Norman Parks Department.
 - i. Of the revenues received by Visit Norman from the Norman Transient Guest Room Tax Ordinance, 15.79% shall be dedicated to the promotion of sports tourism in Norman, and improvements to Norman sports facilities.

Other Action Needed – Contracts

Norman Arts Council Current Contract (Section 4):

- A. The parties hereto agree that of the sums collected from the Norman Transient Guest Room Tax, the City of Norman shall retain Four Percent (4%) to reimburse the City for its administrative costs involved in administering the tax and administering the contract. Of the remaining Ninety-Six Percent (96%), 25% shall be paid to NAC as compensation for its services rendered during the term of the Agreement. Of the remaining tax collected, 15.625 % shall be set aside for the Norman Parks Department.

Other Action Needed – Contracts

Norman Arts Council Current Contract (Section 4):

- A. The parties hereto agree that of the sums collected from the Norman Transient Guest Room Tax, the City of Norman shall retain Four Percent (4%) to reimburse the City for its administrative costs involved in administering the tax and administering the contract. Of the remaining Ninety-Six Percent (96%), 25% shall be paid to NAC as compensation for its services rendered during the term of the Agreement. Of the remaining tax collected, 15.625 % shall be set aside for the Norman Parks Department.

What would we use this funding for?

Community & Special Use Parks

Andrews Park

Reaves Park

Saxon Park

Griffin Park

Ruby Grant Park

Lions Park

Little Axe Park

Creekside Bike Park

Westwood Park

Edwards Park

Sutton Wilderness Park

Legacy Park

Recreation & Cultural Centers

Adult Wellness & Education

YFAC

12th Avenue Rec Center

Little Axe

Firehouse Art Center

Historical House

Depo

Sooner Theatre

Misc.

Public Art Program

Trail System

Public Beautification

Example 3 Year – Parks Capital Outlook

FYE27		FYE28		FYE29	
<u>Annual Capital</u>		<u>Annual Maintenance</u>		<u>Annual Maintenance</u>	
Parks Parking Lot & Sidewalk Maintenance	\$ 65,000.00	Parks Parking Lot & Sidewalk Maintenance	\$ 65,000.00	Parks Parking Lot & Sidewalk Maintenance	\$ 65,000.00
Sports Field & Park Lighting	\$ 25,000.00	Sports Field & Park Lighting	\$ 25,000.00	Sports Field & Park Lighting	\$ 25,000.00
Sports Field Maintenance & Upgrades	\$ 50,000.00	Sports Field Maintenance & Upgrades	\$ 50,000.00	Sports Field Maintenance & Upgrades	\$ 50,000.00
Playground Component Replacement	\$ 50,000.00	Playground Component Replacement	\$ 50,000.00	Playground Component Replacement	\$ 50,000.00
	\$		\$		\$
Recreation Center Upgrades & Maintenance	100,000.00	Recreation Center Upgrades & Maintenance	\$ 100,000.00	Recreation Center Upgrades & Maintenance	\$ 100,000.00
Westwood Aquatics Annual Maintenance	\$ 25,000.00	Westwood Aquatics Annual Maintenance	\$ 25,000.00	Westwood Aquatics Annual Maintenance	\$ 25,000.00
Westwood Park Beautification	\$ 50,000.00	Westwood Park Beautification	\$ 50,000.00	Westwood Park Beautification	\$ 50,000.00
Cultural Centers Upgrades	\$ 50,000.00	Cultural Centers Upgrades	\$ 50,000.00	Cultural Centers Upgrades	\$ 50,000.00
Park Signage	\$ 20,000.00	Park Signage	\$ 20,000.00	Park Signage	\$ 20,000.00
Tree Program	\$ 65,000.00	Tree Program	\$ 65,000.00	Tree Program	\$ 65,000.00
	\$		\$		\$
Public Beautification Projects	100,000.00	Public Beautification Projects	\$ 100,000.00	Public Beautification Projects	\$ 100,000.00
Holiday Decorations	\$ 50,000.00	Holiday Decorations	\$ 50,000.00	Holiday Decorations	\$ 50,000.00
	\$		\$		\$
	650,000.00		650,000.00		600,000.00
<u>Capital Projects</u>		<u>Capital Projects</u>		<u>Capital Projects</u>	
	\$		\$		\$
Little Axe Sports Complex Upgrades	250,000.00	New Restroom Project Griffin Park	\$ 400,000.00	Parking Lot Upgrades - AWE	\$ 275,000.00
	\$		\$		\$
Lions Park Tennis Courts Upgrades	300,000.00	Grant Matching Funds - Kids Space & Project	\$ 250,000.00	Ruby Grant Splash Pad	\$ 500,000.00
	\$		\$		\$
Andrews Master Plan Implantation	250,000.00	Andrews Master Plan Implantation	\$ 250,000.00	Andrews Master Plan Implantation	\$ 250,000.00
Public Art	\$ 50,000.00	Public Art	\$ 50,000.00	Public Art	\$ 75,000.00
	\$		\$		\$
	850,000.00		950,000.00		1,100,000.00
TOTAL	\$ 1,500,000.00	TOTAL	\$ 1,600,000.00	TOTAL	\$ 1,700,000.00



QUESTIONS?
