

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)