

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.

- 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

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

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