

TIF #2 OVERSIGHT COMMITTEE MINUTES (UNIVERSITY NORTH PARK TIF)
STUDY SESSION ROOM
201 WEST GRAY
1:30 P.M.
January 19, 2016

The Tax Increment Financing District #2 – University North Park (“UNP TIF”) Oversight Committee met at 1:30 p.m. in the Municipal Building Study Session Room on the 19th day of January, 2016.

PRESENT: Greg Burge, William Wilson, Chris Dragg, Michael Murphy and Chair Fred Walden

ABSENT: Heath Hans, Ted Smith, Dr. Joe Siano and Janese Shephard

OTHERS PRESENT: Jeff Bryant, City Attorney
Kathryn Walker, Assistant City Attorney
Anthony Francisco, Finance Director
Sara Kaplan, Retail Marketing Coordinator
Susan Connors, Planning & Community Development Director
Suzanne Krohmer, Budget Manager
Debbie Whitaker, Municipal Accountant III

The meeting was called to order by Chair Walden at approximately 1:35 p.m. A quorum was present. A motion was made and seconded to approve the minutes from the November 17, 2015 meeting. The motion passed.

Jeff Bryant presented information regarding proposed amendments to Development Agreement Number Five (NTIFA Contract K-1112-125), between the NTIFA, the City of Norman, University Town Center, LLC, UNP Realty Investors, LLC and University North Park, LLC (see attachment). The proposed amendments that were discussed included: update and clarification of the current developer incentive criteria; coordinated master planning; the construction of entrances; proposed timeline extension for the purchase option of additional land and development of the Cultural Facility; and a proposed timeline extension of the completion deadline for the Lifestyle Center.

Jeff stated that UNP is ready to begin work on the north half master plan at a cost of \$40,000 which they expected to be shared by UTC. UTC declined siting the planning expense and obligations that they have already incurred. The City is considering paying the \$20,000 which does have some positive aspects such as the ability to direct the focus of the planning activities when needed.

Jeff stated that the UTC developer could build the required additional square footage of lifestyle center retail space by the current deadline of January 1, 2018, to avoid their reimbursement obligation of \$8.3 million. However, only shell space is required and there is no restriction on performance or from where the stores are recruited. In recent meetings the developer has made known to him that it is their preference to extend the deadline so they would be able to work to attract and select the right type of retailers without just trying to avoid the penalty. They proposed an extension to June 30, 2023. He reminded them that the incentive criteria would also be increased to encourage the developer to attract those retailers with the right fit.

Chris Dragg asked what they are currently doing to seek retailers. Sara Kaplan responded by stating that the developers have someone whose job is specifically to bring retailers to the area and that they attend

the ICSC (International Council of Shopping Center) deal-making conferences where most of these types of transactions are negotiated. There are a number of considerations regarding when a retailer will move into a new area other than their desire to expand including their supply chain distribution, etc.

Michael Murphy expressed concern regarding the ability of Norman to attract the higher performing retailers given the per capita income in the area. Fred Walden stated that “if you build it they will come” seems to be happening and that they should build it or pay up. William Wilson agreed. Chris Dragg stated that he was concerned because the original deadline was 2016, then 2018 and now 2023. Michael Murphy added that there could also be another three year extension under the change that is proposed.

Chris Dragg made a motion to deny the extension request for the remaining required footage build out of the Lifestyle Center. Michael Murphy seconded the motion. A vote was taken and the motion was approved unanimously.

Chair Fred Walden then had to leave the meeting (at approximately 2:35) which ended the quorum.

Anthony Francisco conducted an informational presentation regarding UNP buildings under construction (see attachment).

The committee disbanded at approximately 2:45 p.m.