

University North Park TIF Update

City Council Conference

January 26, 2010

UNP TIF Revenues

- Ad Valorem Taxes from District-50%

 - * 2009 receipts for 2008 assessment year to total \$300,367 (due by March 2009)

 - * 2010 receipts for 2009 assessment year to total \$653,242 (due by March 2010)

- Sales Tax Generated from the District

 - 50% Public Improvements

 - 10% Economic Development

 - 60% Total

UNP TIF FUNDING – RETAIL SALES TAX

Retail Sales Tax	Received by City	Gross Sales	Transfer Adj.	TIF Sales less Trans Adj.	60% TIF	40% General Fund
Oct. 2006	Dec. 2006	177,245	72,846	104,399	62,639	41,760
Nov. 2006- Oct. 2007	Jan. 2007- Dec. 2007	1,992,097	923,024	1,069,073	641,444	427,629
Nov. 2007- Oct. 2008	Jan. 2008- Dec. 2008	3,173,420	916,287	2,257,133	1,354,280	902,853
Nov. 2008 – Oct 2009	Jan. 2009 – Dec. 2009	4,330,455	1,033,102	3,297,353	1,978,412	1,318,941
Nov 2009	Jan 2010	445,465	94,991	350,474	210,284	140,190
TOTAL	38 months	10,118,716	3,040,250	7,078,446	4,247,080	2,831,386

Expenditures – November 2009

Traffic/Roadway	\$3,010,922
Legacy Park (design)	\$ 256,755
Engr/Legal/Prof	\$ 928,549
Loan Issuance costs	\$ 411,850
Rock Creek Overpass	<u>\$3,644,347</u>
Total	\$8,252,423

UNP TIF Project Components Update

■ Traffic and Roadway Improvements

- Rock Creek Overpass – bridge substantially complete – Phase II bid opening on Thurs - completion by end of year

Budget/Actual	City	ODOT	City	ODOT
ROW	\$1,475,478		\$1,475,478	
Construction	\$3,843,500	\$5,553,360	\$2,133,556	\$6,932,444
Design	\$ 641,700		\$ 641,700	
Utilities	\$ 750,000		\$ 127,000	
Subtotal	\$6,710,678	\$5,553,360	\$5,057,712	\$6,932,444

TIF funding - \$7.75 m

Financing Authority- \$6.75 m

Cost savings - \$2.65 m

Open Fin. Authority- \$1.65 m

UNP TIF Project Components Update

- Retail Development
 - Academy Sports - opened late October; 1st full month Nov (OTC Jan disbursement)
 - UNP Section V Final Plat to City Council in Feb (six lots: 1 bank, 2 restaurants, 3 other retail spaces)
- Conference Center – continues to do well
- Economic Development
 - NEDC's ability to purchase land at a reduced price extended to June 2010

UNP TIF Components Update

Legacy Park

- | | | |
|----------|---------------|-------------------|
| ■ Budget | Construction: | \$ 4,350,000 |
| | Contingency: | <u>\$ 750,000</u> |
| | Total | \$ 5,100,000 |
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- Engineers Est. (with 13 alternates) \$ 5,794,877
 - Bids opened Dec 10, 2009 – CGC \$ 5,678,000
 - Met with lowest bidder Jan 5th to discuss options
 - Bids good for 90 days - Low bidder was CGC

Legacy Park Low Bid

Base Bid \$ 5,332,000

Alternates:

(1-5) Detention Pond	\$ 236,000 **
(6) Seat Wall Lights	\$ 60,000
(7) Stage Floor Lights	\$ 14,000
(8) Pylon Light Fixtures	\$ 12,000
(9) West Lighting	\$ 88,000
(10) Planter Pylons	\$ 28,000
(11) Water Feature	\$ 727,000 **
(12) Green Screen	\$ 25,000
(13) Lower Arbor Sections	<u>\$ 119,000</u>
	\$ 1,309,000

Alternates 6-10, 12-13: \$ 346,000

TOTAL: \$ 5,678,000

Legacy Park Bid - Options

- Reject bids – re-bid or delay project
- Scale back project to base bid & negotiate with low bidder
- Build Park with selected alternates & seek approval within funding authorization.
(recommended by TIF Oversight Committee & Council subcommittee)

2nd Funding & Future Projects

- **Legacy Park, 24th Ave NW and Legacy Park Drive**

- If OU Foundation is the Lender:

- Development Agreement No. 5

Legacy Park Bid	\$5,678,000
Legacy Park Construction 2 nd financing.	<u>\$4,889,500</u>
Additional funding needed	\$ 788,500

Open Financing Authority - 1st Funding \$1,650,000

- If OU Foundation is not the Lender:

- Private financing (on a parity basis)
- Use of Excess TIF Revenues (revenues after debt service requirements)

- **Priority given to roads after Legacy Park is constructed**

Development Agreement No. 5 - Steps Taken

July - Council sub-committee to discuss & define issues

Sept – Present final design of Legacy Park to Council

Sept -Draft of City's position to Lender reps

Oct – finalized Legacy Park bid docs

Nov – met with Lender/UTC reps; received updated TIA; put Legacy Park out for bid

Dec – Legacy Park bids opened; met with Council sub-committee; met with TIF Oversight Committee

Jan – met with Park Construction low bidder; Exploring possible solutions to issues with Lender/ UTC/Developer

Development Agreement No. 5 – Key Issues

- Extend Foundation as Lender deadline - now Mar 31, 2010
- Extend NECD Land purchase option - now June 2010
- Extend Lifestyle Center completion date from 2016
- \$5.9 million penalty tied to Lifestyle Center completion
 - credit for early Parkland donation
 - performance standard based on sq. ft. retail development
- Legacy Park construction funding
- Future Road Improvement Sequencing
- Transfer Adjustments

Remaining Issues - Next Steps

- Extend Lifestyle Center completion date from 2018
- Future Road Improvement Sequencing - close to agreement
- Penalty tied to Lifestyle Center completion – work toward options that meet needs of all parties
- Financing mechanism for Legacy Park
 - OU Foundation or Private financing
 - Effectuate land transfer from Developer via platting process
- Goal is to be back to Council with Options in March to capture construction bid

TIF Update

January 26, 2010

Council Questions
Council Comments