

TO: Chairman and Trustees of the Oklahoma City Economic Development Trust

FROM: Craig Freeman, General Manager

Approval of Amendment No. 1 to the Economic Development Agreement with Infiniti Living 1, LLC (Developer) for assistance in development financing in support of the 520 W. Main Street Project located at 520 W. Main Street, changing the requirements for the Developer to receive the \$1,500,000 portion of the incentive, by dividing it into three (3) equal installments of \$500,000 each. (TIF)

Location:

520 W. Main St.

Background:

On November 21, 2023, the Oklahoma City Economic Development Trust approved an Economic Development Agreement with Infiniti Living 1, LLC for assistance in development financing not to exceed \$1,900,000 in support of the 520 W. Main Project. The Oklahoma City Council concurred with this agreement on December 5, 2023. The incentive was to be provided in two parts; one payment of \$1,500,000 upon completion and annual payments of 100% of the ad valorem increment generated by the project, not to exceed \$400,000.

The Project consists of the redevelopment of the existing building located at 520 W. Main Street, which will include 204 apartments, indoor pickleball courts, swimming pool and other amenities. The Project is expected to be completed by July 31, 2025.

Amendment No. 1 will add no additional funds to the agreement and the Developer has provided a Completion Guaranty in support of the changes. The Amendment will change the requirements and timing for the Developer to receive the \$1,500,000 portion of the incentive. This portion of the incentive will be broken into three (3) equal installment payments as follows:

1. \$500,000 upon receipt of general contractor's documentation that 70% of the project is complete; and
2. \$500,000 upon issuance of permanent or temporary certificate of occupancy for Floors 1 – 6 of the Project and receipt of documentation that at least 22 apartment units have been pre-leased on those Floors; and
3. \$500,000 upon issuance of permanent or temporary certificate of occupancy for Floors 7 – 10 of the Project and receipt of documentation that at least twenty percent (20%) of the leasable space is leased and occupied.

The remainder of the incentive of \$400,000 will be provided through ad valorem tax increment generated by the project and received by the City or Trust.

Cost:

No additional costs.

Source of Funds:

CONTROL - TIF #2-RSTR > OCEDT > OKC Economic Development Trust > 520 W. Main Project > Economic Development Contract (OCEDT-7100-1400599-ED0289-52010030)

OCEDT Recommendation: Amendment be approved.