

JOINT RESOLUTION

JOINT RESOLUTION OF THE CITY OF OKLAHOMA CITY (“CITY”) AND THE OKLAHOMA CITY ECONOMIC DEVELOPMENT TRUST (“TRUST”), APPROVING AN ALLOCATION NOT TO EXCEED \$200,000,000 IN AD VALOREM TAX INCREMENT AND \$5,500,000 IN SALES AND USE TAX INCREMENT FROM TAX INCREMENT DISTRICT NO. C’s ASSISTANCE IN DEVELOPMENT FINANCING BUDGET CATEGORIES, FROM THE AMENDED AND RESTATED DOWNTOWN/MAPS ECONOMIC DEVELOPMENT PROJECT PLAN 2023, PLUS THE POSSIBLE ADDITION OF STATE SALES TAX MATCHING FUNDS PURSUANT TO THE OKLAHOMA LOCAL DEVELOPMENT AND ENTERPRISE ZONE INCENTIVE LEVERAGE ACT (“LEVERAGE ACT”), ALL IN SUPPORT OF THE BOARDWALK PROJECT LOCATED IN BRICKTOWN, OKLAHOMA CITY, WHICH PROJECT CONSISTS OF THE CONSTRUCTION OF APPROXIMATELY 900 RESIDENTIAL UNITS, APPROXIMATELY 59,000 SQUARE FEET OF RETAIL SPACE, A WORKFORCE DEVELOPMENT TRAINING CENTER, AND PARKING GARAGES, WITH AN ESTIMATED \$550,000,000 PRIVATE CAPITAL INVESTMENT BY THE DEVELOPER, THE BOARDWALK AT BRICKTOWN LLC, A MATTESON CAPITAL COMPANY.

WHEREAS, on March 28, 2023, The City of Oklahoma City (“City”) adopted Ordinance No. 27,297, approving the Amended and Restated Downtown/MAPS Economic Development Project Plan 2023 (“Project Plan”), which includes Increment District Nos. Two, Three, Eight, Ten, Fourteen, A, B, C & D, City of Oklahoma City; and

WHEREAS, since its initial inception, the primary purpose of the Project Plan has been to create economic vitality by capturing the unmatched opportunity to stimulate a combination of public and private redevelopment and investment activities that build on the investment of the City in the MAPS Programs; and

WHEREAS, the Project Area and Increment Districts are reinvestment and enterprise areas, containing locations previously determined to be blighted areas as defined in 11 O.S. §38-101 *et seq.*, therefore, pursuant to 62 O.S. §850 *et seq.*, (“the Local Development Act”) and Article X Section 6C of the Oklahoma Constitution, the City is authorized to use local taxes and fees for public investments, assistance in development financing, or as a specific revenue source for other public entities within the Project Area; and

WHEREAS, the Developer's proposed Master Development Project consists of a two-million square foot development on almost four acres of land that is located in the Bricktown Entertainment District, which is contemplated to be constructed in multiple phases.

WHEREAS, Developer plans for the Master Development Project to contain a hotel, which will be located within what is known as the No Subsidy Zone, depicted in "Exhibit A", attached hereto. The Developer shall not use any incentives received from the City and Trust to subsidize any portion of the hotel development in any manner, including but not limited to paying for or reimbursing itself for: the cost of land on which the hotel development shall be constructed, parking facilities for hotel guests, infrastructure serving the hotel, development and legal fees associated with the development and construction of the hotel, construction and architectural/engineering costs to build the hotel; and

WHEREAS, the Alliance for Economic Development for Oklahoma City ("Alliance") has analyzed the financial feasibility and estimated return on investment for this Master Development Project. The analysis did not consider any information related to the planned construction/development of a hotel on the Property. The Alliance found that without the incentives it is recommending, this project will likely not happen. This analysis includes the fact that Developer plans to apply for state sales tax matching funds and assumes approval of such, loans through HUD, and potential grant funds for which Developer will qualify with regard to the workforce housing and workforce development center components of the Master Development Project; and

WHEREAS, the allocation will be provided from TIF C from the Assistance in Development Financing budget category by reimbursing the Developer 90% of the ad valorem tax increment generated, paid by the Developer, and received by the City, for the life of Increment District No. C but not to exceed \$200,000,000. The City will activate TIF C in conjunction with the near completion of Phase 1. The Developer shall be responsible for seeking a property tax reassessment from the Oklahoma County Assessor upon completion of each phase of the Master Development Project; and

WHEREAS, the allocation will also be provided by reimbursing the Developer 100% of the City's 2% non-dedicated sales and use tax increment generated from construction of all phases of the Master Development Project from TIF C's Assistance in Development Financing budget category. Sales and use taxes related to retail sales transactions, dining and entertainment, hotel stays, etc., shall not be considered for incentive purposes; and

WHEREAS, the Local Development Act mandates creation of a review committee comprised of representatives of each of the taxing jurisdictions located within the boundaries of the Increment District(s) from which the increment is generated, as well as the required representatives of the public at large. On July 6, 2023, the review committee met and reviewed the proposed Boardwalk Project and requested allocation in light of the Project Plan's stated objectives, feasibility, priorities, and funding availability. The review committee recommends approval of The Boardwalk Project; and

WHEREAS, it is believed that The Boardwalk Project will serve many of the Project Plan

objectives in addition to increasing investment potential in the area, reversing economic decline and stagnation, redeveloping blighted areas, and making development and economic growth possible that would not have been without development incentives.

WHEREAS, if the parties are unable to agree to terms and execute an Economic Development Agreement within six (6) months of the date of approval of the Joint Resolution, this Allocation shall become null and void. The City Manager, at their sole discretion, may authorize an extension of an additional six (6) months.

NOW, THEREFORE, BE IT RESOLVED, that the City of Oklahoma City and the Oklahoma City Economic Development Trust hereby approve an allocation not to exceed \$200,000,000 in ad valorem tax increment and \$5,500,000 in construction-related sales/use tax increment from Tax Increment District No. C's Assistance in Development Financing Budget Categories from the Amended and Restated Downtown/MAPS Economic Development Project Plan 2023, with the addition of possible State of Oklahoma matching funds pursuant to the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act, all in support of The Boardwalk Project located in the Bricktown Entertainment District, Oklahoma City, Oklahoma, which Project consists of the construction of a multi-phased Master Development Project including approximately 900 residential units, approximately 59,000 square feet of retail space, , a workforce development training center, and parking garages, all with an estimated \$550,000,000 in Private Capital Investment by the Developer, the Boardwalk at Bricktown LLC, a Matteson Capital company.

APPROVED by the Council and signed by the Mayor of the City of Oklahoma City, Oklahoma, this 15TH day of AUGUST, 2023.

ATTEST:

Amy K. Simpson
City Clerk



David Holt
Mayor

APPROVED by the Trustees and signed by the Chairman of the Oklahoma City Economic Development Trust, Oklahoma, this 18TH day of JULY, 2023.

ATTEST:

Amy K. Simpson
Secretary



John B. Smith
Chairman

REVIEWED for form and legality.

Amy Douglas
Assistant/Deputy Municipal Counselor