



MEMORANDUM

Council Agenda
Item No. IX. K
12/17/2024

The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

Loan Agreement with 21c OKC, LLC for the 21c OKC Museum and Hotel Redevelopment Project (now branded as the Fordson Hotel), 900 West Main Street, January 1, 2025 to January 1, 2029. Ward 6.

Location:

900 West Main Street

Purpose:

To renew the Borrower's loan for an additional four (4) years commencing on January 1, 2025, and ending on January 1, 2029, under revised loan terms and conditions.

Background:

On July 21, 2015 The City, as Lender, and 21c OKC, LLC, as Borrower, entered into a \$6,900,000 Section 108 Loan Agreement (2015 Loan Agreement) to assist the 21c Museum Hotel Project. The Loan Agreement had an initial eight-year term with a maturity date of July 1, 2023, with an option to extend to the loan term upon mutual agreement, provided that certain conditions were met.

On July 18, 2023 City Council approved Amendment No. 1 to the original Loan Agreement to provide a temporary one-year extension (to July 1, 2024) to the initial loan term, allowing for additional time to consider a further extension of the loan maturity date.

On June 18, 2024 City Council approved Amendment No. 2 to the original Loan Agreement to provide an additional six-month extension (to January 1, 2025) to the initial loan term, allowing for additional time to consider a further extension of the loan maturity date.

Negotiations between Lender and Borrower have culminated in a new Loan Agreement here presented for the City Council's consideration of approval. The new Loan Agreement renews the Borrower's loan for an additional four (4) years commencing on January 1, 2025, and ending on January 1, 2029, with no further loan extensions. The renewed loan will be secured by a new Promissory Note; a Leasehold Mortgage; an Assignment of Rents and Leases; a Collateral Assignment of Licenses and Permits; joint and several Personal Guaranty Agreements; and a recorded security interest in personal property. The new Loan Agreement reflects a revised interest rate and amortization schedule. The current principal loan balance is \$4,774,000.

The former 21c Museum Hotel is now a Hyatt Unbound Collection hotel that has been renamed

the Fordson Hotel. The hotel is now managed by Avion Hospitality.

Review:

Planning

Recommendation: Agreement be approved.