

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 \$1,900,000 FROM TAX INCREMENT DISTRICT NO. 2 ’S RESIDENTIAL DEVELOPMENT BUDGET CATEGORY, FROM THE AMENDED AND RESTATED DOWNTOWN/MAPS ECONOMIC DEVELOPMENT PROJECT PLAN 2023, IN SUPPORT OF THE 520 W. MAIN PROJECT LOCATED AT 520 WEST MAIN IN OKLAHOMA CITY JUST WEST OF THE SHERIDAN WALKER PARKING GARAGE, WHICH PROJECT CONSISTS OF THE CONSTRUCTION OF 204 APARTMENT UNITS BY REDEVELOPING THE OLD HOLIDAY INN BUILDING AT THAT LOCATION, WITH AN ESTIMATED \$20,000,000 IN PRIVATE CAPITAL INVESTMENT TO BE PROVIDED BY THE DEVELOPER.

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, among others, Tax Increment District No. Two, Oklahoma City (“TIF 2”). 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 Local Development Act mandates creation of a review committee comprised of representatives of each of the taxing jurisdictions located within the boundaries of the Project Area’s Increment Districts, from which the increment is generated, as well as the required representatives of the public at large. On August 11, 2023, the review committee for the Project Plan met and reviewed the proposed 520 West Main Street Project (“Project”) and the Developer’s requested allocation of \$1,900,000 in assistance in development financing due to proposed low rates of return in projected future operations of the apartment complex and challenging and expensive renovations to the existing, old Holiday Inn building; and

WHEREAS, the Project, as proposed by the Developer, Infiniti Living 1 LLC, will provide 204 apartments converted from previous hotel rooms which will range in size from 295 square feet

to 424 square feet with modest rental rates for the downtown area. The building is the site of the previously operated Holiday Inn which was sold in 1993. Redeveloping existing properties and thus reversing economic decline and stagnation is one of the many priorities of the Project Plan. The Developer will also offer a host of amenities to its residents such as, but not limited to: indoor pickleball courts, swimming pool, barbeque areas, fitness center, pet spa, dog park, bike storage, laundry facility, storage spaces, etc.; and

WHEREAS, after hearing from City Finance staff and the Alliance for Economic Development of Oklahoma City regarding the Developer's estimated operating shortfalls and construction challenges, and considering the Project Plan's stated objectives, feasibility, priorities, and funding availability, the review committee recommended approval of the Project; and

WHEREAS, the City and the Trust, the City's designated administrator of the Project Plan, desire to promote and assist economic and community development projects which involve substantial investments in the Project Area; and

WHEREAS, the allocation will be provided from TIF 2's Residential Development budget category by paying the Developer \$1,500,000 after Developer meets all requirements for issuance of a Certificate of Completion. In addition, Developer may be eligible to receive another not-to-exceed amount of \$400,000 through annual payments to the Developer of 100% of the ad valorem tax increment generated and paid by the Developer and received by the City for the remainder of the life of TIF 2 which expires in 2026; and

WHEREAS, it is believed that the Project will serve many of the Project Plan objectives in addition to increasing investment potential in the area, by reversing economic decline and stagnation, redeveloping a blighted area, and making development and economic growth possible that would not have been without development incentives. Without this public assistance this Project would probably not occur.

NOW, THEREFORE, BE IT RESOLVED, by the City Council and the Oklahoma City Economic Development Trust that the requested budgetary allocation from TIF 2's Residential Development budget category of the Amended and Restated Downtown/MAPS Economic Development Project Plan 2023, be approved, in an amount not to exceed \$1,900,000, by reimbursing the Developer 100% of the ad valorem tax increment, paid by the Developer and received by the City, for the remainder of TIF 2 following issuance of a Certificate of Completion, not to exceed \$400,000, and by providing Developer \$1,500,000 upon meeting all of the conditions for a Certificate of Completion as to be set forth in an economic development agreement, because it is deemed necessary for development of 520 W. Main Project, which development the Trust and City find consistent with the Project Plan's stated objectives, feasibility, priorities, and funding availability.

ADOPTED by the Council and signed by the Mayor of the City of Oklahoma City, Oklahoma, this 26TH day of SEPTEMBER 2023.

ATTEST:

Amy K. Simpson
City Clerk



David Holt
Mayor

ADOPTED by the Trustees and signed by the Chairman of the Oklahoma City Economic Development Trust, Oklahoma, this 29TH day of AUGUST, 2023.

ATTEST:

Amy K. Simpson
Secretary



John B. ...
Chairman

REVIEWED for form and legality.

Amy Douglas
Assistant/Deputy Municipal Counselor