

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

FROM: Craig Freeman, General Manager

Joint Resolution of the Oklahoma City Economic Development Trust and The City of Oklahoma City to be introduced and set for public hearing and final approval August 17, 2021, approving an allocation in an amount not to exceed \$1,500,000 from Increment District No. 2, City of Oklahoma City, residential development budget category of the Amended and Restated Downtown/MAPS Economic Development Project Plan to be used for assistance in development financing in support of project costs associated with certain environmental remediations that must be done on the property for the Boulevard Place Apartment Project, and approving an allocation in an amount not to exceed \$5,743,571 from increment revenues received from Increment District No. 13, City of Oklahoma City, assistance in development financing budget category of the Core to Shore Reinvestment Area Project Plan to be used for assistance in development financing in support of project costs associated with the acquisition of land and construction of the Boulevard Place Apartment Project which consists of the construction and development of a 265 unit apartment complex and certain ground floor retail space adjacent to the north side of Central Oklahoma Transportation and Parking Authority's ("COTPA") parking garage and located on property at the southeast corner of Oklahoma City Boulevard and Broadway Avenue, generally bounded by the Oklahoma City Boulevard, S.W. 4th Street, South Broadway Avenue, and Shields Boulevard; and authorizing and directing the General Manager and/or designee to negotiate an economic development agreement with Rose Rock Development Partners, LLC for subsequent Trust consideration and approval. (TIF)

Background:

On March 7, 2000, The City of Oklahoma City ("City") adopted Ordinance No. 21,431, approving the initial Downtown/MAPS Economic Development Project and Project Plan ("Project" and "Downtown/Maps Project Plan", respectively) and establishing, among other provisions, the creation of Increment Districts to serve the Project, including Increment District Number Two, City of Oklahoma City ("Increment District No. 2") and its associated Project Area. On February 23, 2016, The City of Oklahoma City ("City") adopted Ordinance No. 25,326, approving and adopting the Core to Shore Reinvestment Project Plan ("Core to Shore Project Plan") and establishing, among other provisions, the creation of Increment Districts to serve the Project, including Increment District Number Thirteen, City of Oklahoma City ("Increment District No. 13") and its associated Project Area.

The Project Area is the specific area where the increment generated in the Increment District can be utilized to support project costs such as assistance in development financing needed to develop

the projects anticipated by the Project Plan. The proposed Boulevard Place Project, consisting of the development and construction of approximately 265 apartment units and other ground floor commercial space, is to be constructed in the Project Area of Increment District No. 2 and Increment District No. 13.

The Downtown/MAPS Project Plan has been Amended and Restated on numerous occasions ("Amended Downtown/MAPS Project Plan") and requires that the Downtown/MAPS Tax Increment Review Committee ("Review Committee No. 1") review any proposed development and/or budgetary allocation in light of the project objectives, feasibility, priorities, and funding availability and submit its recommendation to the City Council of The City of Oklahoma City ("City Council") prior to implementation of the development project. Similarly, the Core to Shore Project Plan also requires that the Core to Shore Reinvestment Area Review Committee ("Review Committee No. 2") review any proposed development and/or budgetary allocation in light of the project objectives, feasibility, priorities, and funding availability and submit its recommendation to the City Council of The City of Oklahoma City ("City Council") prior to implementation of the development project.

On December 7, 2007, the citizens of Oklahoma City approved an excise tax in the amount of one percent levied upon the gross proceeds or gross receipts derived from all sales taxable under the sales tax laws of this State for the purpose of developing City capital improvements, commonly known as MAPS 3 projects, which improvements were conceived to enhance and support the quality of life of the citizens and visitors to Oklahoma City. Two of the MAPS 3 projects were the construction of a new Convention Center and the new Scissortail Downtown Park, which upon completion were expected to significantly promote increased residential demand and opportunities in the downtown area, thereby enhancing the tax base and spurring additional economic development.

The developer of Boulevard Place has approached City staff with a request to assist the developer in closing a gap in financing available to construct the Boulevard Place Project. If the required gap in financing costs for the Boulevard Place Apartment Project can be closed, the Developer, Rose Rock Development Partners, will construct the proposed Project which will bring additional needed residential opportunities to the central business district and promote additional economic development in the area.

Review Committee No.1 and Review Committee No.2 have received information regarding the proposed development of the Boulevard Place Project, and the need to close the gap in financing, to include the use of the funds to remediate certain known environmental issues on the property. The two Review Committees also received information from the requesting Developer (Rose Rock Development Partners, LLC), regarding its plans to construct the Boulevard Place Apartment Project on a tract of land situated generally property located on the southeast corner of Oklahoma City Boulevard and Broadway Avenue, generally bounded by the Oklahoma City Boulevard, S.W. 4th Street, South Broadway Avenue, and Shields Boulevard.

On June 29, 2021, the Core to Shore Review Committee convened separately and independently and found that recommending approval of the proposed budgetary allocation of an amount not to exceed \$5,743,571, as recommended by City staff, from the Assistance in Development Budget

Category of Increment District No. 13 for “assistance in development financing” to help offset the cost of land acquisition and construction is deemed necessary and appropriate for the Boulevard Place Apartment Project.

On July 14, 2021, the Downtown/MAPS Review Committee convened separately and independently and found that recommending approval of the proposed budgetary allocation of an amount not to exceed \$1,500,000, as recommended by City staff from the Residential Development Budget Category of Increment District No. 2, for “assistance in development financing” to help offset the cost of required environmental remediation is deemed necessary and appropriate for the Boulevard Place Apartment Project.

Recommendation: Joint Resolution be adopted.