

RESOLUTION NO. CC-2020-23; SEDA-2020-3

JOINT RESOLUTION BY THE STILLWATER ECONOMIC DEVELOPMENT AUTHORITY AND THE STILLWATER CITY COUNCIL APPROVING A REDEVELOPMENT AGREEMENT BY AND AMONG THE STILLWATER ECONOMIC DEVELOPMENT AUTHORITY, AND EVERYMAN, LLC AND JUST THE LETTER J CAPITAL, LLC (COLLECTIVELY, REDEVELOPER) AND APPROVING A COVENANT AGREEMENT

WHEREAS, on June 18, 2018, the Stillwater City Council ("City Council") adopted Ordinance No. 3407 which approved the Stillwater (Re)Investment Plan (Stillwater Downtown/Campus Link Project Plan), establishing the Project Area, and creating Increment District No. 3, the City of Stillwater, a sales and ad valorem increment district ("Increment District No. 3"), pursuant to the Oklahoma Local Development Act, 62 O.S. §850, *et seq.*, as thereafter amended from time to time ("Project Plan"), including by Ordinance No. 3424 adopted by City Council on November 5, 2018 approving a minor amendment to the Project Plan to provide Payne County, its Health Department, and Meridian Technology a specific revenue source from those properties that generate increased property tax revenue without direct public assistance in Increment District No. 3 and which had no effect on the distributions and capital payment obligations to be made to the Stillwater Public Schools under the Project Plan, and by Ordinance No. 3440 adopted by City Council on October 7, 2019 to correct an error in the denominator of the calculations used to determine the allocations to each of the affected taxing jurisdictions; and

WHEREAS, the Project Plan supports the City's efforts to achieve its development objectives for Downtown Stillwater and envisions, among other things, the repurposing and activation of vacant and underutilized property in downtown Stillwater; and

WHEREAS, Redeveloper, which is comprised, collectively, of Everyman, LLC, an Oklahoma limited liability company and Just the Letter J Capital, LLC, an Oklahoma limited liability company, desires to acquire, renovate and equip an existing building located at 615 S. Main, Stillwater, Oklahoma, on real property which is more particularly described in the Redevelopment Agreement as hereafter defined ("Property") to expand Redeveloper's existing business to include barbering, coffee services, alcohol service, menswear, and wedding services specifically tailored to the needs of men, while increasing the number of full-time employees, with a focused intent on keeping local talent in the City of Stillwater (collectively referred herein as the "Redevelopment"); and

WHEREAS, the Implementation Policy Committee ("Committee") has reviewed the application of the Redeveloper for significant impact development assistance ("Application"), as described in the Implementation Policy Guide for Assistance in Development Financing adopted by the City Council; and

WHEREAS, the Implementation Policy Committee recommended approval of the Redeveloper's Application to the Board of Trustees of the Authority ("Board"), finding that the Redeveloper's proposed redevelopment meets the objectives of the Project Plan by the: (1) renovation of a downtown Stillwater building; (2) creation of an experiential destination in the heart of downtown Stillwater, and (3) offering of competitive salaries with professional level career opportunities for an underserved demographic in Stillwater; and

WHEREAS, on October 5, 2020, during a regular meeting of the Authority, the Board accepted the Committee's recommendation, approved the Redeveloper's Application, and directed City staff and development counsel to prepare a redevelopment agreement; and

WHEREAS, development counsel and City staff have prepared a redevelopment agreement, pursuant to which the Authority will provide development financing assistance to support the Redevelopment by the issuance of a tax apportionment revenue note in the amount of \$350,000, to be repaid over a 15-year term, at an interest rate of 1.75% per

annum (“Note”), and the Redeveloper will be obligated to submit evidence of financing of the costs of the Redevelopment, evidence of Redeveloper’s fee title to the Property, submit plans of the Redevelopment for review and approval, commence and complete the Redevelopment on or before certain deadlines, cause the Redevelopment to be continuously and fully operated for a period of no less than five years, and execute a Covenant Agreement securing a minimum payment of taxes (or payment in lieu of taxes), to ensure repayment of the Note; and

WHEREAS, the Chair and Trustees of the Stillwater Economic Development Authority and the Mayor and City Council of the City of Stillwater deem it appropriate to approve the terms and conditions of the Redevelopment Agreement, and find that such approval is in the best interests of the City, and the health, safety, and welfare of the City and its residents.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Stillwater and the Chair and Trustees of the Stillwater Economic Development Authority, as follows:

1. The Redevelopment Agreement by and between the Stillwater Economic Development Authority, Everyman, LLC, an Oklahoma limited liability company, and Just the Letter J Capital, an Oklahoma limited liability company, is hereby authorized, approved, and ratified.
2. The Chair and Trustees of the Authority and development counsel are authorized and directed to negotiate, finalize and execute the Redevelopment Agreement, to make corrections and adjustments thereto as may be appropriate and advised by development counsel, and to prepare, finalize, approve, and execute documents that are necessary and appropriate to implement and carry out the terms of the Redevelopment Agreement.
3. The Chair and Trustees of the Authority and development counsel are authorized and directed to negotiate, finalize and record the Covenant Agreement, to make corrections and adjustments thereto as may be appropriate and advised by development counsel, and to prepare, finalize, approve, and execute documents that are necessary and appropriate to implement and carry out the terms of the Covenant Agreement.
4. The Chair and Trustees of the Authority and development counsel are authorized and directed to prepare supporting documents, to take implementing actions, and to perform the agreements and obligations contained in Redevelopment Agreement and the Covenant Agreement.

PASSED AND APPROVED this _____ day of October, 2020.

CITY OF STILLWATER, OKLAHOMA
A Municipal Corporation

STILLWATER ECONOMIC DEVELOPMENT
AUTHORITY
A Public Trust

WILLIAM H. JOYCE, MAYOR/CHAIR

ATTEST:

TERESA KADAVY
CITY CLERK/SECRETARY

(SEAL)

APPROVED as to form and legality this _____ of October, 2020.

JOHN E. DORMAN
CITY ATTORNEY/GENERAL COUNSEL