



AGENDA

Tuesday, April 17, 2018
2:00 PM

TRUST MEMBERS:

Larry McAtee, Chairman
Rhonda Hooper, Vice Chairman
Jim Roth
John Pettis
Lynn Pickens

James D. Couch, General Manager
Catherine O'Connor, Surrogate General Manager

Frances Kersey, Secretary
Wiley Williams, Deputy Municipal Counselor

200 N. Walker • 3rd Floor • Council Chamber

INFORMATION ABOUT OCEDT TRUST MEETINGS

The Oklahoma City Economic Development Trust (OCEDT) generally meets on a monthly basis in the Council Chamber at City Hall unless prior notice of a change is posted. If Council or another City Trust is in session, the OCEDT meeting will be held in the Executive Conference room (same floor). To confirm meeting dates, call (405) 297-2260.

It is the policy of the City to ensure that communications with participants and members of the public with disabilities are as effective as communications with others. Anyone with a disability who requires an accommodation, a modification of policies or procedures, or an auxiliary aid or service in order to participate in this meeting should contact the ADA department coordinator at 297-2506 or TDD 297-2020 as soon as possible but not later than 48 hours (not including weekends or holidays) before the scheduled meeting. The department will give primary consideration to the choice of auxiliary aid or service requested by the individual with disability. If you need an alternate format of the agenda or any information provided at said meeting, please contact the ADA department coordinator listed above 48 hours prior to the scheduled meeting.

Addressing the Trust

Citizens may address the Trust during public hearings on any matter on the agenda, but all comments must be relevant to items on the agenda. Citizens may also address the Trust on individual concerns at the end of the agenda when the Chairman asks if there are any comments by citizens. Comments should concern OCEDT matters. Please fill out a "Request to be Heard" form located outside of Chambers and return this form to economic development staff. **PLEASE LIMIT YOUR COMMENTS TO 3 MINUTES.**

If you know in advance that you wish to address the Trust, you may call 297-2260 and provide your name and the subject about which you wish to speak.

Trust Actions

Official action can be taken only on items that appear on the agenda. The Trust may dispose of business on the agenda by adopting, approving, ratifying, denying, deferring or continuing resolutions, plans and specifications, addenda, amendments and contracts. Other actions may also be taken.

When more information is needed to act on an item, the Trust may refer items to the General Manager or Legal Counsel. The Trust may also refer items to committees of the Trust, to a board or commission, or to independent consultants for additional study.

Under certain circumstances, items are stricken from the agenda entirely or no action of any kind is taken.

Television Coverage & Parking

Trust meetings are covered live on Cox Cable Channel 20. Free parking is available at the Sheridan-Walker Parking Garage (501 West Sheridan). The OCEDT staff must validate parking tickets at the Trust meeting.

For more information about the Oklahoma City Economic Development Trust, call 297-2260, or visit the staff at 200 N. Walker, Suite 302, Oklahoma City, Oklahoma.

Agenda

Oklahoma City Economic Development Trust

Tuesday, April 17, 2018

2:00 PM

Council Chambers

Third Floor

Municipal Building

200 North Walker

Oklahoma City, Oklahoma

- I. Call to Order
- II. Approve Minutes of the March 20, 2018 Oklahoma City Economic Development Trust Meeting
- III. Ratify OCEDT Claims
- IV. Items for Individual Consideration
 - A. Joint Economic Development Agreement with The City of Oklahoma City and Costco Wholesale Corp., to support the development of a Costco Wholesale store in the area east of North Western Avenue and the Kilpatrick Turnpike, not to exceed \$3,000,000. (GEN-ED)
 - B. Memorandum of Agreement between the Oklahoma City Economic Development Trust ("OCEDT"), Independent School District No. I-89 of Oklahoma County, Oklahoma ("I-89") and The City of Oklahoma City ("The City") to provide TIF assistance for the Oklahoma City I-89 2015 Capital and 2017 Capital and Planning Projects, locations of 615 N. Classen Boulevard, the operations center located at I-35 and NE 23rd Street, and other various locations throughout the school district, in an amount not to exceed \$15,000,000 (TIF)
 - C. Oklahoma City Economic Development Foundation FY 2017/2018 3rd Quarter Report. (GOLT)(GEN-ED)
- V. General Manager Reports
- VI. Comments from Staff, Trustees and Citizens
- VII. Adjourn



Minutes

March 20, 2018

2:00 p.m.

(The Agenda was posted on the Council Chamber Board at 4:26 p.m. on March 15, 2018)

I. Call to Order 2:00 p.m.

Trustees Present: Larry McAtee, Rhonda Hooper, John Pettis, Lynn Pickens and Jim Roth.

Trustees Absent: None.

II. Approve Minutes of the February 20, 2018 Oklahoma City Economic Development Trust Meeting

APPROVED. Motion by Pettis, second by Pickens. Ayes: McAtee, Hooper, Pettis, Pickens, Roth.

III. Ratify OCEDT Claims

RATIFIED. Motion by Roth, second by Pettis. Ayes: McAtee, Hooper, Pettis, Pickens, Roth.

IV. Items for Individual Consideration

- A. Amendment No. 4 and Change Order No. 5, with the Oklahoma City Water Utilities Trust, and The City of Oklahoma City, Project PC-0394(16B), WC-0892, SC-0986, M3-S007, Project 180 Streetscape Package 6B, E.K. Gaylord from Reno Avenue to Sheridan Avenue; Signing and Striping from Sheridan Avenue to Northwest 4th; increase of \$220,710.90 (OCWUT portion \$5,775.00) (TIF)

APPROVED. Motion by Pettis, second by Hooper. Ayes: McAtee, Hooper, Pettis, Pickens, Roth.

- B. Joint Resolution approving an allocation of Northeast Renaissance Project Increment District No. 9 funds (Retail/Commercial Development) for the 1700 NE 23rd Street Retail/Commercial Project, located at 1726-1742 NE 23rd Street, in the amount of \$1,375,000 and authorizing city staff to make an internal loan in the amount of \$1,375,000 from 2007 General Obligation-Limited Tax Bond fund (SIP Program Funds) to the Oklahoma City Economic Development Trust fund for the purpose of funding the 1700 NE 23rd Street Project Economic Development Agreement and providing for repayment of the loan. (TIF)

ADOPTED. Motion by Pettis, second by Roth. Ayes: McAtee, Hooper, Pettis, Pickens, Roth.

- C. Joint Economic Development Agreement with The City of Oklahoma City and American Tissue Industries, LLC, for the creation of primary jobs in Oklahoma City, 50 N. Council Road, not to exceed \$125,000. (GOLT)

APPROVED. Motion by Hooper, second by Pickens. Ayes: McAtee, Hooper, Pettis, Pickens, Roth.

- D. Joint Resolution with The City of Oklahoma City approving the allocation of General Obligation Limited Tax proceeds in an amount of \$100,000 to provide for certain job creation economic development incentives with DuraCoatings Holdings, LLC in exchange for expanding the manufacturing of their two Oklahoma City-based subsidiaries (DCI Industries, LLC "DCI" and Applied Industrial Coatings, LLC "AIC") and for its commitment to create approximately 49 new quality jobs over the next seven years and authorizing and directing the General Manager and/or designee to negotiate an Economic Development Agreement with DuraCoatings Holdings, LLC, for subsequent Trust and City Council consideration and approval, locations at 5710 NW 4th Street and 13920 S. Meridian Avenue. (GOLT)

Tim Dickinson, Senior Business Development Manager from the Greater Oklahoma City Chamber of Commerce introduced Dennis Glasco, CEO from DuraCoatings Holdings, who gave a presentation.

ADOPTED. Motion by Hooper, second by Roth. Ayes: McAtee, Hooper, Pettis, Pickens, Roth.

- E. Joint Resolution between The City of Oklahoma City and CACI, Inc. - Federal approving the allocation of General Obligation Limited Tax proceeds and/or investment proceeds in an amount of \$1,250,000 to

provide for certain job creation economic development incentives with CACI, Inc. - Federal in exchange for locating their new operations center in Oklahoma City and for its commitment to create approximately 550 new quality jobs over the next 5 years and authorizing and directing the General Manager of OCEDT and/or designee to negotiate an Economic Development Agreement with CACI, Inc. - Federal, for subsequent Trust and City Council consideration and approval, 7725 W. Reno Avenue. (GOLT)

Kurt Foreman, Executive Vice President of Economic Development for the Oklahoma City Chamber of Commerce introduced Ken Asbury, President and Chief Executive Officer from CACI International, Inc. who gave a presentation on their operations.

ADOPTED. Motion by Roth, second by Hooper. Ayes: McAtee, Hooper, Pettis, Pickens, Roth.

V. General Manager Reports

VI. Comments from Staff, Trustees and Citizens

Jim Roth reported that he had seen an advertisement at Will Rogers Airport for the Outlet Mall and he appreciated the support and efforts toward continuing to build business.

He also stated that he had heard that Kurt Foreman from the Chamber had accepted another job out of state and that this would be the last Oklahoma City Economic Development Trust meeting that he would attend. He wanted to give him a word of thanks.

Cathy O'Connor also expressed her thanks to Mr. Foreman for all of his hard work and support and wished him the best of luck in Delaware.

Michael Washington, 2900 NE 18th Street, requested the trust to invest in northeast Oklahoma City.

VII. Adjourn

Meeting adjourned at 2:56 p.m.

Larry McAtee, Chairman

Catherine O'Connor, Surrogate
General Manager

Frances Kersey, Secretary

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

FROM: James D. Couch, OCEDT General Manager

SUBJECT: Ratify OCEDT Claims

Background Attached are the OCEDT payments for the period from March 14, 2018 through April 10, 2018, which includes Dockets 38-41 of Fiscal Year 2018. Staff will be available should you have any questions.

Recommendation: Ratify OCEDT Claims.

Attachment

Docket Summary Listing
April 17, 2018

| <u>Docket</u> | <u>Voucher</u> | <u>Fund</u> | <u>Op. Unit</u> | <u>Project</u> | <u>Fund Type</u> | <u>Vendor</u> | <u>Description</u> | <u>Amount</u> |
|---------------|----------------|-------------|-----------------|----------------|------------------|---|---|---------------------|
| 38 | 00001051 | 100 | 5200 | ED0200 | TIF | Journal Record Publishing Co, LLC The | Publication of Legal Notice of Hearing - Downtown/MAPS | 344.08 |
| 38 | 00001052 | 100 | 5200 | ED0253 | TIF | C H Guernsey And Company | MB-1401 Underground HVAC Project - A&E | 3,748.86 |
| 38 | 00001793 | 100 | 5800 | ED0859 | TIF | RDNJ, Inc. dba A-Tech Paving | PC-0399 P180 SS Package 8 - Construction | 34,992.57 |
| 38 | 00001794 | 100 | 5800 | ED0859 | TIF | RDNJ, Inc. dba A-Tech Paving | PC-0399 P180 SS Package 8 - Construction | 8,232.24 |
| 38 | 00001053 | 120 | 5930 | ED0940 | GENERAL-ED | OKC Outlets | Outlet Mall Marketing Reimbursement - Nov 2017 to Jan 2018 | 203,732.51 |
| 39 | 00001054 | 100 | 5500 | ED0502 | TIF | TwoYet Many LLC | 1700 NE 23rd Street Clinic Project - Draw # 3 | 147,283.41 |
| 39 | 00001796 | 100 | 5800 | ED0858 | TIF | Traffic and Lighting Systems LLC | TC-0469 P180 SS Repairs/Maintenance - Other | 13,325.00 |
| 39 | 00001800 | 100 | 5800 | ED0857 | TIF | Traffic and Lighting Systems LLC | TC-0469 Traffic Signal Pole Replace - Construction | 46,555.00 |
| 39 | 00001801 | 100 | 5800 | ED0858 | TIF | Traffic and Lighting Systems LLC | TC-0469 P180 SS Repairs/Maintenance - Other | 10,365.00 |
| 39 | 00001797 | 100 | 5815 | ED0830 | TIF | Tetra Tech Inc | PC-0394 - P180 SS Package 6B - A&E | 2,165.00 |
| 39 | 00001798 | 100 | 5815 | ED0844 | TIF | Burgess Engineering and Testing | PC-0394 - P180 SS Package 6B - Testing | 646.75 |
| 39 | 00001799 | 100 | 5815 | ED0844 | TIF | Burgess Engineering and Testing | PC-0394 - P180 SS Package 6B - Testing | 2,161.25 |
| 39 | 00001802 | 100 | 5815 | ED0859 | TIF | Smith Roberts Baldischwiler, LLC | PC-0399 P180 SS Package 8 - Construction | 10,473.70 |
| 40 | 00001056 | 100 | 5200 | ED0200 | TIF | Allen, Gibbs and Houlik LC | TIF 2 portion of Billing #4 - External Audit Services FY17/18 | 3,334.00 |
| 40 | 00001057 | 100 | 5200 | ED0200 | TIF | Allen, Gibbs and Houlik LC | TIF 2 portion of Billing #5 - External Audit Services FY17/18 | 1,463.73 |
| 40 | 00001056 | 100 | 5400 | ED0400 | TIF | Allen, Gibbs and Houlik LC | TIF 4 portion of Billing #4 - External Audit Services FY17/18 | 684.56 |
| 40 | 00001057 | 100 | 5400 | ED0400 | TIF | Allen, Gibbs and Houlik LC | TIF 4 portion of Billing #5 - External Audit Services FY17/18 | 300.54 |
| 40 | 00001803 | 100 | 5800 | ED0800 | TIF | Allen, Gibbs and Houlik LC | TIF 8 portion of Billing #4 - External Audit Services FY17/18 | 1,492.04 |
| 40 | 00001804 | 100 | 5800 | ED0800 | TIF | Allen, Gibbs and Houlik LC | TIF 8 portion of Billing #5 - External Audit Services FY17/18 | 655.05 |
| 40 | 00001806 | 100 | 5800 | ED0857 | TIF | Libra Electric Company | MC-0603 Traffic Signal Pole Replace - Other | 2,985.00 |
| 40 | 00001805 | 100 | 5815 | ED0844 | TIF | RDNJ LLC | PC-0394 - P180 SS Package 6B - Construction | 71,035.71 |
| 40 | 00001056 | 110 | 5709 | ED0100 | GOLT | Allen, Gibbs and Houlik LC | GOLT portion of Billing #4 - External Audit Services FY17/18 | 3,461.40 |
| 40 | 00001057 | 110 | 5709 | ED0100 | GOLT | Allen, Gibbs and Houlik LC | GOLT portion of Billing #5 - External Audit Services FY17/18 | 1,519.66 |
| 41 | 00001060 | 100 | 5200 | ED0200 | TIF | Alliance for Economic Development of | TIF 2 portion - FY18 Professional Services | 4,416.66 |
| 41 | 10118580 | 100 | 5200 | ED0238 | TIF | Internal Transfer to Streets Improvement Capital Fund | Downtown Sidewalk Project - A&E | 69,200.00 |
| 41 | 00001060 | 100 | 5400 | ED0400 | TIF | Alliance for Economic Development of | TIF 4 portion - FY18 Professional Services | 1,583.34 |
| 41 | 00001807 | 100 | 5800 | ED0800 | TIF | Alliance for Economic Development of | TIF 8 portion - FY18 Professional Services | 4,666.66 |
| 41 | 00001060 | 110 | 5709 | ED0100 | GOLT | Alliance for Economic Development of | GOLT portion - FY18 Professional Services | 6,833.34 |
| 41 | 00001058 | 120 | 5920 | ED0920 | GENERAL-ED | Myriad Gardens Foundation | Professional Management/Operation Services- FY17/18 | 150,100.00 |
| 41 | 00001059 | 120 | 5970 | ED0970 | GENERAL-ED | Scissortail Park Foundation Inc | Professional Management/Operation Services- FY17/18 | 58,800.00 |
| Total | | | | | | | | \$866,557.06 |

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

FROM: James D. Couch, General Manager

SUBJECT: Joint Economic Development Agreement with The City of Oklahoma City and Costco Wholesale Corp., to support the development of a Costco Wholesale store in the area east of North Western Avenue and the Kilpatrick Turnpike, not to exceed \$3,000,000. (GEN-ED)

Location In the area east of North Western Avenue and the Kilpatrick Turnpike

Background Costco Wholesale Corp., ("Costco") has been seeking to locate a new to market store with approximately 150,000 sf in the metropolitan area for more than five years. In an effort to support Costco's decision to locate within the city limits of Oklahoma City, City staff and the Alliance for Economic Development of Oklahoma City and Costco have agreed to key business terms that will bring Costco to Oklahoma City.

Company Background

Costco opened its first store in 1976 under the Price Club name in San Diego, California. The company found it could achieve far greater buying power by serving small businesses and a select audience of nonbusiness members. In 1983, the first Costco warehouse location opened in Seattle, Washington. Costco is known for their large selections and regional appeal throughout the country. Costco currently has 500 stores in the United States with over 225,000 employees worldwide. The closest stores are in Tulsa, Oklahoma and Lenexa, Kansas. It is estimated a new Oklahoma City store will attract over 900,000 visitors annually with a potential trade area of 100 miles or more. Currently, the Oklahoma City area has approximately 2,777 existing Costco Warehouse members.

Project Background

Costco plans to invest approximately \$15,000,000 or more for the construction and equipping of approximately 150,000 sf of commercial space. The new facility is anticipated to have approximately 150 part and full-time employees and is expected to open by mid 2019.

City Financial Structure

Oklahoma is the only state where a city cannot utilize property taxes to fund day-to-day operations. As a result, Oklahoma City is heavily reliant on sales tax to support operations. In an effort to expand the City's sales tax base, the City Council adopted a retail policy in 2009 to promote retail projects that are new to market, have a regional market draw or support

underserved areas. Oklahoma City is considered a driver of retail in the state with a variety of shopping opportunities and its central location in the state.

Economic Impact

Based on industry research, City staff projects Costco will generate an estimated \$80 million in annual sales in year 1 and grow to more than \$140 million by year 6. It is anticipated that approximately 41% of the sales will be new to the City's sales tax base. For the initial six years, it is projected that Costco will annually generate approximately \$600,000 - \$1,100,000 in new City General Fund sales tax, \$270,000 - \$500,000 in new Better Streets, Safer City sales tax, \$200,000 - \$375,000 in new Public Safety sales tax and \$35,000 - \$60,000 in Zoo sales tax.

The City's FY 2018 General Fund budget totals \$404 million. Approximately 62% or \$250.6 million of the budget is funded by sales and use tax and approximately 51% of the sales tax is derived from retail activity. The proposed project would be classified under the General Merchandise category of retail sales tax. With an existing General Merchandise sales tax base of 1.4 billion annually, it is expected that the project would increase the overall General Merchandise category between 7-10% over the next five years.

Recommended Incentive Amount: \$3,000,000

It is recommended that a performance based incentive amount not to exceed \$3,000,000 be provided to Costco over a 4-5 year period based on 85% of the net new General Fund sales taxes based on the following:

- The current retail incentive policy promotes the development of new to market retailers and regional attractions
- Costco is a regional draw with a trade area based on serving customers up to 90 minutes away or greater.
- Costco will attract over 900,000 annual visitors
- Costco will attract shoppers from outside of the region, preventing/reducing retail sales leakages to surrounding communities
- Costco will allow the City to recapture sales tax from over 2,777 OKC based consumers who are currently traveling to Tulsa, Kansas and Texas.
- City will receive related internet sales from local residents which will result in new sales taxes.

On February 20, 2018, the Oklahoma City Economic Development Trust adopted a resolution with Council concurrence on February 27, 2018 which authorized the OCEDT General Manager or designee to begin negotiations with Costco Wholesale Corp. for the development of an Economic Development Agreement.

Approval of the joint agreement outlines the terms and conditions of The City, the Oklahoma City Economic Development Trust and Costco Wholesale Corporation regarding the development of the new store and the related incentive payment.

Previous Action Resolution adopted by the OCEDT on February 20, 2018 (Item No. IV. A.) and concurred by City Council on February 27, 2018 (Item No. VIII. K.) authorizing negotiation of an Economic Development Agreement with Costco Wholesale Corp.

Cost Not to exceed \$3,000,000

Source of Funds OCEDT - Economic Development Fund - Gen Economic Development-Unassigned - OKC Economic Development Trust - Costco Wholesale Project
(OCEDT - 120 - 5900 - 0400599 - ED0952 - 52010030)

Recommendation: Agreement be approved.

Attachment

**COSTCO COMMERCIAL PROJECT
ECONOMIC DEVELOPMENT
AGREEMENT**

By and Between

**The Oklahoma City Economic Development Trust, a public
trust**

and

The City of Oklahoma City, a municipal corporation

and

Costco Wholesale Corporation, a Washington corporation

COSTCO COMMERCIAL PROJECT
Economic Development Agreement

THIS AGREEMENT made and entered into as of this _____ day of _____, 2018, by and between The Oklahoma City Economic Development Trust, ("The Trust"), The City of Oklahoma City ("The City"), and Costco Wholesale Corporation, a Washington corporation, ("Costco").

WITNESSETH:

WHEREAS, The City and The Trust have determined that it is in the best interest of The City and its citizens to promote, and when deemed appropriate, incentivize economic development and redevelopment; and

WHEREAS, the Oklahoma City Economic Development Trust is a public trust whose sole beneficiary is The City of Oklahoma City, and which entity desires to promote and assist The City with economic and community development and redevelopment projects; and

WHEREAS, The City and The Trust desire to promote and assist economic development and redevelopment projects, in particular those projects which involve substantial investments, increase the local tax base, and those projects which create and bring or retain jobs and employment opportunities into Oklahoma City; and

WHEREAS, The City and the Trust have determined that encouraging the development of destination based retail business that bring out of town shoppers into Oklahoma City and those that fill vacant and underutilized commercial property are a critical and unique ingredient to the City's economic and social health by providing residents and local businesses with more options and services; and

WHEREAS, the Trust and City Council have determined, based upon experience and demonstrative evidence, that destination based retail businesses support the local economy through job creation and by tax base enhancement, whereas, vacant undeveloped parcels of land do nothing to assist the local economy, and the loss or relocation of destination based business into surrounding communities will have a detrimental impact on the tax revenues necessary to provide the citizens with essential public services the public expects; and

WHEREAS, The City and The Trust wish to encourage and support the redevelopment of vacant commercial properties and the location of destination based retail business in Oklahoma City by providing financial incentives for those economic development projects that demonstrate a unique benefit and opportunity to The City and

its residents, create jobs, and capture shoppers not only from surrounding communities, but also throughout the State and region, including conditional economic support of projects that upon completion will increase the local tax base and will cause substantial investment in property and construction, all which make possible additional investment, development, redevelopment, and economic growth within The City; and

WHEREAS, Costco is known for carrying a relatively limited number of stock keeping units in a large number of product categories and its regional appeal; and

WHEREAS, the Price Club was founded in 1976 and merged with Costco in 1993; and

WHEREAS, in 1983, Costco opened its first wholesale warehouse in Seattle, Washington and has grown to more than 500 strategically placed stores throughout the United States with more than 240,000 employees worldwide; and

WHEREAS, after two years in the top 5 of Forbes list of best large employers to work for, Costco was named America's Best Large Employer for 2017; and

WHEREAS, Costco has grown to be the second largest destination retail operation in the United States (based on global sales) with strategically placed stores throughout the United States; thereby making Costco the type of anchor tenant that the Trust and The City have determined would expand The City's sales tax base and provide a desirable place for employment; and

WHEREAS, Costco, pursuant to the pending purchase and sale agreement with Dahr Properties Memorial Springs LLC, (the "Purchase Contract"), proposes to purchase vacant and underutilized commercial property (the "Costco Location") located near the John Kilpatrick Turnpike and N. Western Avenue, Oklahoma City, Oklahoma, and upon closing on the transaction anticipates making a capital improvement investment (as defined herein) of approximately \$15,000,000 or more for the Costco Commercial Project (as defined herein); and

WHEREAS, City staff, based upon industry research, estimates that Costco should generate annual sales subject to local sales taxes of approximately \$745.00 per square foot by the fifth year of operation, which, if correct, will generate new and additional tax revenues in excess of the incentive provided to Costco under this agreement; and

WHEREAS, it is estimated by City staff that, after Costco has been established in the marketplace, the annual financial impact to the general fund will be between \$600,000 to \$1,100,000 in new tax dollars to the City, and between \$270,000 to \$500,000 in new tax dollars for the Better Streets, Safer City program, and between \$200,000 to \$375,000 in new tax dollars for the Police and Fire Safety Sales Tax; and

WHEREAS, the Trust and Council, find that City staff has prepared this economic development agreement under terms that are not only acceptable to Costco, but which will also enable The City and The Trust to meet economic development goals, increase revenues for the general fund and other sales tax funded programs, increase ad valorem revenues that will benefit other local taxing jurisdictions, all of which are in the best interests of The City, and the health, safety, and welfare of its citizens; and

WHEREAS, this economic development agreement incorporates terms and conditions and the mutual covenants of the parties as set forth herein; and

WHEREAS, The Trust and The City have determined approval of this Economic Development Agreement to be in the best interest of the City, and the health, safety, and welfare of its citizens, the State and its residents.

NOW, THEREFORE, in consideration of the promises and mutual obligations herein set forth, the parties hereby enter into this Agreement and covenant and agree with each other as follows:

SECTION 1. RECITALS AND DEFINED TERMS

The Recitals above are incorporated by reference herein and made a part hereof. Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement the following terms shall have the definition set forth in this Section 1:

1.1 Agreement. "Agreement" means this Agreement, as the same may be amended, modified and in effect from time to time, pursuant its terms.

1.2 Costco's Affiliates and Costco. as used herein, "Costco" shall mean Costco Wholesale Corporation, a Washington corporation, and all of Costco's Affiliate." Costco Affiliate" shall mean (i) a subsidiary, affiliate, parent or other entity that controls, is controlled by or is under common control with Costco Wholesale Corporation; (ii) a successor corporation related to Costco Wholesale Corporation by merger, consolidation, non-bankruptcy reorganization, or government action; (iii) a purchaser of substantially all of the assets of Costco Wholesale Corporation in the State of Oklahoma; or (iv) a joint venture in which Costco Wholesale Corporation or another Person satisfying the criteria of a Costco Affiliate set forth in (i) - (iii) of this definition is a general partner. Costco is a publicly-traded corporation whose securities are listed on the NASDAQ and quoted on an automated quotation system in the U.S.

1.3 Costco Commercial Project. "Costco Commercial Project" or "Project" means the purchase of commercial property, the construction of its wholesale warehouse and related site improvements, acquisition and installation of furniture, fixtures and

Costco Economic Development Agreement

equipment, and the operation of its business of a Costco Wholesale prototypical membership warehouse as proposed by Costco. The Project is proposed to be approximately 150,000 square feet in size.

1.4 Costco Location. "Costco's Location" shall mean the location of the Costco Commercial Project in Oklahoma City, Oklahoma, located at the intersection of Highland Park Drive and North Western Avenue, as shown on the map attached hereto as Exhibit No. 1.

1.5 Capital Improvement Investment. "Capital Improvement Investment" shall mean all costs and expenses paid and/or invested by Costco in connection with its development, acquisition, design, investigation, permitting, site improvement and infrastructure, building construction and other costs of the Costco Commercial Project, as well as its costs of furnishings, fixtures, and equipment.

1.6 The City. "The City" means The City of Oklahoma City, Oklahoma, a municipal corporation.

1.7 Economic Development Incentive Payment(s) or Incentive. Economic Development Incentive Payment(s)" or "Incentive" shall mean the annual payment of 85% of the Net New Taxes allocated to the City's General Fund from the Fiscal Year total of City sales taxes collected and remitted by Costco to the Oklahoma Tax Commission from Oklahoma City Sales. The amount of the annual Incentive to be paid to Costco shall be calculated using the formula set forth in Section 4.2 below. The total of all Incentive Payments made to Costco over the term of this Agreement shall not exceed \$3,000,000. The maximum annual Incentive Payment made to Costco shall not exceed \$1,200,000. The Economic Development Incentive Payments will be based only on Net New Sales Taxes apportioned and paid from the General Fund portion (2.25%) of the Oklahoma City Sales Taxes collected by Costco and remitted to the Oklahoma Tax Commission from and after the date the Costco Commercial Project has its Grand Opening at the Costco Location. The Incentive Payment will be based on the months in which The City receives sales tax collections from the Oklahoma Tax Commission which in most cases will not correspond to when the sales tax is paid by the consumer at Costco and remitted to the Tax Commission.

1.8 Fiscal Year. "Fiscal Year" is used herein for the sole purpose of calculating the due dates of economic incentive payments to Costco, and means each twelve-month period beginning on the first day of the first month following the Grand Opening Date of the Costco Commercial Project to the public for business.

1.9 General Fund or General Fund Sales Tax. "General Fund" or "General Fund Sales Tax" as used herein refers only to that current 2.25 % portion of City's current 4.125% sales tax rate that can be allocated to the General Fund of the City. The General Fund does not, and cannot by law, include any limited or special purpose sales taxes dedicated to purposes such as the Police and Fire Safety Sales Tax, Better Streets, Safer City Sales Tax, or Zoo Sales Tax. The City's current tax rate and the General Fund

tax rate are subject to change by a vote of the people from time to time and some portions of the tax rate are subject to term limitations. The City's current tax rate as approved by the voters is 4.125% and 2.25% of that rate is specifically designated for the City's General Fund. The remainder of the 1.875% is dedicated to specific project funds such as Police and Fire Safety, Better Streets, Safer City Program, and the Oklahoma City Zoo. All sales tax rates are subject to change by a vote of the people. If the tax rate allocated to the General Fund changes, said change will result in change in how the Economic Development Incentive Payment is calculated per Section 4.2 of this Agreement.

1.10 Grand Opening Date. "Grand Opening Date" as used herein shall be the date that Costco opens at the Costco Location and makes its first sale subject to Oklahoma sales taxes.

1.11 Maximum Incentive Amount. "Maximum Incentive Amount" shall mean an aggregate maximum amount of Three Million Dollars (\$3,000,000) that can be paid to Costco under this Agreement. The maximum annual incentive is \$1,200,000.

1.12 Net New Sales Tax. "Net New Sales Tax" shall mean 41% of the Oklahoma City sales taxes collected by Costco and remitted to the Oklahoma Tax Commission on taxable Oklahoma City Sales at the Costco Location.

1.13 Oklahoma City Sales. "Oklahoma City Sales" as used herein shall mean all sales of every kind and nature, whether retail, catalogue, direct, on-line, or internet with delivery in Oklahoma City, or otherwise, which are subject to Oklahoma sales taxes in accord with Oklahoma law and of which The City is entitled to receive a percentage, as reported to the City Treasurer by the Oklahoma Tax Commission.

1.14 Project Manager. "Project Manager" unless otherwise indicated, means the Economic Development Program Manager (or his or her designee) as named by the City Manager of The City. The City Manager shall inform Costco of any change in the Project Manager by written correspondence. The Project Manager may name an alternate designee by written correspondence, and may change said designee from time to time upon thirty (30) days prior notice to Costco.

1.14 Term. The "Term" or "Term of this Agreement" shall continue until the first to occur of (i) termination of this Agreement as permitted hereunder; (ii) the date that all economic development incentives due hereunder, in the maximum amount of \$3,000,000, have been earned and paid to Costco; or (iii) the expiration of ten (10) years following the one-year anniversary of the Grand Opening Date of the Project at the Costco Location.

1.15 Trust. "The Trust" means the Oklahoma City Economic Development Trust ("OCEDT"), an Oklahoma public trust.

SECTION 2.

Costco Economic Development Agreement

Page 5 of 21

COSTCO'S COMMERCIAL PROJECT

2.1 Scope of the Project.

The Costco Commercial Project shall consist of the purchase of commercial property designated herein as the Costco Location, the construction of its prototypical membership warehouse in the approximate size of 150,000 square feet, which includes site improvements, design, engineering, and the acquisition of furniture, fixtures, and equipment necessary for the operation of its Costco Wholesale Store as described by City Staff the February 20, 2018 presentation to the Trust. (The actual size of the store is to be finalized during the due diligence period/feasibility period under the land Purchase Contract.) The Scope of this Project also includes the hiring and training for filling of approximately 115 new to market jobs at the Costco Location. Costco anticipates making a Capital Improvement Investment of approximately \$15,000,000 at the Costco Location for the Costco Commercial Project.

2.2 Opening.

The Costco Commercial Project is currently expected to open in the Spring or Summer 2019. Generally, Costco strives to construct and open new stores in an expeditious, efficient manner and opening new stores is a part of Costco's current strategic planning.

2.3 Economic Impact Expected at the Costco Location.

Based upon market research obtained independently by City staff involving the proposed size and location of the proposed Costco Commercial Project and a review and analysis of general industry standards, City staff has advised the Trust and The City that the Costco Commercial Project should generate sales annually of approximately \$745 per square foot by Year 5 of operation, which amount if correct, will provide new and additional tax revenues for The City over a 10-year period, over and above the Economic Development Incentive provided under this Agreement.

SECTION 3. COSTCO'S OBLIGATIONS.

3.1 Documentation of Capital Improvement Investment.

Following the Grand Opening Date, Costco shall submit a certification to the Project Manager in the general form attached hereto as **Exhibit 2**. No Economic Development Incentive Payment will be made until the fully executed Exhibit 2 has been received by the Project Manager.

3.2 Documentation of Sales Taxes Remitted to the Oklahoma Tax Commission.

Costco Economic Development Agreement

As described in Section 4.2, below it shall be the responsibility of the Project Manager to calculate and determine the amount of sales taxes remitted to the Oklahoma Tax Commission by Costco at the Costco Location. The Project Manager will use the information provided to the City Treasurer from the Oklahoma Tax Commission, which information is required by law to remain confidential. However, in the event the amount of sales tax reported to the City by the Oklahoma Tax Commission for gross sales at the Costco location are not consistent with the records of Costco, it shall become the duty of Costco to provide the Project Manager with records sufficient for the Project Manager to challenge the determination of the tax commission. However, the final decision of the Oklahoma Tax Commission shall control on all matters related to the reporting of taxes.

Unless need to challenge the information provided by the Oklahoma Tax Commission, Costco shall not be required to report separately or disclose directly to The Trust or to The City any sales figures of any nature, such figures being proprietary and confidential to the extent permitted by law. In such event, the parties provided access to such information shall keep same strictly confidential as provided in the Oklahoma Open Records Act, 51 Oklahoma Statute 24A.1 et seq., and shall not disclose same to any other person or entity without Costco's prior written consent, except as may be required by law. Nothing herein shall be deemed to prevent Costco from challenging the amount of Economic Development Incentive Payments made for any Fiscal Year if Costco s believes that the amount paid was calculated incorrectly.

3.3 Documentation of Jobs Created.

Costco estimates that the Costco Commercial Project when complete will initially generate 115 new part and/or full-time job openings in the market and at the Costco Location. Costco estimates that if present sales forecasts are achieved, based on other markets, Costco believes that 150 to 200 employees may be employed at the Costco Location. Costco agrees to work with the Project Manager, once a year, until the Incentive is fully paid out after the Grand Opening Date to determine the total number of jobs created by the Costco Commercial Project. Costco's commitment in regard to job creation is only to assist the Project Manager in determining the number of jobs created and shall not be a commitment by Costco to create a certain minimum number of jobs.

3.4 Option for Alternative Second Site.

In the event Costco considers building a second store in the Oklahoma City metropolitan area during the term of this Agreement, Costco will endeavor to give notice to City staff so that they may have an opportunity to submit candidate parcels for Costco's consideration. Notwithstanding this fact, Costco shall (a) have no obligation and makes no commitment to the City relative to future Costco unit locations in the Oklahoma City metropolitan area and (b) shall not be in breach or default under this Agreement if Costco fails to give such notice. However, Costco agrees that in the Event that Costco opens another Costco location in the Oklahoma City Metropolitan area prior

to opening the Costco at the Costco Location, the Trust shall have the right to terminate this Agreement.

SECTION 4.

TRUST – OBLIGATIONS

4.1 Community and Economic Benefits

Because Costco is the second largest U.S. retailer (based on global sales) and currently the 16th largest company on the Fortune 500 list, it is recognized that Costco is a unique, and major commercial enterprise, which before 2016 did not have a Costco membership warehouse in the State of Oklahoma. In acknowledgement that Costco had entertained offers to locate in the Tulsa area, and in recognition of the public's frequently stated interest in having a location in the Oklahoma City area, City staff, in coordination with the Chamber of Commerce, upon learning from Costco representatives that they were also interested in locating in the Oklahoma City area, offered assistance to Costco in regard to finding a commercially desirable location and engaged in discussions with Costco on how the City might entice Costco to locate in Oklahoma City as opposed to a site in a surrounding community. The Trust, based on such information provided by Costco and City staff, on behalf of its beneficiary, has determined that Costco is the type of unique commercial enterprise that will benefit the City, both in terms of community development and in generating additional revenue from sales taxes that will benefit the City's general fund. The Trust further finds that it is in the best interest of The City and its citizens to offer an Economic Development Incentive to Costco to secure its commitment to locating a Costco Wholesale within the city limits of The City of Oklahoma City, which is anticipated to generate more than 115 new to market jobs. Securing the construction of an approximately 150,000 square foot Costco membership warehouse in Oklahoma City, along with the more than 115 new to market jobs it will bring, will benefit the City and its citizens and other governmental taxing entities by increasing the ad valorem tax base and by correspondingly increasing the sales tax base of the City, which will increase the general fund of the City and allow the City to more efficiently fund its operations and services provided to the citizens and to spur additional economic development in the City. It is estimated, by City staff that the Costco Commercial Project will, on an annual basis, generate more than \$500,000 in new General Fund revenue, and more than \$270,000 in new taxes for the Better Streets, Safer City Program, and more than \$200,000 for the Police and Fire Safety Sales Tax. Therefore, the Trust, on behalf of its beneficiary, agrees to make Economic Development Incentive Payments to Costco on an annual basis in the manner described in Section 4.2 below. The Incentive Payments shall only be generated from City General Fund based sales taxes collected from and after the Grand Opening Date of Costco's Commercial Project at the Costco Location. (No specifically designated special purpose General Fund Sales Tax can be used to fund this agreement, i.e., no portion of the Police and Fire

Safety Tax, or Zoo Sales Tax or Better Streets, Safer City Sales Tax.)

4.2 Process and Calculation of the Economic Development Incentive Payment.

The Trust, The City and Costco agree that payment of the Economic Development Incentive is contingent upon Costco meeting its Capital Improvement Investment described in Section 3.1.

Within 30 days following the end of each Fiscal Year, in order to determine the total Oklahoma City Sales subject to Oklahoma sales tax generated at the Costco Location, subject to the provisions and limitations in this Agreement, the Project Manager will review the total sales taxes information remitted to the Oklahoma Tax Commission applicable to such Fiscal Year, as reported to the City Treasurer. Each Economic Development Incentive Payment shall be paid to Costco no later than 60 days following the end of the applicable Fiscal Year. The amount of the Economic Development Incentive Payments will be calculated based on the Net New Sales Taxes allocated to the General Fund as determined from the records provided to The City by the Oklahoma Tax Commission.

The Trust, The City and Costco, based on the Trust's independent studies, mutually agree that for purposes of this Agreement that only 41% of the taxable Oklahoma City Sales made by Costco will be considered new sales in Oklahoma City and that this assumption will remain constant for purposes of calculations throughout the term of this Agreement.

Subject to the cap on the annual Incentive Payment and the Maximum Incentive Amount, the Trust agrees to provide an annual Economic Development Incentive Payment equal to 85% of the Net New Taxes to the City's General Fund from the annual total of the City sales taxes collected and remitted by Costco to the Oklahoma Tax Commission from Oklahoma City Sales.

Calculation: The parties agree that the formula for calculating the Incentive Payment is as follows:

$A \times B \times C$ = Amount of Economic Development Incentive Payment.

(A) is the total Oklahoma City Sales Taxes remitted by Costco on Oklahoma City Sales at the Costco location for the fiscal year.

(B) is the General Fund Sales Tax Factor, as defined below.

(C) is the Net New Sales Tax Factor, as defined below.

The parties agree that the incentive will be calculated using the following terms and conditions:

1. General Fund Sales Tax Factor: The City's current total sales tax rate applied to Oklahoma City Sales at Costco is 4.125%. The portion of the total sales tax rate that is apportioned only to the non-dedicated portion of the General Fund is 2.25%, which equates to 54.5% of the total sales tax rate applied to Oklahoma City Sales at Costco. The General Fund Sales Tax factor is 54.5%.
2. Net New Sales Tax Factor: Costco will be paid 85% of the Net New Sales Taxes. Net New Sales Tax is defined in Section 1.12 as 41% of the Oklahoma City sales taxes collect by Costco and remitted to the Oklahoma Tax Commission on taxable Oklahoma City Sales at the Costco Location. The Net New Sales Tax Factor is determined by multiplying 85% by 41% yielding the Net New Sales Tax Factor of 34.85%. This factor represents both the 15% reduction and the 41% limitation to be applied to the total City sales taxes remitted to the City from Oklahoma City sales at the Costco Location.
3. The annual fiscal year Economic Development Incentive Payment will be calculated by using the total City sales taxes collected and remitted by Costco to the Oklahoma Tax Commission for the Fiscal Year (Costco's total Fiscal Year sales taxes) and subsequently remitted to the City by the Tax Commission. Costco's total Fiscal Year sales taxes will be multiplied by 54.5% (the General Fund Sales Tax Factor). That calculation will then be multiplied by 34.85% (the Net New Sales Tax Factor). The result will be the amount of the Incentive Payment subject to the annual and total Incentive Payment limitations. The annual fiscal year Incentive Payment is subject to the annual cap of \$1,200,000. The total Incentive Payment allowed under this Agreement is \$3,000,000.

For purposes of illustration only, and without limitation, if Costco opens on April 15, 2019, the first Fiscal Year would begin on May 1, 2019, and would end on April 30, 2020. If Oklahoma City Sales subject to the City sales taxes, between April 15, 2019 and April 30, 2020 produce \$3,000,000 in total City sales taxes, based on the information supplied to the City Treasurer from the Oklahoma Tax Commission, then the Economic Development Incentive Payment due to Costco 60 days after the end of such first Fiscal Year (on or before July 1, 2020) would be $\$3,000,000 \times 0.3485 \times 0.545$ or \$569,797.50. Assuming such April 15 Grand Opening, the second Fiscal Year would begin on May 1, 2020, and would end on April 30, 2021; and so on.

Payments will continue to be made on a fiscal year basis until the earlier to occur of (i) the total amount paid to Costco reaches the Maximum Incentive Amount (\$3,000,000); or (ii) the expiration of the tenth (10) full fiscal year following Costco's Grand Opening Date.

SECTION 5.
MAXIMUM INCENTIVE

The total amount of all Economic Development Incentive Payments made to Costco shall not exceed \$3,000,000 over the ten-year period following the Grand Opening Date.

SECTION 6.
APPROPRIATION REQUIREMENTS

All of the Economic Development Incentive Payments to be paid by the Trust will only be funded from monies received by The City from the Oklahoma Tax Commission directly related to Oklahoma City sales taxes paid by Costco from sales at the Costco Location. Funds received from The City are subject to annual appropriation and encumbrances of revenues by the City Council of The City, as mandated by Okla. Const. Art. 10, § 26, and the Oklahoma Municipal Budget Act, 11 O.S. §§ 17-201, *et seq.* If for any reason, without limitation, The City fails to, or is unable to make an annual appropriation of any amount to support this Agreement, the Trust shall have the right to terminate this Agreement without cause, upon 30 days prior written notice to Costco. Under no circumstances shall The City incur any financial obligation to Costco under this Agreement. The City is simply a beneficiary of the Trust. The Trust remains solely responsible for all financial obligations hereunder. The City acknowledges the funding requirements of this Agreement and recognizes there is a moral, but not legal obligation to the Trust to appropriate funding on an annual basis from the City's general fund in the manner allowed under the laws of the State of Oklahoma.

SECTION 7.
NOTICES AND DEMANDS

A notice, demand or other communication under this Agreement by a party to another party will be sufficiently given or delivered if dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and:

In the case of Costco, is addressed (or delivered personally) to:

Costco Wholesale Corporation
999 Lake Drive
Issaquah, WA 98027
Attn: Property Management (Legal Department)

In the case of the Trust, is addressed (or delivered personally)

to: James D. Couch
General Manager

200 N. Walker, 3rd Floor
Oklahoma City, OK 73102

with copy to:

Secretary
Office of the City Clerk
200 North Walker, 2nd Floor
Oklahoma City, OK 73102

In the case of The City, is addressed (or delivered personally):

James D. Couch
City Manager
200 North Walker, 3rd Floor
Oklahoma City, OK 73102

with copy to:

City Clerk
200 North Walker, 2nd Floor
Oklahoma City, OK 73102

Any such notice shall be deemed to be given on the first date on which it is received or receipt thereof is refused.

SECTION 8. PROHIBITION AGAINST ASSIGNMENT AND TRANSFER

8.1 Representations as to Development.

Costco agrees that all Economic Development Incentive Payments due to Costco hereunder shall be contingent upon completion of construction of the Project and, the expenditure of at least \$15,000,000 on the Project, and Costco shall be entitled to receive Economic Development Incentive Payments only to the extent of Oklahoma City Sales generated after the Grand Opening of the Costco Commercial Project. Costco recognizes that development of a Costco membership warehouse as generally described herein, is important to The City and the Trust and that it is because of such identity and the popular demand for a location in Oklahoma City by the citizens, that The City and the Trust are entering into this Agreement with Costco. It is Costco and its reputation that is a significant and major factor for the Trust and Council in entering into this Agreement.

8.2 Prohibition Against Transfer and Assignment.

The City and the Trust acknowledge and agree that Costco, as a publicly traded entity, cannot control ownership of its stock nor agree to restrictions on transfers or assignment of such ownership. Notwithstanding the foregoing and except as permitted in Section 8.3, Costco agrees that, as a corporation, it may not transfer or assign this Agreement to any third party without the prior written approval of the Trust. The Trust shall retain the right, in its sole discretion, to determine whether or not to allow an assignment of this Agreement to any entity if that entity intends to operate any business other than a Costco store.

8.3 Permitted Transfers or Assignments.

Costco may freely transfer, in whole or in part, any or all its rights and obligations under this Agreement to one or more Costco Affiliates, provided that such Costco Affiliate, shall agree to be bound by all of the terms and conditions of this Agreement in writing. Costco may pledge, mortgage, grant a security interest in or encumber its interest in this Agreement to secure credit or other financial obligation necessary to perform its obligations under this Agreement.

SECTION 9 REMEDIES AND TERMINATION

9.1 In General.

Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement, or any of its terms or conditions, by either party hereto, or any successor to such party, such party (or successor) shall, upon written notice from the other, proceed immediately to cure or remedy such default or breach, and, in any event, to commence such cure within thirty (30) days after receipt of such notice. In case such action is not taken or not diligently pursued, or the default or breach shall not be cured or remedied within a reasonable time, the aggrieved party may exercise any right to enforce any remedy available under the Agreement and/or may terminate all further obligations under this Agreement. Either party may terminate this agreement without consequence if Costco does not close on the Purchase Contract by June 30, 2019.

9.2 Termination by Costco.

In the event that (i) the Trust shall fail to perform any of its covenants or obligations to be performed hereunder, and any such failure shall not be cured within thirty (30) days after the date of written demand by Costco, or (ii) for any reason Costco does not construct, and open the Costco Commercial Project within three years of the

date of this Agreement; then in the event of either (i) or (ii), Costco at its option shall be permitted to terminate this Agreement by written notice thereof to the Trust. Upon such termination in accordance with (ii), Costco shall not be entitled to any Economic Development Incentive Payments except those earned prior to the termination, if any. Upon termination of this Agreement, except for any Economic Development Incentive Payments then owed under this Agreement, neither the Trust, nor Costco shall have any further rights against or liability to the other under this Agreement. Further, notwithstanding any provision herein to the contrary, the City's and the Trust's sole remedy in the event Costco fails to meet any conditions or requirements herein is to terminate the Agreement; provided, however, that Costco shall be entitled to bring an action to recover any Economic Development Incentive Payments then earned and owed under this Agreement. In such case, no Economic Development Incentive Payments shall accrue to Costco after the date of such termination. In no event shall The City or the Trust have any right to seek or obtain damages or specific performance from Costco for its failure to construct or open and operate a Costco Wholesale Store at the Costco Location.

9.3 Termination by Trust.

In the event that Costco (or an successor in interest, if any is allowed under this Agreement), (i) in violation of this Agreement: assigns or attempts to assign this Agreement or any rights therein; or (ii) The City, for any reason, fails or refuses to appropriate and budget, on a Fiscal Year basis, sufficient funds from its general fund operating budget to cover the financial obligations of the Trust under this Agreement, then in the event of either (i) or (ii), the Trust may terminate this agreement at its sole option and neither Costco nor the Trust shall have any further rights against or liability to the other under this Agreement except for any accrued and unpaid Economic Development Incentive Payments. Further, the Trust may terminate this agreement if Costco opens another Costco in the Oklahoma City Metropolitan Area prior to opening the Costco Wholesale Store at the Costco Location.

9.4 Forced Delay in Performance for Causes Beyond Control of Party.

For the purpose of any of the provisions of the Agreement, neither the Trust, nor Costco, as the case may be, nor any authorized successor in interest, shall be considered in breach of, or default in, its obligations with respect to the obligations hereunder, or progress in respect thereto, in the event of forced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to, acts of God, acts of the public enemy, acts of the federal government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight, embargoes, and unusually severe weather or delays of subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any such forced delay, the time or times for performance of the obligations of the parties hereunder, as the case may be, shall be

extended for the period of the forced delay; provided, that the party seeking the benefit of the provisions of this Section shall, within thirty (30) days after the beginning of any such forced delay, have first notified the other party thereof in writing, and of the cause or causes thereof, and requested an extension for the period of the forced delay.

9.5 Rights and Remedies Cumulative.

Subject to Section 9.2 above, the rights and remedies of the parties to this Agreement, whether provided by law or by this Agreement, shall be cumulative, and the exercise by either party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach or of any of its remedies for any other default or breach by the other party. No waiver made by either such party with respect to the performance, or manner or time thereof, or any obligation of the other party or any condition to its own obligations under this Agreement shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of the other party or condition to its own obligations beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the party.

SECTION 10. GENERAL

10.1 Trust or City Representatives not Individually Liable.

No member, official, or employee of the Trust or the City shall be personally liable to Costco, or any successor in interest, in the event of any default or breach by the Trust, under this agreement or for any amount which may become due to Costco or successor on any obligations under the terms of the Agreement. In addition, no officer, director, employee or agent of Costco shall be personally liable in the event of any default or breach by Costco under this Agreement.

10.2 Equal Employment Opportunity.

Costco, for itself and its permitted successors and assigns, agrees that during this Agreement:

- a) Costco will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. Costco will take necessary action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer;

recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Costco agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Trust setting forth the provisions of this nondiscrimination clause.

- b) Costco will, in all solicitations or advertisements for employees placed by or on behalf of Costco, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- c) In the event of Costco noncompliance with the nondiscrimination clauses of this Section, or with any of the said rules, regulations, or orders, this Agreement may be cancelled, terminated, or suspended in whole or in part, however, prior to any such action, Costco will be given notice and opportunity to explain or cure the non-compliance prior to any claims of default under the Agreement.

10.3 Titles of Articles and Sections.

Any titles of the several parts and Sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions. The descriptive headings of the sections and subsections of this Agreement are inserted or annexed for convenience of reference only and shall not affect the meaning, construction, interpretation or effect of this Agreement. The preamble "Whereas" clauses to this Agreement are essential elements of this Agreement.

10.4 Amendments to Agreement.

This Agreement may not be changed orally, but only by an agreement in writing and signed by the Costco, the Trust and The City hereto. Changes in statutes and regulations relevant to the subject matter of this Agreement shall become part of the Agreement subject to the parties' right to terminate the Agreement if said statutes or regulation materially affect the responsibilities of the parties under this Agreement

10.5 Third Parties.

Except as expressly provided otherwise in this Agreement, the provisions of this Agreement are for the exclusive benefit of the parties hereto and not for the benefit of any other persons, as third-party beneficiaries or otherwise, and this Agreement shall not be deemed to have conferred any rights express or implied, upon any other person.

10.6 No Partnership Created.

Costco, the Trust and The City expressly agree that the relationship hereby created is that of independent contractors and no other relationship is created or deemed to be created between the parties. This Agreement specifically does not create any partnership or joint venture between the parties hereto, or render any party liable for any of the debts or obligations of any other party.

10.7 Time is of the Essence.

The parties understand and agree that time is of the essence with regard to all the terms and provisions of this Agreement.

10.8 Formalities and Authority.

The parties hereto represent and warrant that they are validly existing and lawful entities with the power and authorization to execute and perform this Agreement. Costco represents and warrants that Costco has the full right, power and authority to enter into this Agreement and to carry out the obligations of Costco hereunder, and that all requisite actions necessary to authorize Costco to enter into this Agreement and to perform its obligations hereunder have been taken. The City and the Trust represent and warrant that each of such entities has the full right, power and authority to enter into this Agreement and to carry out the obligations of The City and the Trust, respectively hereunder, and that all requisite actions, hearings and approvals of every nature necessary to authorize The City and the Trust to enter into this Agreement and to perform each of their obligations hereunder have been taken and the joinder of no entity or signature of any other entity other than City and The Trust is necessary. Costco and the Trust, and The City represent and warrant to each other that the individual or individuals signing this Agreement on behalf of each of them are duly authorized and have full written authority to do so and to bind the respective parties to the provisions hereof.

10.9 Construction.

This document incorporates and includes all prior negotiations, correspondence, conversations, agreements, and understandings applicable to the matters contained herein, and the parties agree that there are no commitments, agreements or understandings concerning the subject matter of this Agreement that are not contained in this document. The rule of construction that a document is to be construed most strictly against the party who drafted the document shall not be applicable to this Agreement because all parties participated in the preparation of this Agreement. "Includes" and "including" are not limiting. References to articles, sections, and exhibits shall be to articles, sections, and exhibits of this Agreement unless otherwise indicated. The

headings set forth in this Agreement are for convenience and reference only, and in no way, define or limit the scope or content of this Agreement or in any way affect its provisions.

10.10 Governing Laws, Construction and Enforcement, Severability, Entire Agreement.

This Agreement shall be governed by and construed in accordance with the laws of the State of Oklahoma governing agreements made and fully performed in Oklahoma, exclusive of its choice of law rules. Any litigation brought under this Agreement shall be conducted in the State of Oklahoma in District Court of Oklahoma County or the United States District Court for the Western District of Oklahoma.

If any provisions of this Agreement or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, then the remainder of this Agreement, or the application of such provision, or portion thereof, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

This Agreement sets forth the entire understanding between the parties with respect to its subject matter, there being no terms, conditions, warranties or representations with respect to its subject matter other than that contained herein. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors and assigns. In the event of ambiguity in any of the terms of this Agreement, it shall not be construed for or against any party on the basis that such party did or did not author the same.

10.11 Compliance with Laws, Ordinances and Regulations.

Costco, The Trust and The City shall comply with all applicable existing federal, state and local laws, standards, codes, ordinances, administrative regulations and all amendments and additions thereto, pertaining in any manner to the work and/or services provided by this Agreement.

10.12 Counterparts.

This Agreement is executed in multiple counterparts, each of which shall constitute an original of this Agreement.

[Signatures on Separate Pages below]

[Signature Page for Costco Wholesale Corporation]

APPROVED BY COSTCO WHOLESALE CORPORATION AND EXECUTED
BY ITS AUTHORIZED OFFICIAL this _____ day of _____, 2018.

COSTCO WHOLESALE CORPORATION, a
Washington corporation

By: 
An authorized officer or official)

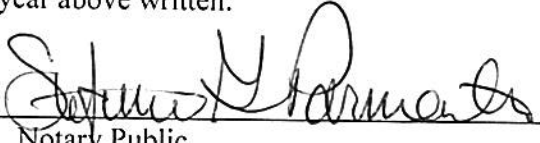
John Sullivan
SVP/General Counsel/Secretary

ACKNOWLEDGEMENTS

STATE OF Washington)
COUNTY OF King) ss.
)

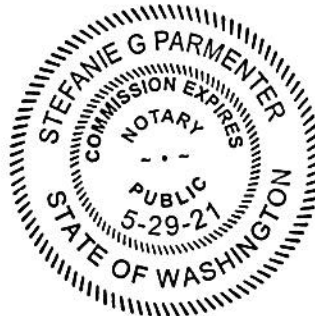
Before me, the undersigned, a Notary Public in and for said County and State, on the 10th day of April, 2018, personally appeared John Sullivan, the SVP/Gen Counsel/Sec of COSTCO WHOLESALE CORPORATION, a Washington corporation, to me known to be the identical person who executed the foregoing instrument and acknowledged to me that he or she executed the same as his or her free and voluntary act and deed, and as the free and voluntary act and deed of said corporation or entity for the uses and purposes therein set forth.

Given under my hand and seal the day and year above written.


Notary Public

Notary Public # 166 222

My Commission Expires: 5-29-21



[Signature Page for the Oklahoma City Economic Development Trust]

APPROVED BY THE TRUSTEES AND SIGNED BY THE CHAIRMAN OF
THE OKLAHOMA CITY ECONOMIC DEVELOPMENT TRUST this _____ day
of _____, 2018.

ATTEST

OKLAHOMA CITY ECONOMIC
DEVELOPMENT TRUST

SECRETARY

CHAIRMAN

REVIEWED for form and legality.



ASSISTANT MUNICIPAL COUNSELOR

[Signature Page for The City of Oklahoma City]

APPROVED BY THE COUNCIL OF THE CITY OF OKLAHOMA CITY AND
SIGNED BY THE MAYOR this _____ day of _____, 2018.

ATTEST

CITY OF OKLAHOMA CITY

CITY CLERK

MAYOR

REVIEWED for form and legality.



ASSISTANT MUNICIPAL COUNSELOR

EXHIBIT NO. 1
MAP OF COSTCO'S
LOCATION

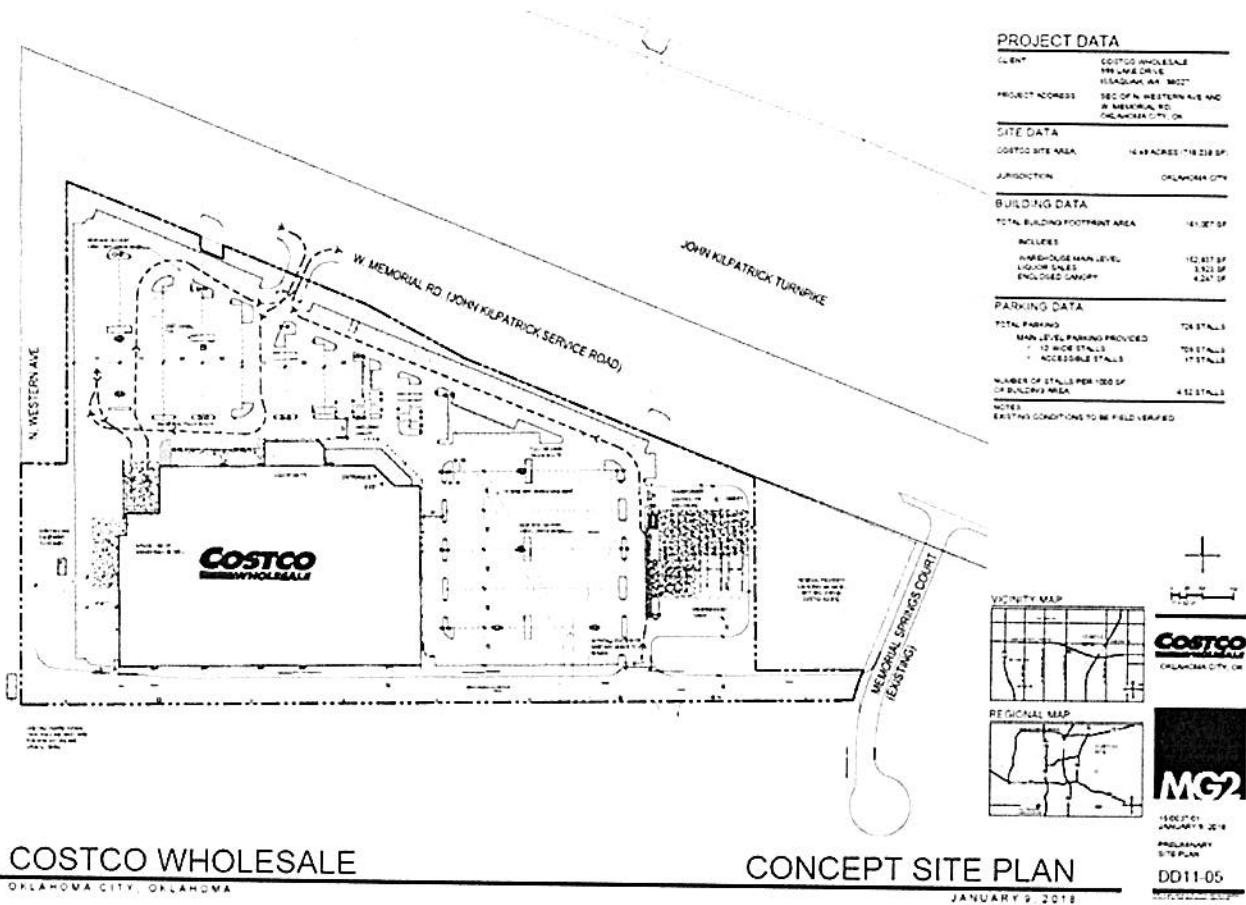


EXHIBIT 2

INVESTMENT CERTIFICATION

COSTCO WHOLESALE CORPORATION, a Washington corporation, hereby certifies to THE OKLAHOMA CITY ECONOMIC DEVELOPMENT TRUST, (the "Trust") and to THE CITY OF OKLAHOMA CITY ("The City"), that its Capital Improvement Investment costs in the Costco Store Location, including without limitation expenses incurred in site acquisition, site improvement and infrastructure, design and permitting, vertical building construction, furnishings, fixtures, and equipment for such facility, equal or exceed the sum of \$15,000,000.

COSTCO WHOLESALE CORPORATION,
a Washington corporation

BY: _____
An authorized officer/official)

ACKNOWLEDGEMENT

STATE OF _____)
) ss.
COUNTY OF _____)

Before me, the undersigned, a Notary Public in and for said County and State, on the ____ day of _____, 2018, personally appeared _____, the _____ of COSTCO WHOLESALE CORPORATION, a Washington corporation, to me known to be the identical person who executed the foregoing instrument and acknowledged to me that he or she executed the same as his or her free and voluntary act and deed, and as the free and voluntary act and deed of said corporation or entity for the uses and purposes therein set forth.

Given under my hand and seal the day and year above written.

Seal or _____
Notary Public # _____
My Commission Expires: _____

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

FROM: James D. Couch, General Manager

SUBJECT: Memorandum of Agreement between the Oklahoma City Economic Development Trust ("OCEDT"), Independent School District No. I-89 of Oklahoma County, Oklahoma ("I-89") and The City of Oklahoma City ("The City") to provide TIF assistance for the Oklahoma City I-89 2015 Capital and 2017 Capital and Planning Projects, locations of 615 N. Classen Boulevard, the operations center located at I-35 and NE 23rd Street, and other various locations throughout the school district, in an amount not to exceed \$15,000,000 (TIF)

Location 615 N. Classen Boulevard
Operations center located at I-35 and NE 23rd Street
Other various locations throughout the school district

Background On March 7, 2000, the Council adopted Ordinance No. 21,431, approving the Downtown/MAPS Economic Development Project Plan ("Project Plan") and establishing Tax Increment District No. 2, City of Oklahoma City, which ordinance has been amended from time to time, including the most recent amendment approved on March 13, 2018.

On September 8, 2015, the Downtown/MAPS Tax Increment Review Committee recommended an allocation of \$10,000,000 for the School District's Capital Project at 615 North Classen Blvd and City Council approved that budget allocation on February 28, 2017.

On December 12, 2017, the Downtown/MAPS Tax Increment Review Committee recommended an additional allocation of \$5,000,000 for the School District's 2017 Capital and Planning Project which includes improvement to the District Operations Center, Technology improvements, and development of a District Master Plan, and City Council approved that budget allocation on January 30, 2018.

The Projects presented by the School District present an opportunity to promote and assist further economic and community development and redevelopment necessary for revitalization of The City's growing population in the downtown core through the construction, renovation, and equipping of educational and administrative facilities at 615 N. Classen Boulevard and the improvements to the Operations Center, Technology and long term master plan. The School District's Projects meet the objectives of the Project Plan and the commitment to financial and policy measures designed to attract, locate, retain, and expand other

quality investments, businesses, employers and residents to the downtown area.

The attached Agreement provides the terms and conditions of OCEDT, The City of Oklahoma City, and the I-89 School District for the TIF incentives related to the Capital Project and the 2017 Capital and Planning Project. The Agreement states the School District may request to reallocate the funds between the two Projects subject to the written approval of the Chief Financial Officer of the School District and the Trust Manager; however the \$15,000,000 may only be used on these two Projects.

| | |
|-----------------|--|
| Cost | Not to exceed \$15,000,000 |
| Source of Funds | OCEDT - TIF Fund - Control-TIF #2-Rstr - OKC Economic Development Trust - I-89 2015 and 2017 Capital Projects - Economic Development Project (OCEDT - 100 - 5200 - 0400599 - ED0270 - 52010030) |

Recommendation: Memorandum of Agreement be approved.

Attachment

**MEMORANDUM OF AGREEMENT BETWEEN THE OKLAHOMA CITY
ECONOMIC DEVELOPMENT TRUST, INDEPENDENT SCHOOL DISTRICT NO. I-89
OF OKLAHOMA COUNTY, OKLAHOMA AND THE CITY OF OKLAHOMA CITY.**

This Memorandum of Agreement (“Agreement”) is made by and between the Oklahoma City Economic Development Trust, (“OCEDT” or “Trust”), the Independent School District No. I-89 of Oklahoma County, Oklahoma (“School District”), and The City of Oklahoma City (“The City”). This Agreement sets forth the terms and conditions by which the Oklahoma City Economic Development Trust will provide up to \$15,000,000 for the benefit of the School District in order to facilitate capital improvements within the Oklahoma City I-89 School District from the allocated Tax Increment District No. 2 funds.

WITNESSETH:

WHEREAS, The City and OCEDT are interested in developing, retaining, and expanding educational and business opportunities in the core of the City; and

WHEREAS, The City and OCEDT have determined that it is in the best interest of The City and its citizens to promote, and when deemed appropriate, fund economic and community development and redevelopment and where possible, to promote the expansion and development of public primary, secondary, adult, and higher educational opportunities offered by education based taxing jurisdictions within a Tax Increment Finance (TIF) district; and

WHEREAS, OCEDT is a public trust whose sole beneficiary is The City of Oklahoma City, and which entity desires to promote and assist The City with economic and community development and redevelopment projects; and

WHEREAS, The City and OCEDT desire to promote and assist economic and community development and redevelopment projects, in particular those projects which involve substantial investments and the creation and retainage of jobs and employment opportunities, but also those projects that provide community and educational opportunities to underserved areas of the City; and

WHEREAS, on March 7, 2000, The City of Oklahoma City adopted Ordinance No. 21,431, approving the Downtown/MAPS Economic Development Project Plan (“Project Plan”) and establishing Tax Increment District No. 2, The City of Oklahoma City (“Increment District No. 2”); and

WHEREAS, Ordinance No. 21,431 has been amended from time to time, including the most recent amendment approved on March 13, 2018 by the adoption of Ordinance 25,886; and

WHEREAS, the primary objective of the Downtown/MAPS Economic Development Project Plan is to create economic vitality by capturing the opportunity to stimulate a

Memorandum of Agreement – OKCPS Projects

combination of public and private redevelopment investment activities to enhance and maximize the investment of The City of Oklahoma City in the MAPS programs; and

WHEREAS, the Project Plan also contemplated providing funding to other taxing jurisdictions for projects that meet the objectives of the Project Plan; and

WHEREAS, the Local Development Act, 62 O.S. §§ 850, *et seq.*, allows the use of proceeds from a tax increment district to be used to fund public improvements and all or a portion of another taxing jurisdiction's capital cost associated with the development or redevelopment incurred in furtherance of the goals of the Project Plan; and

WHEREAS, on March 31, 2014, Oklahoma City Public Schools, District I-89, purchased property at 615 N. Classen Boulevard for the purpose of relocating administrative offices; and

WHEREAS, on December 8, 2014, City Council approved an allocation of Downtown/MAPS TIF District No. 2 funds in the amount of \$1,073,390 to the Oklahoma City Public Schools, District I-89 requested for the purpose of making renovations of the 615 N. Classen building for administrative offices and other public-school activities ("Administration Building Project"); and

WHEREAS, on September 8, 2015, the Downtown/MAPS Tax Increment Review Committee recommended an allocation of \$10,000,000 for the School District's Capital Project at 615 North Classen Blvd and City Council approved that budget allocation on February 28, 2017; and

WHEREAS, on December 12, 2017, the Downtown/MAPS Tax Increment Review Committee recommended an additional allocation of \$5,000,000 for the School District's 2017 Capital and Planning Project which includes improvement to the District Operations Center, Technology improvements, and development of a District Master Plan, and City Council approved that budget allocation on January 30, 2018; and

WHEREAS, the Projects presented by the School District present an opportunity to promote and assist further economic and community development and redevelopment necessary for revitalization of The City's growing population in the downtown core through the construction, renovation, and equipping of educational and administrative facilities at 615 N. Classen Boulevard and the improvements to the Operations Center, Technology and long term master plan; and

WHEREAS, the School District's Projects meet the objectives of the Project Plan and the commitment to financial and policy measures designed to attract, locate, retain, and expand other quality investments, businesses, employers and residents to the downtown area; and

WHEREAS, The City and OCEDT find that the Projects, as set forth in this Agreement,
Memorandum of Agreement – OKCPS Projects

are in the public interest and serve an important public purpose; and

WHEREAS, the economic development incentive outlined in this Agreement is a material inducement to the Schools District's commitment to the Capital Project and the 2017 Capital and Planning Project.

NOW, THEREFORE, in consideration of the premises and mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I. Definitions

1.1 Agreement. "Agreement" means this Agreement and any amendments thereof.

1.2 2017 Capital and Planning Project. "2017 Capital and Planning Project" shall mean the list of improvements detailed in Exhibit B attached hereto and incorporated herein which include but are not limited to improvements to the District Operations Center, IT improvements, and a long term master plan for District improvements.

1.3 Capital Project. "Capital Project" shall mean the construction, renovation, and equipping of educational and administrative facilities at 615 N. Classen Boulevard, as is more completely described in Exhibit A attached hereto and incorporated herein.

1.4 City. "City" means The City of Oklahoma City, Oklahoma, a municipal corporation.

1.5 Downtown/MAPS Project Plan. "Downtown/MAPS Project Plan" means the Downtown/MAPS Economic Development Project Plan, as amended from time to time.

1.6 Increment District No. 2. "Increment District No. 2" means Increment District Number Two, The City of Oklahoma City, the tax increment financing (TIF) district established by the adoption of Ordinance No. 21,431 on March 7, 2000, as amended from time to time.

1.7 Projects. "Projects" means both the Capital Project and the 2017 Capital and Planning Project.

1.8 Project Costs. "Project costs" may include, but are not limited to, architect and engineering costs, construction costs, a planning consultant for the master plan, and procurement/materials costs, directly related to the Projects.

1.9 Project Manager. "Project Manager," unless otherwise indicated, means the Economic Development Project Manager, or other specifically named designee of the Trust's General Manager. The General Manager of the Trust shall inform School District of any change in the designate by correspondence, and may change said designation, without notice, from time to time.

1.10 School District. "School District" shall refer to Independent School District No. I-89 of Oklahoma County, Oklahoma, a taxing jurisdiction within Tax Increment District No. 2.

1.11 Trust. "Trust" means the Oklahoma City Economic Development Trust, an Oklahoma public trust.

1.12 Trust Manager. "Trust Manager" means the General Manager of the Oklahoma City Economic Development Trust.

ARTICLE II. TIF Assistance and Completion of the Projects

1. In consideration of the School District's commitment to complete the Capital Project, OCEDT agrees to provide a development incentive in an amount not to exceed \$10,000,000 to School District subject to the terms and conditions provided herein.

2. In consideration of the School District's commitment to complete the 2017 Capital and Planning Project, OCEDT agrees to provide a development incentive in an amount not to exceed \$5,000,000 to School District subject to the terms and conditions provided herein.

3. Should the School District request to reallocate the \$15,000,000 between the Projects the funds may be reallocated between the Projects so long as the reallocation is approved in writing by the Chief Financial Officer or his/her designee on behalf of the School District and the Trust Manager on behalf of the City and Trust. Under no circumstances may the TIF funds be used for any project not included on Exhibit A or B unless this Agreement has been formally amended in writing.

4. School District agrees to provide periodic updates to the Project Manager regarding the progress of the Project and to designate a spokesperson to attend OCEDT or City Council meetings as reasonably requested, and to allow the Project Manager to make inspections of the premises at reasonable times through the Project for purposes of determining compliance with this Agreement.

ARTICLE III. Payments

1. The TIF Assistance provided by OCEDT for the School District Projects shall not exceed \$15,000,000.

2. The School District agrees that during construction, it will submit periodic invoices (not to exceed one per month) to the Trust for reimbursement of Project Costs. Each invoice for reimbursement will be in amount of at least \$100,000 or more, except for the final claim which may be less than \$100,000. The School District may also submit up to four requests for lump sum payments for future Project Costs which will not exceed \$4,000,000 of the total \$15,000,000 of available funds. School District must submit invoices and documentation verifying the lump sum payments were spent on Project Costs before School District may request any additional TIF funds.

Memorandum of Agreement – OKCPS Projects

3. The School District will not submit invoices totaling more than \$10,000,000 for the Capital Project and \$5,000,000 for the 2017 Capital and Planning Project unless a reallocation has been approved as provided in Article II, Paragraph 3.

4. The School District agrees to provide sufficient documentation with each claim for reimbursement, as reasonably requested by the Project Manager, to verify the claim as to the actual Project Costs incurred by the School District. The School District agrees to submit claims for reimbursement on forms consistent with the Trust policies and procedures and to complete any necessary forms required by the Trust necessary to make the reimbursement payments.

5. The Trust agrees to timely review of all claims submitted by the School District for payment and will promptly notify the School District of any concerns the Project Manager has in regard to a claim submitted for payment. The Project Manager, or designee, will endeavor to review all claims submitted for payment within 10 business days. If there is a disagreement over the costs associated with a claim, the School District and Project Manager agree to meet and confer in an attempt to resolve the disagreement.

6. The Trust will make payment of approved claims within 30 calendar days following the approval by the Project Manager.

7. The parties hereby agree that The City is only a party to this Agreement for purposes of meeting any statutorily required approval of the Project, and that The City incurs no obligation to School District under the terms of this Agreement.

ARTICLE IV. Notices.

Any notice required or permitted to be given hereunder shall be in writing and shall be effective when actually received if delivered by hand or overnight courier, or when confirmed by receipt if transmitted by telecopy or other form of rapid transmission if Notices given by such means of communication are capable of being confirmed upon delivery by electronic means, or three days after being sent by registered or certified mail, postage prepaid, the certification receipt therefore being deemed the date of such Notice, and addressed to the parties as follows:

Independent School District I-89 of Oklahoma County, Oklahoma:
OKCPS Administration Building
Attention: Superintendent
P.O. Box 36609
Oklahoma City, Oklahoma 73136

OCEDT and The City:
Oklahoma City Economic Development Trust
Office of City Manager

Memorandum of Agreement – OKCPS Projects

Attention: M. Brent Bryant
200 N. Walker, 3rd Floor
Oklahoma City, Oklahoma 73102

with copy to: City Clerk
200 N. Walker, 2nd Floor
Oklahoma City, Oklahoma, 73102

ARTICLE V. Termination

1. OCEDT or City may terminate this Agreement in the event that:

- A) School District, in violation of this Agreement:
 - i) assigns or attempts to assign this Agreement or any rights therein;
or
 - ii) after having been provided a reasonable amount of time to provide requested documentation required under this Agreement, fails to provide such documentation; or
 - iii) abandons, transfers, or terminates this Project, or
- B) If any default or failure referred to in this Agreement shall not be cured within thirty (30) days after the date of written demand by the other parties.

2. Upon termination of this Agreement, any rights or claims of School District, in this Agreement, or arising thereunder, shall be considered terminated and any unexpended incentive funds shall be returned to OCEDT. Except for any right of reimbursement owed under this Agreement, no party shall have any further rights against or liability to the other parties under this Agreement with respect to the terminated portion thereof.

ARTICLE VI. General Terms and Conditions

1. Public Entity Representatives not Individually Liable. No member, official, or employee of OCEDT or The City shall be personally liable to School District, or any successor in interest, in the event of any default or breach by the involved public entity or entities or for any amount which may become due to School District, or any authorized successor on any obligation or commitment under the terms of this Agreement.

2. Equal Employment Opportunity. School District, and OCEDT, agree that during this Agreement:

- A) Neither entity will discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. Both entities will take affirmative action to insure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, disability, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. School District agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by OCEDT setting forth the provisions of this nondiscrimination clause.
- B) School District will, in all solicitations or advertisements for construction contracts related to the construction of the Administration Building Project; state that all qualified contractors will receive consideration without regard to race, color, religion, sex, or national origin.
- C) In the event of School District's noncompliance with the nondiscrimination clauses of this Section, or with any of the said rules, regulations, or orders, this Agreement may be cancelled, terminated, or suspended in whole or in part.

3. No Partnership Created. The parties all expressly agree that the relationship hereby created is that of independent contractors and no other relationship is created or deemed to be created between the parties. This Agreement specifically does not create any partnership or joint venture between the parties hereto, or render any party liable for any of the debts or obligations of any other party.

4. Compliance with Laws, Ordinances and Regulations. The parties shall comply with all applicable existing federal, state and local laws, standards, codes, ordinances, administrative regulations and all amendments and additions thereto, pertaining in any manner to the work and/or services provided by this Agreement.

5. Severability. If any provisions contained in this Agreement or any document executed in connection herewith shall be invalid, illegal or unenforceable in any respect, under any applicable law, the validity, legality and enforceability of the remaining provisions contained herein shall not, in any way, be affected or impaired, and such illegal, invalid or unenforceable provisions shall, at the reasonable request of OCEDT, be replaced by other provisions in accordance with the purpose and meaning of this Agreement.

6. Counterparts. This Agreement may be executed in any number of counterparts, all of which, when taken together, shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing any such counterpart.

Memorandum of Agreement – OKCPS Projects

7. Applicable Law. This Agreement shall be governed by, and shall be construed in accordance with, the laws of the State of Oklahoma without regard to any state choice-of-law statutes, and any applicable federal law. All disputes arising out of this Agreement will be resolved in a court of competent jurisdiction located in Oklahoma County, Oklahoma.

8. Entire Agreement. This Agreement, including all Exhibits and Addenda, represents the entire agreement and understandings of the parties hereto and all prior agreements, understandings, representations and warranties, whether written or oral, in regard to the subject matter hereof are and have been merged herein.

9. Force Majure. No party shall be liable for any failure to timely perform its obligations under this Agreement if prevented from doing so by a cause or causes beyond its commercially reasonable control including, but not limited to, acts of God or nature, fires, floods, storms, earthquakes, riots, strikes, wars or restraints of government.

10. Effective Date. The Effective Date of this Agreement is the date upon which the Agreement is last executed by a party to the Agreement.

[Signature pages to follow.]

SIGNATURE PAGE

INDEPENDENT SCHOOL DISTRICT I-89 OF OKLAHOMA COUNTY, OKLAHOMA

APPROVED by the Chairperson and Board Members of the Oklahoma City Public Schools Board of Education, Independent School District I-89 of Oklahoma County, Oklahoma this 12th day of April, 2018.



By: 

Paula Lewis
Board Chairperson
Oklahoma City Public Schools Board of Education

Attest:


Secretary Craig A. Cates, Board Clerk

[Remainder of page is intentionally blank.]

SIGNATURE PAGE

OCEDT and THE CITY OF OKLAHOMA CITY

APPROVED by the Chairman and Trustees of the Oklahoma City Economic Development Trust this _____ day of _____, 2018.

ATTEST:

SECRETARY

CHAIRMAN

APPROVED by the Mayor and City Council of The City of Oklahoma City this _____ day of _____, 2018.

ATTEST:

CITY CLERK

MAYOR

REVIEWED as to form and legality.



ASSISTANT MUNICIPAL COUNSELOR

\\ci.okc\okc\FI-Admin\TIF\TIF # 2 #3\Projects\I-89 2017\MOU - I89 Admin and 2017 Capital 4_11_18.docx

Memorandum of Agreement – OKCPS Projects

EXHIBIT A

The Oklahoma City Public Schools Capital Project supports the capital improvement needs of the district, which have been identified as construction, renovation and equipping of educational and administrative facilities located at 615 N. Classen Boulevard. The renovations to the administrative building at 615 N. Classen Blvd. will add over 18,000 square feet in new multi-purpose space including new conference and meeting spaces. The location will be able to support approximately 233 employees post renovation. The Project consists of the renovation of the existing facility into space that will accommodate the administrative functions of the School District and provide for related public school activities. It is anticipated that the construction necessary to complete these renovations will commence in early 2018 and conclude in early 2019. Below is a summary of estimated costs.

| Description | Amount |
|--|--------------|
| Renovation (38,200 SF) | \$ 5,138,556 |
| Multi Purpose Addition (8,500 SF) | \$ 1,782,500 |
| Multi Purpose Addition (10,980 SF) | \$ 520,080 |
| FFE & Administration Building Relocation | \$ 1,500,000 |
| FFE & IT Server Relocation | \$ 1,000,000 |
| Contingency | \$ 1,132,254 |
| 615 Classen Cost Estimate Total | \$11,073,390 |

EXHIBIT B

District Operations Center \$2,500,000

The District Operations Center consist of seven buildings and is located on approximately forty two (42) acres at 2500 NE 30th St (intersection of I-35 and NE 23rd) and plans to remove and install a new security fence around the perimeter, repair internal roads and make other general improvements to the grounds and facilities. While we are unable to determine the current age of the security fence due to age and vandalism the fence is beyond repair at this time. The internal roads and parking lots have been patched and present a hazard to both District and employees vehicles with the only remedy at this time being to remove and replace sections of the road. The total estimated cost for the fence, roadway and other improvements are estimated to cost \$2,500,000.

District IT Server Relocation \$1,300,000

The District IT Server Room is currently located at 9th & Klein in the Bryan Research Center. This facility is adjacent to the District's former Administration Building and is scheduled for closure in 2019. The District plans to relocate the IT Server Room to the District Operations Center located at 2500 NE 30th. The total estimated cost for the IT Server Relocation is estimated to cost \$1,300,000.

Long Range Master Plan \$1,200,000

The District views a Long Range Master Plan as a critical component of the efforts to identify educational and instructional needs (both current and future) and to assess existing facilities and prioritize improvements to provide educational and instructional opportunities for OKCPS as students and staff. The District last engaged in a long range planning process 18+ years ago prior to MAPS for KIDS and the plan was privately funded. The total estimated cost for the Long Range Master Plan is estimated to cost \$1,200,000.

It is anticipated that the individual projects will begin 2018 and conclude in 2020. Below is a summary of estimated costs.

| Description | Amount |
|--|-------------|
| District Operations Center (Perimeter Fencing, interior roads and other repairs) | \$2,500,000 |
| District Information Technology Server Relocation | \$1,300,000 |
| Long Range Master Plan | \$1,200,000 |

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

FROM: James D. Couch, General Manager

SUBJECT: Oklahoma City Economic Development Foundation FY 2017/2018 3rd Quarter Report.
(GOLT) (GEN-ED)

Background The Oklahoma City Economic Development Trust has a contract in place with the Oklahoma City Economic Development Foundation (Greater Oklahoma City Chamber) to provide certain economic development services to the Trust.

The contract requires the Foundation to provide periodic reports to the Trust. Richard Clements from the Greater Oklahoma City Chamber is available to discuss the FY 2017/2018 3rd Quarter Report.

Recommendation: Report be received.

Attachment

**The Oklahoma City Economic Development Foundation, Inc.
and
The City of Oklahoma City Economic Development Trust**

**Contract for Professional Services
Fiscal Year 2017-2018**

**Third Quarter
January 1, 2018 to March 31, 2018**

**Report
On
Economic and Community Development Activities
And
Accomplishments**

G R E A T E R
O K L A H O M A C I T Y
C H A M B E R

April 10, 2018

Oklahoma City Economic Development Trust
c/o Mr. Brent Bryant
200 N. Walker
Oklahoma City, OK 73102

RE: Third Quarter FY 2017-2018

Dear Trustees and Staff:

As I take-on a new role as interim Executive Vice President for the Chamber, I would like to make a few comments about the work being done among this group of key partners.

As we all know, nothing is ever accomplished alone. The attached report inventories a great deal of work. It shows that nearly every measure is being accomplished at or above its expected level. What these numbers and descriptions don't entirely describe is the totality of a body of work that's being accomplished within a very strong collective effort.

The whole is greater than the sum of the parts.

While the Chamber economic development staff is working diligently to accomplish its goals, the City, Trust and the Alliance are providing the type of cooperation and critical support that makes the effort succeed.

I'm led to believe that what we are doing, and the way we are doing it, is not the norm among cities across the country.

Thank you for your support, and thank you for allowing us to be your partner in the progress of this great city.

Sincerely,



Richard D. Clements
Executive Vice President, Economic Development

Attachments



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Narrative Report of Accomplishments and Measurements

A. Report to Trust by Contract Area

- ◆ Grow Greater Oklahoma City's Corporate Presence
- ◆ Diversify Oklahoma City's Economy
- ◆ Improve Oklahoma City's Reputation (Marketing and Research Support)
- ◆ Overall Outcomes Summary

B. Charts

- ◆ Measurements

C. Exhibits

- ◆ 2018 Greater Oklahoma City Economic Forecast

Narrative Report of FY 17/18 Accomplishments and Measurements

Project(s)/Initiative(s) underway or completed – January 1, 2018 – March 31, 2017

Business Recruitment

JANUARY

- Maintaining one of the busiest active pipelines since we began tracking it in 2013. Current activity includes a large proportion of manufacturing projects (approximately 47% of active projects) along with back-office, shared service center, data center and aerospace projects.
- Hosted first site visit of 2018 – hosted consultants for a new competitive food manufacturing opportunity that is considering an existing facility here.
- Assisting multiple companies through the final stages of the application process for the City of Oklahoma City's Strategic Investment Program.

FEBRUARY

- Staff assisted two projects (Project War and Project Canoe) to complete the process for City of Oklahoma City Strategic Investment Program incentives. Project War (Kratos Unmanned Aerial Systems) will bring 350 new jobs at an average annual wage of \$68,463 to the metro and Project Canoe (WeGoLook) is bringing 367 new jobs at \$47,854 as part of a local expansion.
- Staff assisted with four site visits for the current reporting period. These visits included two manufacturers, a data center and a back-office operation.
- Staff also led a call trip to the Dallas market with the Norman Economic Development Coalition to meet with consultants and developers in that market.

MARCH

- Staff assisted two companies; Project Tango and Project Emu in the approval process for Strategic Investment Program process with the Economic Development Trust. Project Tango (CACI International, Inc.) was approved for incentives for 550 new employees at average wages of \$64,836. Project Emu (Dura Coatings) received incentives for 49 new jobs at average wages of \$57,086. Project Tango is a new shared services operation by a major publicly traded government contractor. Project Emu is the expansion of an existing Oklahoma City manufacturing business diversifying with a new product line.
- Staff participated in a multi-purpose call trip to Huntsville, AL in partnership with the Alliance for Economic Development of Oklahoma City. Trip focused on developing a better understanding of the structure of public-private partnerships and research and development activity that have continued to make that market a hub for aerospace and related activity.

Talent and Business Growth/Entrepreneurship

JANUARY

- Staff attended: OU Mentor Day, toured OU Innovation Hub, and attended 1 Million Cups and Power Hour at Metro Tech's downtown campus.
- Jointed recruitment team on visit with Senator Rosino and key aerospace companies related to Aerospace STEM related workforce pipeline.
- Hosted Call Center roundtable group's latest meeting where attendees discuss local market/workforce issues.
- Participated in Oklahoma Manufacturing Networking event in Owasso, OK in preparation for one in our area later in 2018.

FEBRUARY

- Staff attended Norman Economic Summit, Bradley Breakfast and Executive Women's International monthly event.
- Assisted Business Recruitment team with company site visits and provided two new expansion leads.
- Participated in Cyber Security strategic assessment training for business/organizations held at Metro Technology Center.

MARCH

- Staff attended the Executive Briefing Breakfast, Executive Women's International event, Women's Lead OKC, Thunder Career Fair and Tour of Cytovance Biologics.
- Staff visited Ranken Technical College in St. Louis to learn about five middle-skill programs, automotive, electrical, construction, IT and manufacturing.
- Staff attended Big Data Analytics Conference determining the Economic Value of Your Big Data, infrastructure approaches and connectivity.
- Involvement as a Community Organizer of the OKC 1 Million Cups chapter, which meets weekly at StarSpace46.

Biosciences/Innovation District

JANUARY

- Team members are reaching out to past sponsors and participants for 2018 BIO show/OKBio activities and are working on various logistics details.
- Staff helped Oklahoma Health Center Foundation's search committee with candidate visits for first round of interviews for President of Innovation District.

FEBRUARY

- Recruitment for Manager, Innovation and Entrepreneurship was completed. Evan Fay joined staff on February 20th. He is an OU grad who worked at IMMY and NexStep in Norman.
- Staff continues outreach efforts to past sponsors and participants for the 2018 BIO show/OKBio activities.

MARCH

- Continued support and participation in the planning of Innovation District Symposia (upcoming Symposium on June 11th is focused on Sensors).
- Outreach efforts to past sponsors and recruitment of new sponsors for the 2018 Bio conference.
- Sponsorship of the 2nd annual OU Biomedical Engineering Symposium, held Friday, March 30th at the OU Health Sciences Center.

Aerospace

JANUARY

- Work to refine the Quality Jobs Program (QJP) process and procedures that will govern the application, reporting and incentive payment continues as the OIA is proxy for Tinker. The official employment plan that will be the benchmark for application timing is complete and meetings to approve the process are scheduled.
- The drama surrounding the funding of the government continues as the latest Continuing Resolution (CR) expires February 8. Per usual, there are a number of issues that put the CR or other funding mechanism at risk some of which are "non-monetary" issues that recently shut the government down for three days. Those issues are still on the table as we approach February 8. Congress will have to come up with an overall agreement or enact another CR to avoid another shutdown.
- The CR issues and associated program restrictions extend beyond the government as DOD contractors face uncertainty as it relates to their federal contracts. For example, some contracts would be considered essential and therefore work would continue during the shutdown period. However, if contracts were by definition "not essential", contractors would face similar options as for the treatment of nonessential federal workers. In final analysis, process is very inefficient from multiple standpoints such as total cost to the tax payer which means the government cannot take advantage of price reductions associated with economic order quantities.

FEBRUARY

- Randy Young will be retiring in March after over 11 years with the Chamber, first as a consultant with the Greentree Group and then as a staff member. He handled much of the Chamber's work in support of Tinker and the Mike Monroney Aeronautical Center. With his hard work and teaming with others, much has been accomplished for Tinker and the MMAC including the acquisition of the GM assembly plant, BNSF railyard, currently the MROTC complex, overturning a legislative initiative in 2012 that would have moved workload out of Tinker, Congressional \$5.2 million appropriation request that provided infrastructure for the T-9 jet engine test cells, BRAC preparation and dealing aggressively with initiatives to privatize FAA and MMAC operations potentially moving jobs out of OKC. These plus a number of other initiatives provided critical facilities for current workload plus the new KC-46A air refueling tanker, alone providing over 1,355 new high paying jobs. Together these projects postured Tinker for the foreseeable future as a vital cog in the Nation's defense while providing and preserving over \$6 billion of economic impact to Oklahoma City, Oklahoma County and the State. These achievements could not have been possible without the exceptional leadership and vision of the Greater OKC Chamber and the investment and legislative support provided by Oklahoma City, Oklahoma County and the State.

MARCH

- Cathy O'Connor joined two members of the Chamber's Economic Development team on a trip to Huntsville, AL to learn about initiatives they taken in recent years to grow the aerospace industry. The trip generated some new ideas and validated some of the efforts we're already contemplating.
- We began an Oklahoma City Regional recruiting initiative for the aerospace industry that focuses on engineering talent residing outside our market. We received inputs from Tinker Air Force Base and The Boeing Company to help form a construct that will eventually include all employers in the aerospace industry that need engineers and other technical talent.
- The staff called on four local aerospace companies to learn about their current challenges. One of those was a first-time visit with an engineering services company; in the past year we've made over 20 first-time visits with local aerospace companies and continue to look for others.
- We hosted a small group from the Korea Trade-Investment Promotion Agency, to include the Director General of their Dallas office. We met with and toured the operations of AAR and Valair Aviation.

Retail

JANUARY

- CREC Membership Reception
- CREC Forecast Committee Meeting.
- Downtown Developers Forum.
- Incentive discussions for major new to market big box retailer.
- BOK Park Plaza Building tour to evaluate retail space.
- Automobile Alley Board Meeting.

FEBRUARY

- Attended Entertainment Experience Evolution Conference.
- ULI Annual Impact Awards (Sponsor).
- Presentation to the Districts regarding retail trends (Sponsor).
- Meeting with Capitol Hill District.
- Site visit with Dallas group to highlight OKC Market.
- CREC Forecast (Sponsor).

MARCH

- ICSC Red River P3 Committee Meeting.
- Work on brochures for ICSC RECON.
- Chisholm Creek Tour/Update.
- Conference call with Veritas Development.
- Tour of Villa Teresa.
- Call trip to Kansas City.

Research

JANUARY

- Research staff attended INTRUST Economic Outlook in which data from the Chamber's 2017 Greater Oklahoma City Economic Forecast was highlighted and utilized in the presentation.
- Research team participated in local Tableau User Group's Hyperfest 2018, an event that showcased new data visualization techniques within Tableau software. Staff member was a beta tester for the new release.
- Conducted field work for C2ER's Q1 2018 Cost of Living Index. This is a nationwide project in which prices are collected/compared across more than 300 metros to develop a uniform comparative cost of living index among participating communities.
- Performed an analysis of minority business ownership in the city of Oklahoma City and the Oklahoma City Metropolitan Statistical Area.

FEBRUARY

- Released the 2018 Greater Oklahoma City Economic Forecast (in cooperation with Oklahoma City University). The forecast is used by both chamber members and outside investors to better understand economic conditions and expectations in the market.
- Research staff attended the City of Oklahoma City Budget Workshop, which provides insight into economic/staffing/fiscal issues facing the various city departments in the coming year.
- Continue to work with Oklahoma Department of Commerce and area economic development organizations to identify alternative solutions for a commercial property data feed to populate property websites.

MARCH

- Research Team gathered Oklahoma City downtown data to be used by the International Downtown Association in its preparation of the "Value of US Downtown and Center Cities" research publication. This was a collaborative effort between the Downtown Oklahoma City Partnership, The Alliance for Economic Development, the City of Oklahoma City and the Greater Oklahoma City Chamber. The publication will offer developers, real estate professionals, and business information that can be used in making future investment decisions.
- Research staff participated in GIS Day at the Capitol. GIS Day at the Capitol is a unique opportunity to highlight the uses of Geographic Information Systems (GIS) and to showcase how the technology is being used as a business decision-making tool in our state. Over 55 public and private agencies participated.
- Made presentation regarding the 2018 Greater Oklahoma City Economic Forecast to the Greater Oklahoma City Partnership and the Credit Union Executive Society. The forecast is used by both chamber members and outside investors to better understand economic conditions and expectations in the market.
- Delivered presentation to OKCConnect on the topic of "Oklahoma City-Who are We?" – a demographic and industry overview. OKCConnect brings together business leaders who are new to the Oklahoma City market.
- Research Staff member participated in the C2ER Foundations of Economic Development Research program. This is a program that provides a deep dive into current demographic and business research methods used nationwide.

State/Regional/International Engagement

JANUARY

- Members of the Business Recruitment Team participated in a call-trip and trade show in Austin, TX in partnership with the University of Oklahoma, national Weather Center and Norman Economic Development Coalition to market opportunities for expansion in the Oklahoma City regional weather and radar technology cluster. The visit included meetings with multiple aerospace, space, and defense contractors at the AMS Weather Show in addition to meeting with site consultants and international trade officials at Enterprise Ireland in the Austin, TX market.
- Staff also attended the Governor's Economic Development Marketing Team consultant event at the ZaZa Hotel in Dallas, TX. Event is an annual networking event for Dallas area developers, consultants and service providers and is a partnership event with economic development entities from across the state.

- Economic development team members also hosted the Greater Oklahoma City Regional Partnership Thunder Game networking event on January 23rd. Event included light dinner and informal networking with members of the Regional Partnership and local and regional office and industrial brokerage community.

FEBRUARY

- Staff continues to support regional marketing and lead generation efforts. These efforts have included:
 - Assisting with a site visit to Stillwater, OK by a new automotive parts aftermarket project considering a location in that community.
 - Hosting a follow-up site visit for a labor market study for a food manufacturing project considering a location in Moore, OK. That visit included conversations about incentives for that project conducted in partnership with the Oklahoma Department of Commerce and meetings with several food manufacturing and warehouse/distribution employers in the greater Oklahoma City metro region.
- Staff also is continuing its dialogue with key area partners about the regional marketing and attraction priorities/strategy for 2018 and beyond. During the February reporting period, this conversation included meetings with OGE's Economic Development team to discuss ways to further partner on recruiting efforts and an overall market update along with a formal presentation about our regional marketing strategy to Shawnee OK's newly formed Shawnee Forward economic development/Chamber management entity.

MARCH

- Staff continues to work with the Oklahoma Foreign Direct Investment team on their annual work plan for international investment recruitment. Staff participated in an update meeting on March 13th with the FDI team to discuss the State's work and success/to-date working with international companies. The group also discussed plans for upcoming out-of-market events including SelectUSA and the Farnborough Air Show.

OKLAHOMA CITY ECONOMIC DEVELOPMENT FOUNDATION FY 17/18 PROGRAM PERFORMANCE MEASUREMENT

GROW OKLAHOMA CITY'S CORPORATE PRESENCE

Most job growth comes from companies, industries, and entrepreneurs already in the region; those who have made a commitment to Oklahoma City as their home. Helping these companies start, grow and prosper is at the heart of the Foundation/Chamber economic development work plan, and will support the OCEDT and City of Oklahoma City's focus on economic development.

| Performance Measure | FY 17/18 Target | Progress Indicators | |
|---|---|----------------------|-----|
| | | 3 rd Qtr. | YTD |
| Engage in efforts to maintain and grow the number of active prospects considering the city/region during the year and track the number of projects that reach an active negotiation stage annually. | Average number of projects each month (goal of 30) | 63 | 57 |
| | % of projects that are new each month (goal of 10%) | 11% | 15% |
| | Projects that get to active negotiation stage (goal of 10 annually) | 7 | 23 |
| Assist with the generation of leads/projects by maintaining contact with national site consultants and real estate executives; also contact with corporations. | Contact 200 national site consultants and real estate executives annually | 96 | 288 |
| | Contact 100 corporations annually | 17 | 35 |
| Number of companies engaged (through contact and involvement in talent initiatives and business growth support) | 250 annually | 104 | 195 |
| Assistance provided to companies ¹ | 100 annually | 57 | 140 |

¹Assistance is defined as direct help to a company for a defined issue and/or active involvement in upcoming talent initiatives. A company may be assisted more than once during a 12 month period. Over time, the ratio of assists to visits/engagement of firms frequently hovers about 40-50%.

| Performance Measure | FY 17/18 Target | Progress Indicators | |
|---|--|--|-----|
| | | 3 rd Qtr. | YTD |
| Continue an active partnership with Oklahoma City, national and local brokers/developers to identify and recruit destination and high quality retail in targeted areas of the city. | Contact and track 125 individual brokers, retailers, or developers | 34 | 90 |
| | Coordinate and host a minimum of five (5) site visits from new to market retailers in Oklahoma City. | 1 | 4 |
| Provide referrals/resources to assist with quality and sustainability of locally-owned retail. | Assist 36 local retailers (individually or through group settings) | 10 | 27 |
| Host booth at ICSC RECON in May 2018 national conference to increase awareness and generate leads. Host local program through ICSC, ULI, etc. that will increase awareness and/or provide opportunities such as: <ul style="list-style-type: none"> • local/franchise retail growth • Underserved/redevelopment areas • Technology, marketing and digital awareness | Host a total of 40 meetings during the year through activities including ICSC RECON, other regional ICSC events and/or other targeted events/activities. | 10 | 20 |
| | Host or partner on at least one program annually. | 1 | 2 |
| Develop marketing outreach including a website and promotional materials that will increase awareness on retail and development | Maintain and market retail focused website that includes demographic and retail market area information, testimonials, | Updated downtown snapshot, which includes a variety of development data, maps and information about downtown; City oriented retail site remains active and available to interested parties exploring | |

| Performance Measure | FY 17/18 Target | Progress Indicators 3 rd Qtr. YTD |
|--|--|--|
| opportunities in Oklahoma City. | <p>connections to available sites/commercial districts, quality of life and other place related amenities, and other resources.</p> <p>Create marketing/sales materials that highlight Oklahoma City's advantages and assets.</p> | OKC retail options; Retail info updated for use at ICSC |
| Assist with ongoing efforts to ensure Oklahoma City has variety of land options available at any given time (building on the foundational work begun with the employment lands study). | <p>Meet with Alliance and City staff regarding ongoing identification and implementation strategies.</p> <p>Identify and work on two (2) possible sites to engage with owners/representatives in a process of moving them forward for use. Support RFP/selection process for master developer at Lariat Landing as needed.</p> <p>Connect with local commercial real estate professionals throughout the year – at least one formal program annually</p> | <p>Staff continues to meet with Alliance staff and City staff to review development opportunities for public and private land assets throughout the City. Conversations have included property re-development potential for the Western, Eastern and Southern portions of the community for industrial uses as well as other strategic opportunities.</p> <p>Staff continues to work with City staff to review development opportunities at Will Rogers World Airport including active participation with City, Airport and Alliance staff to review opportunities that are appropriate for land at or surrounding the airport. City, Chamber and Alliance staff have also continued to evaluate industrial land sites on the Eastern and Western sides of the community for future strategic and large-user opportunities.</p> <p>Staff continues to work one-on-one with local, regional and national brokers to discuss projects that could impact our region. Staff hosted one formal program for the local brokerage community in the 3rd Quarter of 2017 and is working on an</p> |

| Performance Measure | FY 17/18 Target | Progress Indicators | |
|---------------------|---|--|-----|
| | | 3 rd Qtr. | YTD |
| | and ongoing written/electronic communication | additional formal program in the Spring of 2018. Team also partnered with the Commercial Real Estate Council of Oklahoma City to sponsor the annual CREC Forecast in February. | |
| | Communicate and encourage consideration by national or other outside development firms – make contact with 10 firms during the year | 3 | 8 |
| | | Have held conversations with developers/builders in Dallas, TX and Charleston, SC regarding opportunities in the Oklahoma City Market. | |

DIVERSIFY OKLAHOMA CITY'S ECONOMY

Our efforts to diversify the economy and maximize our existing advantages are centered on the startup of new companies and the development of existing/emerging economic clusters.

| Performance Measure | FY 17/18 Target | Progress Indicators | |
|---|--|--|-----|
| | | 3 rd Qtr. | YTD |
| Engagement/support of targeted clusters | Attend five key shows focused on the targeted sectors | 1 | 5 |
| | Contact and engage 20 key employers in both bioscience/tech and aerospace sectors during the year. | 14 | 41 |
| Support activities and programs that convene and help start-up companies in Oklahoma City | Active involvement/support of key programs at i2E and with other groups around city (Starspace46, 1MB, etc.) | Staff from the ED Team have attended and been involved with: <ul style="list-style-type: none"> • 1 Million Cups meetings, • Working with i2E on OKBio/BIO • The first Tech Roundtable, aimed at building stronger community within the OKC tech community. | |

| Performance Measure | FY 17/18 Target | Progress Indicators 3 rd Qtr. YTD |
|--|--|---|
| | | <ul style="list-style-type: none"> A staff member, Evan Fay, is now a Community Organizer for 1 Million Cups |
| Support partners in implementation steps following Brookings/PPS Innovation District Study | Support various plan components and partners; promote district to key audiences outside market | The next Innovation District Symposium will be centered around Sensors and is planned for June 11 th at the Embassy Suites. We are actively involved in the planning meetings and are working to fill up the Symposium with speakers from the community. |

IMPROVE OKLAHOMA CITY'S REPUTATION (Marketing and Research Support)

Taking full advantage of Oklahoma City's rising national profile and success story is vital to attracting talent, investment and more jobs. The Chamber/Foundation implements best-in-class marketing strategies to increase leads and opportunities and to attract talent to the area. This program includes aggressive media relations and significant online/web-based programs. Additionally the Chamber/Foundation maintains extensive research capabilities to support recruitment and retention of companies, assess impact of economic development.

| Performance Measure | FY 17-18 Target | Progress Indicators 3 rd Qtr. YTD |
|--|---|---|
| Marketing: Increased unique visitors to greateroklahomacity.com and abetterlifeokc.com Complete high-quality marketing materials | Five percent gain year over year Completion (and use) of materials throughout the year | 50% increase on www.greateroklahomacity.com and 21% increase 24% decrease on www.abetterlifeokc.com and 23% decrease 1 4 |
| Public Relations: Number and quality of stories pitched/placed and assisted. | Up to 400 media stories nationally | 48 204 national media stories |

OVERALL OUTCOMES SUMMARY

The combined components of the Chamber/Foundation's divisions have a key role in supporting The City of Oklahoma City. A group of topline outcomes is being monitored relative to the goal of the ongoing work by the Chamber/Foundation.

Selected Topline Performance Outcomes

| | Five Year Targets | Five Year Actuals To Date (End of Year 2 of 5 year plan) | Annual Targets | 2017 Actuals |
|---|---------------------------------------|--|--------------------------------|-----------------|
| New jobs resulting from Chamber assisted projects (BRE + Recruitment) | 20,000 | 9,420 | 4,000 | 1,410 |
| Average salary of new jobs | 15% above MSA avg. of \$46,628 (2016) | \$47,037 | 15% above MSA avg. of \$46,628 | \$63,173 |
| Capital investment from projects | \$2 billion | \$627.6 Million | \$400 million | \$165.2 Million |
| Increase in taxes from Chamber-assisted companies and efforts | \$110 million | \$64.8 million | \$22 million | \$6.4 million |

NOTE: Targets and Actuals are provided on a calendar year to coincide with Forward Oklahoma City V reporting. For jobs outcome measure, the overall target is an annual average of 4,000. That likely would be split between existing employer growth (est. 2,500) and new employer locations (est. 1,500). Target wages for existing employment growth is 10% above metro average and for new locations it is 15-20% above metro average (overall target wage for new jobs is 15% above average wage).

CHAMBER-ASSISTED PROJECTS

2018 FOKC V Program Metrics

March Report

| | Forward V | Q1 2018 | One Year Goal (2018) | 2018 YTD | 5-Year Goals |
|----------|---------------------------|----------------|-----------------------------|-----------------|--|
| 1 | Jobs | 1,410 | 4,000 | 1,410 | 20,000 – 24,000** |
| 2 | Average Salary*** | \$63,173 | \$56,471 | \$63,173 | 20% above most recent average metro wage |
| 3 | Capital Investment | \$165.2M | \$400M | \$165.2M | \$2B |
| 4 | Total Tax Revenue* | \$6.4M | \$22M | \$6.4M | \$110M |

*Includes local property (real & personal) and sales tax collections from Chamber-assisted projects during period.

** Five year jobs goal include both target goal and stretch goal figures.

*** Goal of 20% above average metro wage for jobs involved with Chamber assisted projects (both BRE and recruitment); average salary figure will change each year as new data is available.

Valiant

Oklahoma City, Oklahoma County

NAICS: 333132

Company Description: Oil and Gas Field Machinery and Equipment Manufacturing

Employees: -16-

Investments: \$-0-

Type: Expansion

Date: January 2018

Engagement Type: Facility/Operations Assistance; Ongoing Engagement; Talent Strategy

Circle 9 Resources

Oklahoma City, Oklahoma County

NAICS: 213112

Company Description: Support Activities for Oil and Gas Operations

Employees: -400-

Investments: \$-0-

Type: Expansion

Date: January 2018

Engagement Type: Incentives; Ongoing Engagement; Talent Strategy; Workforce Assistance

Metro Family

Oklahoma City, Oklahoma County

NAICS: 511120

Company Description: Periodical Publishers

Employees: -2-

Investments: \$10,000

Type: Expansion

Date: January 2018

Engagement Type: Ongoing Engagement

OFS

Oklahoma City, Oklahoma County

NAICS: 325998

Company Description: All Other Miscellaneous Chemical Product and Preparation Manufacturing

Employees: -10-

Investments: \$1,500,000

Type: Expansion

Date: January 2018

Engagement Type: Ongoing Engagement; Research Assistance

Alpha Home Health**Oklahoma City, Oklahoma County****NAICS: 621610****Company Description:** Home Health Care Services

Employees: -14- Investments: \$-0- Type: Expansion Date: January 2018

Engagement Type: Facility/Operations Assistance; Partner Referral; Talent Strategy; Workforce Assistance

Clean**Oklahoma City, Oklahoma County****NAICS: 812332****Company Description:** Industrial Launderers

Employees: -7- Investments: \$1,000,000 Type: Expansion Date: January 2018

Engagement Type: Ongoing Engagement; Workforce Assistance

American Metals Supply Co., Inc.**Oklahoma City, Oklahoma County****NAICS: 423990****Company Description:** Other Miscellaneous Durable Goods Merchant Wholesalers

Employees: -2- Investments: \$6,500,000 Type: Expansion Date: January 2018

Engagement Type: Workforce Assistance

Boardman LLC**Oklahoma City, Oklahoma County****NAICS: 332313****Company Description:** Plate Work Manufacturing

Employees: -15- Investments: \$800,000 Type: Expansion Date: January 2018

Engagement Type: Incentives; Research Assistance

NvYA Technology**Oklahoma City, Oklahoma County****NAICS: 423430****Company Description:** Computer and Computer Peripheral Equipment and Software Merchant Wholesalers

Employees: -3- Investments: \$-0- Type: Expansion Date: January 2018

Engagement Type: Ongoing Engagement; Research Assistance

Cargill Animal Nutrition**Oklahoma City, Oklahoma County****NAICS: 311119****Company Description:** Other Animal Food Manufacturing

Employees: -4- Investments: \$250,000 Type: Expansion Date: January 2018

Engagement Type: Facility/Operations Assistance; Ongoing Engagement; Research Assistance

Love's Travel Shops & Country Stores**Oklahoma City, Oklahoma County****NAICS: 447190****Company Description:** Other Gasoline Stations

Employees: -30- Investments: \$50,000,000 Type: Expansion Date: January 2018

Engagement Type: Workforce Assistance

ABC Supply Co. Inc.**Oklahoma City, Oklahoma County****NAICS: 423310****Company Description:** Lumber, Plywood, Millwork, and Wood Panel Merchant Wholesalers

Employees: -2- Investments: \$150,000 Type: Expansion Date: January 2018

Engagement Type: Workforce Assistance

Cintas**Oklahoma City, Oklahoma County****NAICS: 812331****Company Description:** Linen Supply

Employees: -10- Investments: \$-0- Type: Expansion Date: January 2018

Engagement Type: Ongoing Engagement

Automation Integrated**Oklahoma City, Oklahoma County****NAICS: 238210****Company Description:** Electrical Contractors and Other Wiring Installation Contractors

Employees: -17- Investments: \$-0- Type: Expansion Date: February 2018

Engagement Type: Ongoing Engagement; Talent Strategy

FitCamp 180**Oklahoma City, Oklahoma County****NAICS: 713940****Company Description:** Fitness and Recreational Sports Centers

Employees: -2- Investments: \$30,000 Type: Expansion Date: February 2018

Engagement Type: Ongoing Engagement

Two Structure Homes**Edmond, Oklahoma County****NAICS: 236115****Company Description:** New Single Family Homes

Employees: -2- Investments: \$-0- Type: Expansion Date: February 2018

Engagement Type: Ongoing Engagement; Research Assistance

Mammoth Energy Services**Oklahoma City, Oklahoma County****NAICS: 231112****Company Description:** Support Activities for Mining

Employees: -0- Investments: \$70,000,000 Type: Expansion Date: February 2018

Engagement Type: Ongoing Engagement; Talent Strategy; Workforce Assistance

Ideas in Ice**Oklahoma City, Oklahoma County****NAICS: 312113****Company Description:** Ice Manufacturing

Employees: -2- Investments: \$-0- Type: Expansion Date: February 2018

Engagement Type: Facility/Operations Assistance; Ongoing Engagement

Electro Enterprises**Oklahoma City, Oklahoma County****NAICS: 423690****Company Description:** Other Electronic Parts and Equipment Merchant Wholesalers

Employees: -20- Investments: \$150,000 Type: Expansion Date: February 2018

Engagement Type: Ongoing Engagement

S&S Promotions**Oklahoma City, Oklahoma County****NAICS: 323113****Company Description:** Commercial Screen Printing

Employees: -0- Investments: \$400,000 Type: Expansion Date: February 2018

Engagement Type: Ongoing Engagement; Talent Strategy

Frito Lay**Oklahoma City, Oklahoma County****NAICS: 722330****Company Description:** Mobile Food Services

Employees: -3- Investments: \$-0- Type: Expansion Date: February 2018

Engagement Type: Ongoing Engagement

Midstate Traffic Control, Inc.**Oklahoma City, Oklahoma County****NAICS: 332312****Company Description:** Fabricated Structural Metal Manufacturing

Employees: -0- Investments: \$1,000,000 Type: Expansion Date: February 2018

Engagement Type: Workforce Assistance

Grace Dentistry**Oklahoma City, Oklahoma County****NAICS: 621210****Company Description:** Offices of Dentists

Employees: -2- Investments: \$70,000 Type: Expansion Date: February 2018

Engagement Type: Ongoing Engagement

CeralUSA, LLC**Oklahoma City, Oklahoma County****NAICS: 325998****Company Description:** All Other Miscellaneous Chemical Product and Preparation Manufacturing

Employees: -5- Investments: \$-0- Type: Expansion Date: February 2018

Engagement Type: Research Assistance

Quik Print (HQ)**Oklahoma City, Oklahoma County****NAICS: 323114****Company Description:** Printing and Related Support Activities

Employees: -0- Investments: \$2,000,000 Type: Expansion Date: February 2018

Engagement Type: Ongoing Engagement

DEN-CON Tool Co.

Oklahoma City, Oklahoma County

NAICS: 333132

Company Description: Oil and Gas Field Machinery and Equipment Manufacturing

Employees: -0- Investments: \$3,000,000 Type: Expansion Date: February 2018

Engagement Type: Ongoing Engagement

HEBCO, Inc.

Oklahoma City, Oklahoma County

NAICS: 541511

Company Description: Custom Computer Programming Services

Employees: -3- Investments: \$-0- Type: Expansion Date: February 2018

Engagement Type: Ongoing Engagement; Research Assistance

Project Emu – Dura Coatings

Oklahoma City, Oklahoma County

NAICS: 332813

Company Description: Electroplating, Plating, Polishing, Anodizing, and Coloring

Employees: -49- Investments: \$7,000,000 Type: New to market Date: March 2018

Project Tango 2018 - CACI

Oklahoma City, Oklahoma County

NAICS: 54151

Company Description: Computer Systems Design and Related Services

Employees: -550- Investments: \$8,000,000 Type: New to market Date: March 2018

Malarkey Roofing Products

Oklahoma City, Oklahoma County

NAICS: 324122

Company Description: Asphalt Shingle and Coating Materials Manufacturing

Employees: -18- Investments: \$12,000,000 Type: Expansion Date: March 2018

Engagement Type: Ongoing Engagement; Talent Strategy

Gallaway Safety & Supply

Oklahoma City, Oklahoma County

NAICS: 423990

Company Description: Other Miscellaneous Durable Goods Merchant Wholesalers

Employees: -4- Investments: \$-0- Type: Expansion Date: March 2018

Engagement Type: Facility/Operations Assistance; Ongoing Engagement; Research Assistance

Oakwood Springs

Oklahoma City, Oklahoma County

NAICS: 621420

Company Description: Alcoholism treatment centers and clinics (except hospitals, outpatient

Employees: -60- Investments: \$-0- Type: Expansion Date: March 2018

Engagement Type: Ongoing Engagement

| | | | |
|--|------------------------|-----------------|----------------------|
| Dobson Technologies | | | |
| Oklahoma City, Oklahoma County | | | NAICS: 517919 |
| Company Description: All Other Telecommunications | | | |
| Employees: -42- | Investments: \$-0- | Type: Expansion | Date: March 2018 |
| Engagement Type: Ongoing Engagement | | | |
| Trifecta Communications | | | |
| Oklahoma City, Oklahoma County | | | NAICS: 517919 |
| Company Description: All Other Telecommunications | | | |
| Employees: -0- | Investments: \$330,000 | Type: Expansion | Date: March 2018 |
| Engagement Type: Ongoing Engagement | | | |
| Rack59 | | | |
| Oklahoma City, Oklahoma County | | | NAICS: 518210 |
| Company Description: Data Processing, Hosting, and Related Services | | | |
| Employees: -2- | Investments: \$-0- | Type: Expansion | Date: March 2018 |
| Engagement Type: Ongoing Engagement | | | |
| Running Wild Catering | | | |
| Oklahoma City, Oklahoma County | | | NAICS: 722320 |
| Company Description: Caterers | | | |
| Employees: -3- | Investments: \$-0- | Type: Expansion | Date: March 2018 |
| Engagement Type: Ongoing Engagement; Workforce Assistance | | | |
| Phase 2 Interactive | | | |
| Oklahoma City, Oklahoma County | | | NAICS: 5415 |
| Company Description: Computer Systems Design and Related Services | | | |
| Employees: -3- | Investments: \$-0- | Type: Expansion | Date: March 2018 |
| Engagement Type: Ongoing Engagement; Talent Strategy | | | |
| Stabil Drill Specialties | | | |
| Oklahoma City, Oklahoma County | | | NAICS: 5324 |
| Company Description: Commercial and Industrial Machinery and Equipment Rental and Leasing | | | |
| Employees: -3- | Investments: \$-0- | Type: Expansion | Date: March 2018 |
| Engagement Type: Ongoing Engagement; Research Assistance; Talent Strategy; Workforce Assistance | | | |
| Midwest Wrecking Co. | | | |
| Oklahoma City, Oklahoma County | | | NAICS: 238910 |
| Company Description: Site Preparation Contractors | | | |
| Employees: -5- | Investments: \$700,000 | Type: Expansion | Date: March 2018 |
| Engagement Type: Workforce Assistance | | | |

Alias Forensics**Oklahoma City, Oklahoma County****NAICS: 541513****Company Description:** Computer Facilities Management Services

Employees: -4- Investments: \$-0-

Type: Expansion

Date: March 2018

Engagement Type: Ongoing Engagement

Comtech Design Print and Mail, LLC**Oklahoma City, Oklahoma County****NAICS: 541860****Company Description:** Direct Mail Advertising

Employees: -0- Investments: \$40,000

Type: Expansion

Date: March 2018

Engagement Type: Ongoing Engagement

Timberlake Construction**Oklahoma City, Oklahoma County****NAICS: 236220****Company Description:** Commercial and Institutional Building Construction

Employees: -2- Investments: \$-0-

Type: Expansion

Date: March 2018

Engagement Type: Ongoing Engagement

Design Tunnel**Oklahoma City, Oklahoma County****NAICS: 512110****Company Description:** Motion Picture and Video Production

Employees: -2- Investments: \$-0-

Type: Expansion

Date: March 2018

Engagement Type: Ongoing Engagement

Swift Transportation Co., Inc.**Oklahoma City, Oklahoma County****NAICS: 484121****Company Description:** General Freight Trucking, Long-Distance, Truckload

Employees: -0- Investments: \$200,000

Type: Expansion

Date: March 2018

Engagement Type: Research Assistance; Talent Strategy; Workforce Assistance

The Worx Company**Oklahoma City, Oklahoma County****NAICS: 541512****Company Description:** Computer Systems Design Services

Employees: -2- Investments: \$70,000

Type: Expansion

Date: March 2018

Engagement Type: Ongoing Engagement

Valir Health**Oklahoma City, Oklahoma County****NAICS: 6214****Company Description:** Outpatient Care Centers

Employees: -30- Investments: \$-0-

Type: Expansion

Date: March 2018

Engagement Type: Ongoing Engagement; Talent Strategy



Greater Oklahoma City Chamber
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www.okcchamber.com • www.greateroklahomacity.com

GENERAL MANAGER REPORT



DATE: April 17, 2018

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

SUBJECT Monthly Report as of February 28, 2018

Please find the attached Monthly Report as of February 28, 2018. The amounts reflected in the report are unaudited and are subject to post-audit adjustments. Staff will be available if you have any questions.



Monthly Report

As of

February 28, 2018

STRATEGIC INVESTMENT PROGRAM

General Obligation Limited Tax Bonds

PROJECT SCORECARD AS OF FEBRUARY 28, 2018

| Project Name | # of Jobs | GOLT Allocation | Estimated Payroll | Estimated Investment | Payments to Date | Jobs to Date |
|----------------------------------|---------------|---------------------|----------------------|-------------------------|---------------------|--------------|
| Current - Active Projects | | | | | | |
| Grocery Supply Acquisition Group | 150 | \$375,000 | \$5,206,050 | \$28,600,000 | \$350,800 | 105 |
| Boeing #1 | 285 | \$1,838,250 | \$24,225,000 | \$5,100,000 | \$1,476,250 | 290 |
| Boeing #2 | 800 | \$4,500,000 | \$68,000,000 | \$20,000,000 | \$3,441,600 | 891 |
| Paycom #2 | 667 | \$1,250,000 | \$26,426,540 | \$11,800,000 | \$564,000 | 84 |
| ATT | 140 | \$350,000 | \$6,596,380 | \$0 | \$0 | 0 |
| General Electric | 133 | \$1,750,000 | \$13,499,500 | \$53,000,000 | \$471,000 | 85 |
| Tapstone Energy | 150 | \$1,450,000 | \$21,919,950 | \$10,000,000 | \$288,000 | 54 |
| Sutherland Global | 123 | \$250,000 | \$4,900,812 | \$1,500,000 | \$0 | 0 |
| Enable | 108 | \$450,000 | \$10,812,852 | \$3,800,000 | \$272,200 | 111 |
| BNSF/KC-46A | 1,321 | \$23,500,000 | \$81,902,000 | \$500,000,000 | \$23,500,000 | 0 |
| Paycom #3 | 423 | \$1,200,000 | \$21,681,288 | \$14,000,000 | \$0 | 0 |
| Boeing #3 | 900 | \$6,000,000 | \$89,100,000 | \$80,000,000 | \$777,250 | 480 |
| Progrexion | 534 | \$600,000 | \$15,815,500 | \$2,500,000 | \$174,800 | 178 |
| NLLG | 500 | \$500,000 | \$24,117,000 | \$200,000 | \$18,000 | 36 |
| HealthSmart | 150 | \$225,000 | \$7,500,000 | \$200,000 | \$0 | 0 |
| Med XM | 400 | \$500,000 | \$14,100,000 | \$2,000,000 | \$0 | 0 |
| M-D | 105 | \$157,500 | \$3,772,755 | \$11,875,000 | \$0 | 0 |
| McClarín Plastics | 58 | \$80,000 | \$2,068,686 | \$600,000 | \$0 | 0 |
| Niagara Bottling | 45 | \$225,000 | \$1,900,000 | \$50,000,000 | \$0 | 0 |
| North American ATK Corp | 76 | \$75,000 | \$3,260,020 | \$2,263,000 | \$0 | 0 |
| SkyWest | 375 | \$2,000,000 | \$23,000,000 | \$29,000,000 | \$0 | 0 |
| American Tissue Industries | 84 | \$125,000 | \$2,892,165 | \$37,000,000 | \$0 | 0 |
| Total - Active Projects | 7,527 | \$47,400,750 | \$472,696,498 | \$863,438,000 | \$31,333,900 | 2,314 |
| Total - All Projects | 12,668 | 66,585,999 | 765,111,774 | 1,062,195,000 | 47,111,878 | 4,492 |

* Finalized - GOLT allocation is less than originally contemplated.

❖ Per the BLS Quarterly Census of Employment and Wages, the 2016 OKC MSA average annual wages were \$46,628

PROJECT STATUS AS OF FEBRUARY 28, 2018

| | Jobs | Annual | Average | GOLT | Incentive |
|----------------------------|---------|--------------|-----------|-----------|-------------|
| BOEING # 1 | Created | Payroll | Salary | Payment | Balance |
| Fiscal Year 1 (2012) | 91 | \$10,845,790 | \$119,185 | \$159,250 | \$1,679,000 |
| Fiscal Year 2 (2013) | 222 | \$25,015,735 | \$112,683 | \$333,000 | \$1,346,000 |
| Fiscal Year 3 (2014) | 240 | \$27,769,927 | \$115,708 | \$300,000 | \$1,046,000 |
| Fiscal Year 4 (1/2) (2014) | 122 | \$12,307,196 | \$100,879 | \$122,000 | \$924,000 |
| Fiscal Year 4 (2015) | 272 | \$27,835,482 | \$102,336 | \$272,000 | \$652,000 |
| Fiscal Year 5 (2016) | 290 | \$26,322,272 | \$90,766 | \$290,000 | \$362,000 |

History: The company finished the 5th full fiscal year with an average of 290 new employees.

Status: Payment of \$290,000 for the period ending December 2016 was processed in March 2017.

| | Jobs | Annual | Average | GOLT | Incentive |
|----------------------|---------|--------------|-----------|-----------|-------------|
| BOEING # 2 | Created | Payroll | Salary | Payment | Balance |
| Fiscal Year 1 (2012) | 40 | \$4,613,611 | \$115,340 | \$50,000 | \$4,450,000 |
| Fiscal Year 2 (2013) | 554 | \$54,365,971 | \$98,134 | \$664,800 | \$3,785,200 |
| Fiscal Year 3 (2014) | 746 | \$74,278,353 | \$99,569 | \$857,900 | \$2,927,300 |
| Fiscal Year 4 (2015) | 808 | \$77,435,209 | \$95,836 | \$888,800 | \$2,038,500 |
| Fiscal Year 5 (2016) | 891 | \$80,703,434 | \$90,585 | \$980,100 | \$1,058,400 |

History: Boeing Project #2 finished the fifth ontract year with 891 new jobs above the baseline of 665 with an average salary of \$90,585. The contract requires a minimum salary of \$85,000

Status: Fiscal Year 5 payment in the amount of \$980,100 was made in March 2017.

| | Jobs | Annual | Average | GOLT | Incentive |
|----------------------|---------|--------------|-----------|-----------|-------------|
| BOEING # 3 | Created | Payroll | Salary | Payment | Balance |
| Fiscal Year 1 (2015) | 161 | \$21,988,635 | \$136,575 | \$201,250 | \$5,798,750 |
| Fiscal Year 2 (2016) | 480 | \$58,088,102 | \$95,750 | \$576,000 | \$5,222,750 |

History: Boeing #3 finished the second contract year with 480 new jobs with an average salary of \$95,750.

Status: Fiscal Year 3 payment in the amount of \$576,000 was made in March 2017.

| | Jobs | Annual | Average | GOLT | Incentive |
|-------------------------|---------|--------------|-----------|-----------|-----------|
| GENERAL ELECTRIC | Created | Payroll | Salary | Payment | Balance |
| Fiscal Year 1 (2014) | 5 | \$782,075 | \$156,415 | \$20,000 | \$980,000 |
| Fiscal Year 2 (2015) | 37 | \$6,065,222 | \$163,925 | \$111,000 | \$869,000 |
| Fiscal Year 3 (2016) | 68 | \$10,751,322 | \$158,017 | \$170,000 | \$699,000 |
| Fiscal Year 4 (2017) | 85 | \$11,881,293 | \$139,780 | \$170,000 | \$529,000 |

History: General Electric finished the fourth year with 85 FTEs with an average annual salary of over \$139,000. The contract required a minimum salary of \$99,025. A payment of \$170,000 was processed in June 2017.

| | Jobs | Annual | Average | GOLT | Incentive |
|----------------------|---------|-------------|----------|----------|-----------|
| ARINC | Created | Payroll | Salary | Payment | Balance |
| Fiscal Year 1 (2012) | 32.00 | \$2,148,904 | \$67,153 | \$40,000 | \$610,000 |
| Fiscal Year 2 (2013) | 62.58 | \$3,893,110 | \$62,207 | \$78,229 | \$531,771 |

History: The company finished the 2nd fiscal year with an average of 62 new employees above the baseline of 92. The actual salary of \$62,207 exceeded the contract average salary by more than \$11,000 or 22%.

Status: Staff has requested new information.

| | Jobs | Annual | Average | GOLT | Incentive |
|----------------------|---------|---------|---------|---------|-----------|
| AT&T | Created | Payroll | Salary | Payment | Balance |
| Fiscal Year 1 (2014) | | | | | \$350,000 |

Status: Staff has requested information regarding the first contract period.

| | Jobs | Annual | Average | GOLT | Incentive |
|-------------------------|--------------|--------------|-----------|-----------|-----------|
| ENABLE MIDSTREAM | Created | Payroll | Salary | Payment | Balance |
| Fiscal Year 1 (2014) | did not meet | | | | \$450,000 |
| Fiscal Year 2 (2015) | 47.00 | \$9,217,488 | \$194,502 | \$61,100 | \$388,900 |
| Fiscal Year 3 (2016) | 91.00 | \$12,438,186 | \$136,683 | \$100,100 | \$288,800 |
| Fiscal Year 4 (2017) | 111.00 | \$16,975,620 | \$151,681 | \$111,000 | \$177,800 |

Status: Company reported an average of 111 jobs above the baseline of 380 for the fourth year, payment was processed in December 2017.

| | Jobs | Annual | Average | GOLT | Incentive |
|------------------------|---------|-------------|-----------|-----------|-------------|
| TAPSTONE ENERGY | Created | Payroll | Salary | Payment | Balance |
| Fiscal Year 1 (2014) | 20.00 | \$3,543,474 | \$172,867 | \$60,000 | \$1,390,000 |
| Fiscal Year 2 (2015) | 48.00 | \$7,152,594 | \$147,985 | \$120,000 | \$1,270,000 |
| Fiscal Year 3 (2016) | 54.00 | \$8,538,946 | \$156,200 | \$108,000 | \$1,162,000 |

Status: Company reported average of 48 FTEs above baseline for the third contract year through December of 2016. Payment of \$108,000 was processed in December 2017.

| | Jobs | Annual | Average | GOLT | Incentive |
|----------------------|---------|-------------|----------|-----------|-----------|
| PROGREXION | Created | Payroll | Salary | Payment | Balance |
| Fiscal Year 1 (2016) | 85 | \$2,850,610 | \$33,504 | \$68,000 | \$532,000 |
| Fiscal Year 2 (2017) | 178 | \$6,225,332 | \$34,811 | \$106,800 | \$425,200 |

Status: Progrexion finished the second contract year in September 2017 with 178 new jobs. Fiscal Year 2 payment in the amount of \$106,800 was made in February 2018.

| | Jobs | Annual | Average | GOLT | Incentive |
|----------------------|---------|--------------|----------|-----------|-------------|
| PAYCOM #2 | Created | Payroll | Salary | Payment | Balance |
| Fiscal Year 1 (2015) | 84.00 | \$3,762,150 | \$44,788 | \$84,000 | \$1,166,000 |
| Fiscal Year 2 (2016) | 480.00 | \$19,515,430 | \$40,580 | \$480,000 | \$686,000 |

Status: Paycom #2 Project ended Year 2 with 84 jobs created with an average salary of \$44,788 and a payment was processed in August of 2017.

| | Jobs | Annual | Average | GOLT | Incentive |
|----------------------|---------|-------------|----------|----------|-----------|
| NLLG | Created | Payroll | Salary | Payment | Balance |
| Fiscal Year 1 (2017) | 36 | \$1,768,356 | \$49,121 | \$18,000 | \$482,000 |

Status: NLLG finished the first contract year in April 2017 with an average of 36 jobs added for the first contract year above the baseline of 77 jobs. Fiscal Year 1 payment in the amount of \$18,000 was made in June 2017

| | Jobs | Annual | Average | GOLT | Incentive |
|-----------------------|---------|-------------|----------|----------|-----------|
| GROCERY SUPPLY | Created | Payroll | Salary | Payment | Balance |
| Fiscal Year 1 (2012) | 89 | \$3,882,362 | \$43,622 | \$62,300 | \$312,700 |
| Fiscal Year 2 (2013) | 141 | \$5,803,057 | \$41,156 | \$91,650 | \$221,050 |
| Fiscal Year 3 (2014) | 149 | \$6,230,468 | \$41,815 | \$89,400 | \$131,650 |
| Fiscal Year 4 (2015) | 119 | \$4,908,656 | \$39,648 | \$65,450 | \$66,200 |
| Fiscal Year 5 (2016) | 105 | \$4,016,001 | \$38,248 | \$42,000 | \$24,200 |

Explanation: GSAC finished the fifth fiscal year with an average of 105 employees.

Status: Payment for Fiscal Year 5 jobs in the amount of \$42,000 was made in May 2017.

| | Jobs | Annual | Average | GOLT | Incentive |
|------------------------------|---------|--------------|-----------|-------------|-------------|
| CONTINENTAL RESOURCES | Created | Payroll | Salary | Payment | Balance |
| Fiscal Year 1 (2012) | 80.3 | \$11,149,511 | \$138,636 | \$560,000 | \$6,640,000 |
| Fiscal Year 2 (2013) | 192.5 | \$35,938,032 | \$186,691 | \$962,500 | \$5,677,500 |
| Fiscal Year 3 (2014) | 333.9 | \$67,160,082 | \$201,138 | \$1,502,550 | \$4,174,950 |
| Fiscal Year 4 (2015) | 467.7 | \$92,156,348 | \$197,042 | \$1,987,725 | \$2,187,225 |
| Fiscal Year 5 (2016) | 457 | \$81,480,202 | \$178,099 | \$1,873,700 | \$313,525 |
| Fiscal Year 6 (2017) | 414 | \$85,415,220 | \$205,985 | \$313,525 | \$0 |

History: The company finished the sixth fiscal year creating 414 jobs above the contract baseline of 255. \$313,525 was paid to Continental for Contract Year 6 in August 2017 as their final payment.

STRATEGIC INVESTMENT PROGRAM

General Obligation Limited Tax Bonds (GOLT)

FINANCIAL SUMMARY AS OF FEBRUARY 28, 2018

| | February-18 | Fiscal Year to Date | Total to Date |
|---|---------------------|------------------------|------------------------|
| Revenues | | | |
| GOLT Bond Proceeds | \$0.00 | \$0.00 | \$74,555,804.63 |
| Payment from Special Purpose | \$0.00 | \$900,000.00 | \$3,900,000.00 |
| Investment Income | <u>\$19,789.57</u> | <u>\$116,096.57</u> | <u>\$784,822.71</u> |
| Total Revenues | <u>\$19,789.57</u> | <u>\$1,016,096.57</u> | <u>\$79,240,627.34</u> |
| Expenditures | | | |
| Administration - ED0100 | \$6,833.33 | \$16,833.33 | \$1,974,591.59 |
| Chamber SIP Services - ED0101 | \$0.00 | \$0.00 | \$153,500.00 |
| I2e ETP Services - ED0102 | \$0.00 | \$0.00 | \$1,500.00 |
| Affinia Project - ED0110 | \$0.00 | \$0.00 | \$36,000.00 |
| CSAA Project - ED0111 | \$0.00 | \$0.00 | \$2,899,999.82 |
| Wood Group Project - ED0112 | \$0.00 | \$0.00 | \$17,000.00 |
| PreDent Project (Loan) - ED0114 | \$0.00 | \$0.00 | \$100,000.00 |
| OrthoCare Project ED0115 | \$0.00 | \$0.00 | \$64,250.00 |
| Advanced Academics Project ED0116 | \$0.00 | \$0.00 | \$155,000.00 |
| Lands Needs Study - ED0118 | \$0.00 | \$0.00 | \$50,000.00 |
| CEDS Grant Match - ED0119 | \$0.00 | \$0.00 | \$50,000.00 |
| Business Launch Grant Match - ED0120 | \$0.00 | \$0.00 | \$400,000.00 |
| Paycom Project #1 - ED0121 | \$0.00 | \$0.00 | \$1,967,999.65 |
| The Boeing Company #1 - ED0123 | \$0.00 | \$0.00 | \$1,476,250.00 |
| Chesapeake Energy - ED0125 | \$0.00 | \$313,525.00 | \$1,925,000.00 |
| Continental Resources - ED0126 | \$0.00 | \$0.00 | \$7,200,000.00 |
| ARINC - ED0127 | \$0.00 | \$0.00 | \$118,229.17 |
| Centek LTD - ED0128 | \$0.00 | \$0.00 | \$200,000.00 |
| Cameron - ED0129 | \$0.00 | \$0.00 | \$7,000.00 |
| FMC Technologies - ED0130 | \$0.00 | \$0.00 | \$107,500.00 |
| Grocery Supply Acquisition Corp. - ED0131 | \$0.00 | \$0.00 | \$350,800.00 |
| ENOGEX - ED0132 | \$0.00 | \$0.00 | \$479,999.90 |
| The Boeing Company #2 - ED0133 | \$0.00 | \$480,000.00 | \$3,441,600.00 |
| Paycom Project #2 - ED0134 | \$0.00 | \$0.00 | \$564,000.00 |
| Softball Hall of Fame Loan - ED0136 | \$0.00 | \$0.00 | \$6,000,000.00 |
| General Electric - ED0139 | \$0.00 | \$108,000.00 | \$471,000.00 |
| Tapstone Energy - ED0141 | \$0.00 | \$317,344.68 | \$288,000.00 |
| OCRA - GE - ED0142 | \$0.00 | \$0.00 | \$317,344.68 |
| BNSF KC46A - ED0143 | \$0.00 | \$111,000.00 | \$23,500,000.00 |
| Enable Midstream - ED0144 | \$0.00 | \$0.00 | \$272,200.00 |
| The Boeing Company #3 - ED0146 | \$0.00 | \$0.00 | \$777,250.00 |
| Progrexion - ED0148 | \$106,800.00 | \$106,800.00 | \$174,800.00 |
| NLLG - ED0154 | \$0.00 | \$1,204,660.00 | \$18,000.00 |
| OIA - ED0159 | \$0.00 | \$0.00 | \$1,204,660.00 |
| 1700 NE 23rd Street Clinic Loan - ED0502 | <u>\$0.00</u> | <u>\$1,300,000.00</u> | <u>\$1,300,000.00</u> |
| Total Expenditures | <u>\$113,633.33</u> | <u>\$3,958,163.01</u> | <u>\$58,063,474.81</u> |
| Outstanding Encumbrances | | | \$3,482,968.64 |
| Funds Available | | | \$17,694,183.89 |

NOTE: Amounts are unaudited and subject to adjustment and/or reclassification

TAX INCREMENT DISTRICT #2 & #3

Downtown/MAPS District

FINANCIAL REPORT AS OF FEBRUARY 28, 2018

| Revenues | Fiscal Year to | | Total to Date |
|-----------------------------------|------------------------|------------------------|-------------------------|
| | February-18 | Date | |
| Ad Valorem Taxes | \$124,216.38 | \$156,407.66 | \$63,413,949.88 |
| Skirvin Sales Taxes - State Match | \$0.00 | \$296,704.37 | \$3,643,032.36 |
| Skirvin Sales Taxes | \$0.00 | \$296,704.37 | \$3,643,032.35 |
| Miscellaneous Revenue | \$0.00 | \$0.00 | \$3,103.51 |
| Development Loan Revenues | \$6,128.93 | \$20,604.15 | \$1,327,114.00 |
| Investment Income | \$6,959.08 | \$30,231.83 | \$385,901.76 |
| Loan Proceeds | \$32,928,046.21 | \$37,678,046.21 | \$80,758,476.21 |
| Total Revenues | \$33,065,350.60 | \$38,478,698.59 | \$153,174,610.07 |

TAX INCREMENT DISTRICT #2 & #3

Downtown/MAPS District

| Expenditures | Fiscal Year to | | Total to Date |
|---|---------------------|------------------------|-------------------------|
| | February-18 | Date | |
| Administration - ED0200 | \$4,760.75 | \$120,358.98 | \$1,606,813.97 |
| Debt Service on LT Note - ED0200 | \$0.00 | \$2,092,577.94 | \$29,555,795.15 |
| Payoff of OCPPA Line of Credit - ED0200 | \$0.00 | \$0.00 | \$20,052,311.07 |
| Skirvin Hotel - ED0201 | \$0.00 | \$0.00 | \$1,054.35 |
| Canal Extension - ED0202 | \$0.00 | \$0.00 | \$670.58 |
| Film District - ED0204 | \$0.00 | \$0.00 | \$230,673.06 |
| Streetscape Master Plan - ED0211 | \$0.00 | \$0.00 | \$24,474.77 |
| Regatta Park Land Acquisition - ED0213 | \$0.00 | \$0.00 | \$2,280,016.11 |
| Regatta Park Shoreline Improvements - ED0214 | \$0.00 | \$0.00 | \$2,439,648.86 |
| Core to Shore Land Acquisition - ED0215 | \$0.00 | \$0.00 | \$4,999,313.38 |
| Quiet Zone - ED0217 | \$0.00 | \$0.00 | \$2,650,000.00 |
| Triangle Phase 1 - ED0218 | \$0.00 | \$0.00 | \$318,634.43 |
| Metro Tech - ED0219 | \$0.00 | \$0.00 | \$431,759.95 |
| Block 42 - ED0220 | \$0.00 | \$0.00 | \$10,502.73 |
| The Hill - ED0221 | \$0.00 | \$0.00 | \$10,880.55 |
| Midtown HC # 1 - ED0222 | \$0.00 | \$0.00 | \$1,000,500.00 |
| St Anthony - ED0223 | \$0.00 | \$0.00 | \$9,026.34 |
| City Center - ED0225 | \$0.00 | \$0.00 | \$1,250,000.00 |
| 4th Street Apartments - ED0226 | \$0.00 | \$0.00 | \$1,000,000.00 |
| Midtown HC # 2 - ED0227 | \$0.00 | \$0.00 | \$1,100,000.00 |
| Carnegie Center - ED0228 | \$0.00 | \$0.00 | \$370,000.00 |
| OCCC Capitol Hill Project - ED0229 | \$0.00 | \$0.00 | \$2,500,000.00 |
| Edge Apartments - ED0230 | \$0.00 | \$400,000.00 | \$2,300,000.00 |
| Midtown Garage - ED0231 | \$0.00 | \$0.00 | \$3,000,000.00 |
| Journal Record Building - ED0232 | \$0.00 | \$4,250,000.00 | \$4,250,000.00 |
| Century Center - ED0233 | \$0.00 | \$0.00 | \$2,050,000.00 |
| COTPA Parking Garage Renovation - ED0234 | \$0.00 | \$0.00 | \$1,000,000.00 |
| Myriad Garden Foundation - ED0235 | \$0.00 | \$0.00 | \$2,750,000.00 |
| Oklahoma County Parking Garage - ED0236 | \$0.00 | \$0.00 | \$1,240,910.88 |
| Bricktown Infrastructure - ED0237 | \$0.00 | \$19,982.31 | \$890,195.56 |
| Downtown Sidewalk - ED0238 | \$0.00 | \$3,478.00 | \$8,478.00 |
| Cottage District Alley - ED0239 | \$0.00 | (\$159.22) | \$700,000.00 |
| Level West (Mosaic) - ED0240 | \$0.00 | \$0.00 | \$1,150,000.00 |
| 4th Street Apartments Phase II - ED0241 | \$0.00 | \$1,000,000.00 | \$1,000,000.00 |
| Downtown Elementary - ED0242 | \$0.00 | \$0.00 | \$1,500,000.00 |
| 21c Hotel - ED0243 | \$0.00 | \$0.00 | \$5,300,000.00 |
| 10th & Shartel Apartments - ED0244 | \$0.00 | \$3,000,000.00 | \$3,000,000.00 |
| Capitol Hill Library - ED0245 | \$0.00 | \$0.00 | \$1,160,000.00 |
| Mideke Commercial Office - ED0246 | \$0.00 | \$0.00 | \$1,000,000.00 |
| Rock Island Plow - ED0248 | \$0.00 | \$39,541.11 | \$39,541.11 |
| Civic Centre Flats - ED0249 | \$0.00 | \$0.00 | \$350,000.00 |
| Steelyard - ED0250 | \$0.00 | \$0.00 | \$1,000,000.00 |
| OCU Law School - ED0251 | \$0.00 | \$0.00 | \$500,000.00 |
| Criterion Event Center - ED0252 | \$0.00 | \$0.00 | \$196,500.00 |
| Underground HVAC - ED0253 | \$4,832.94 | \$15,001.14 | \$15,001.14 |
| Arts District Parking Garage - ED0254 | \$0.00 | \$0.00 | \$950,000.00 |
| Arts Festival Relocation - ED0256 | \$0.00 | \$0.00 | \$1,499,999.89 |
| Convention Center Support Acquisition - ED0257 | \$0.00 | \$0.00 | \$4,500,000.00 |
| Sunshine Cleaners Project - ED0258 | \$0.00 | \$0.00 | \$550,000.00 |
| Oklahoma Co. Capital Project 2016 - ED0260 | \$426,139.33 | \$781,589.66 | \$881,684.66 |
| Metro Tech South Bryant Project - ED0261 | \$0.00 | \$1,397,280.24 | \$1,397,280.24 |
| Total Expenditures | \$435,733.02 | \$13,119,650.16 | \$116,021,507.56 |
| Outstanding Encumbrances | | | \$978,889.74 |
| Funds Available | | | \$36,174,212.77 |
| Outstanding Debt as of February 28, 2018 | | \$67,074,389.81 | |

NOTE: Amounts are unaudited and subject to adjustment and/or reclassification

TAX INCREMENT DISTRICT #2 & #3

Downtown/MAPS District

PROJECT STATUS REPORTS AS OF FEBRUARY 28, 2018

Projects Under Construction

1. Downtown Sidewalks
2. Bricktown Infrastructure
3. Steelyard
4. OCCC Capitol Hill
5. Main Street Arcade
6. Townhouse Apartments
7. Oklahoma County Capital Project
8. West Village (The Residences)
9. Metro Tech South Bryant Campus
10. Oklahoma City/County Health
11. Red Andrews Park
12. 701 N. Hudson Avenue
13. Left Frame Lofts

Projects Under Design

1. I-89 Administration
2. Underground HVAC
3. I-89 Oklahoma City Public Schools Capital
4. Santa Fe Parking Garage Project

Completed Projects

1. Metro Tech Training Facility
2. Myriad Gardens Foundation
3. Regatta Park Land Acquisition
4. Regatta Park Shoreline Improvements
5. Center City (Level) Apartments
6. Midtown HC #1
7. Midtown HC #2
8. 4th Street Apartments
9. Carnegie Centre
10. 10th Street Parking Garage and Mixed Use
11. OCU Law School
12. The Edge Residential
13. Century Center Mixed Commercial
14. Mideke Commercial Office Building
15. Cottage District Alleyways
16. COTPA Arts District Garage
17. Criterion Performing Arts Center
18. Level West #2 (Mosaic)
19. Festival of the Arts
20. 21c Museum Hotel
21. Civic Center Flats
22. Quiet Zone
23. Sunshine Cleaners
14. Journal Record Building & Garage
15. 4th Street Apartments Phase 2
16. Capitol Hill Library Expansion & Renovation
17. Rock Island Plow Commercial Building
18. 10th & Shartel (Lift)

TAX INCREMENT DISTRICT #4 & #5

Oklahoma River District

FINANCIAL REPORT AS OF FEBRUARY 28, 2018

| | February-18 | Fiscal Year to Date | Total to Date |
|--|---------------------|------------------------|------------------------|
| Revenues | | | |
| Ad Valorem Taxes | \$0.00 | \$0.00 | \$8,786,491.84 |
| Dell Payroll Sales Taxes | \$0.00 | \$304,029.42 | \$3,143,113.05 |
| Dell Payroll Sales Taxes - State Match | \$136,714.06 | \$136,714.06 | \$2,820,185.33 |
| Refund from Federal Government | \$0.00 | \$0.00 | \$1,006,541.00 |
| Transfer from Bond Fund | \$0.00 | \$0.00 | \$386,742.15 |
| Transfer from Drainage Fund | \$0.00 | \$0.00 | \$2,000,000.00 |
| Transfer from General Fund | \$0.00 | \$0.00 | \$3,000,000.00 |
| Payment from OKC - OCEDT | \$0.00 | \$0.00 | \$431.64 |
| Transfer from OCPPA - General Purpose | \$0.00 | \$0.00 | \$51,653.69 |
| Investment Income | \$1,240.48 | \$5,582.91 | \$199,541.34 |
| Loan Proceeds | \$0.00 | \$0.00 | \$11,486,977.00 |
| Total Revenues | \$137,954.54 | \$446,326.39 | \$32,881,677.04 |
| Expenditures | | | |
| Administration | \$1,583.33 | \$31,347.61 | \$841,404.19 |
| Land Acquisition | \$0.00 | \$0.00 | \$175,000.00 |
| Transfer to OCPPA - General Purpose | \$0.00 | \$0.00 | \$52,085.33 |
| Debt Service | \$0.00 | \$0.00 | \$11,921,162.46 |
| Dell Project (ED0402) | \$0.00 | \$0.00 | \$17,113,615.39 |
| Shoreline Improvements (ED0403) | \$0.00 | \$0.00 | \$1,450,997.15 |
| Total Expenditures | \$1,583.33 | \$31,347.61 | \$31,554,264.52 |
| Funds Available | | | \$1,301,348.49 |
| Contracts Outstanding | | | \$26,064.03 |

Outstanding Debt as of February 28, 2018

\$2,204,815.15

NOTE: Amounts are unaudited and subject to adjustment and/or reclassification

PROJECT STATUS REPORTS AS OF FEBRUARY 28, 2018

Completed Projects

1. Dell
2. Shoreline Improvement Project

TAX INCREMENT DISTRICT #6

Las Rosas Residential District

FINANCIAL REPORT AS OF FEBRUARY 28, 2018

| | February-18 | Fiscal Year to Date | Total to Date |
|---------------------------------------|---------------|------------------------|-----------------------|
| Revenues | | | |
| Ad Valorem Taxes | \$0.00 | \$0.00 | \$319,564.46 |
| Investment Income | \$7.83 | \$99.60 | \$4,262.88 |
| Misc Revenue - Developer Contribution | \$0.00 | \$0.00 | \$98,527.20 |
| Loan Proceeds | \$0.00 | \$0.00 | \$1,017,000.00 |
| Payment from OCEDT | \$0.00 | \$0.00 | \$139.20 |
| Transfer from OCPPA General | \$0.00 | \$0.00 | \$65,895.52 |
| Transfer from City/Schools Use Tax | \$0.00 | \$0.00 | \$1,031,652.51 |
| Total Revenues | \$7.83 | \$99.60 | \$2,537,041.77 |
| Expenditures | | | |
| Professional Services - Legal | \$0.00 | \$0.00 | \$49,879.59 |
| Advertising | \$0.00 | \$198.06 | \$898.70 |
| Administrative Chargebacks | \$0.00 | \$0.00 | \$13,429.15 |
| Loan Principal and Interest Payments | \$0.00 | \$0.00 | \$1,138,133.81 |
| Transfer to City & Schools Use Tax | \$0.00 | \$0.00 | \$154,917.99 |
| Transfer to General Fund | \$0.00 | \$56,406.00 | \$157,006.00 |
| Construction of Public Improvements | \$0.00 | \$0.00 | \$1,015,578.10 |
| Total Expenditures | \$0.00 | \$56,604.06 | \$2,529,843.34 |
| Outstanding Encumbrances | | | \$0.00 |
| Funds Available | | | \$7,198.43 |

NOTE: Amounts are unaudited and subject to adjustment and/or reclassification

PROJECT STATUS REPORTS AS OF FEBRUARY 28, 2018

Completed Projects

1. Las Rosas Phase 1

Projects Suspended

1. Las Rosas Phase 2

TAX INCREMENT DISTRICT #8

Devon World Headquarters District

FINANCIAL REPORT AS OF FEBRUARY 28, 2018

| | Feb-18 | Fiscal Year to Date | Total to Date |
|--|---------------|---------------------|------------------------|
| Revenues | | | |
| Ad Valorem Taxes | \$0.00 | \$11,320,320.78 | \$57,563,416.56 |
| Devon Construction Sales Taxes | \$0.00 | \$0.00 | \$4,712,292.35 |
| Devon Construction Sales Taxes - State Match | \$0.00 | \$0.00 | \$4,712,292.35 |
| TIF # 8 Apportionment Bonds - Series 2013A* | \$0.00 | \$0.00 | \$116,445,000.00 |
| TIF # 8 Apportionment Bonds - Series 2013B* | \$0.00 | \$0.00 | \$23,840,000.00 |
| Reimbursement - Myriad Gardens Foundation | \$0.00 | \$0.00 | \$50,000.00 |
| Miscellaneous | \$0.00 | \$0.00 | \$2,529.96 |
| Internet Sale of Surplus Property | \$0.00 | \$0.00 | \$900.00 |
| Investment Income | \$22,685.35 | \$150,605.54 | \$2,883,762.26 |
| Devon Interim Loan | <u>\$0.00</u> | <u>\$0.00</u> | <u>\$82,650,000.00</u> |
| Total Revenues | \$22,685.35 | \$11,470,926.32 | \$292,860,193.48 |

TAX INCREMENT DISTRICT #8

Devon World Headquarters District

PROJECT STATUS REPORTS AS OF FEBRUARY 28, 2018

| | February-18 | Fiscal Year to Date | Total to Date |
|--|---------------------|-------------------------|-------------------------|
| Expenditures | | | |
| Administration - ED0800 | \$4,666.67 | \$4,666.67 | \$3,629,405.92 |
| Refunding of Interim Note - ED0800 | \$0.00 | \$64,490.99 | \$92,918,166.11 |
| Bond Issue/Debt Service Costs - ED0800 | \$0.00 | \$2,199,610.05 | \$41,999,340.98 |
| Streetscape Design - ED0810 | \$1,350.00 | \$2,200,960.05 | \$6,920,049.38 |
| Myriad Gardens Design - ED0811 | \$0.00 | \$0.00 | \$3,989,572.42 |
| COTPA Bond Defeasance - ED0812 | \$0.00 | \$0.00 | \$6,360,000.00 |
| COTPA Dock Relocation - ED0813 | \$0.00 | \$0.00 | \$4,026,460.94 |
| Streetscape - Smith Roberts Engineering - ED0814 | \$0.00 | \$0.00 | \$1,413,110.78 |
| Streetscape - MacArthur Engineering - ED0815 | \$0.00 | \$0.00 | \$736,357.10 |
| Streetscape - Johnson Engineering - ED0816 | \$0.00 | \$0.00 | \$931,472.00 |
| Streetscape - Tetra Tech Engineering - ED0817 | \$0.00 | \$0.00 | \$1,032,824.94 |
| Streetscape - Myers Engineering - ED0818 | \$0.00 | \$0.00 | \$446,753.26 |
| Myriad Gardens Renovation - ED0819 | \$0.00 | \$0.00 | \$21,825,932.24 |
| Myriad Gardens Structures - ED0820 | \$0.00 | \$0.00 | \$14,948,225.50 |
| Streetscape - Cardinal Engineering - ED0821 | \$0.00 | \$0.00 | \$612,336.78 |
| Streetscape - Coon Engineering - ED0822 | \$0.00 | \$0.00 | \$517,503.50 |
| Streetscape - Legacy Engineering - ED0823 | \$0.00 | \$0.00 | \$488,135.00 |
| Streetscape - Package # 1 - ED0824 | \$0.00 | \$0.00 | \$1,669,676.07 |
| Streetscape - Package # 2 - ED0825 | \$0.00 | \$0.00 | \$5,034,264.74 |
| City Hall Lawn - ED0826 | \$2,490.00 | \$2,490.00 | \$2,108,821.74 |
| Streetscape - Package # 3 - ED0827 | \$0.00 | \$0.00 | \$3,906,148.96 |
| Streetscape - Package # 4 - ED0828 | \$0.00 | \$0.00 | \$3,593,460.35 |
| Streetscape - Package # 5 - ED0829 | \$0.00 | \$0.00 | \$3,899,270.77 |
| Streetscape - Package # 6 - ED0830 | \$0.00 | \$0.00 | \$1,781,073.49 |
| Streetscape - Package # 7 - ED0831 | \$5,835.60 | \$5,835.60 | \$5,445,579.28 |
| Bicentennial Park - ED0833 | \$0.00 | \$1,785.30 | \$1,991,595.76 |
| Myriad Garden Foundation - ED0835 | \$0.00 | \$0.00 | \$1,457,342.28 |
| Pedestrian Linkage (External) - ED0836 | \$15,000.00 | \$15,000.00 | \$4,289,723.38 |
| Pedestrian Linkage (Internal) - ED0837 | \$0.00 | \$820,038.17 | \$822,955.00 |
| Arena/Reno Plaza - ED0838 | \$0.00 | \$0.00 | \$34,090.00 |
| Parking Meters Package 1-3 ED0839 | \$0.00 | \$0.00 | \$781,250.00 |
| Traffic Lighting - Packages 1-3 - ED0840 | \$0.00 | \$0.00 | \$1,104,800.97 |
| Misc. Infrastructure - ED0841 | \$0.00 | \$0.00 | \$1,345,131.41 |
| Traffic Signal Poles - ED0842 | \$0.00 | \$0.00 | \$1,139,151.73 |
| McGee Lobby Renovations - ED0843 | \$0.00 | \$0.00 | \$330,596.74 |
| Streetscape - Package #6B - ED0844 | \$89,572.59 | \$89,572.59 | \$2,295,798.89 |
| Traffic Signal Warranty Analysis= ED0845 | \$0.00 | \$1,326,249.96 | \$7,800.00 |
| Traffic Striping - ED0846 | \$0.00 | \$0.00 | \$395,662.44 |
| Streetscape Amenities Placement - ED0847 | \$0.00 | \$0.00 | \$15,000.00 |
| Myriad Gardens Capital Expenditures - ED0848 | \$0.00 | \$0.00 | \$275,000.00 |
| Streetscape - Package #7B - ED0849 | \$0.00 | \$0.00 | \$5,768,190.02 |
| Sidewalk Repair Montgomery - ED0850 | \$0.00 | \$0.00 | \$7,930.00 |
| Oklahoma County Annex - ED0851 | \$0.00 | \$0.00 | \$2,658,265.19 |
| OPUBCO - ED0852 | \$0.00 | \$0.00 | \$1,500,000.00 |
| Oklahoma County Jail Sewer Rehab - ED0853 | \$0.00 | \$0.00 | \$1,372,000.00 |
| Myriad Gardens Ice Rink Modifications - ED0854 | \$0.00 | \$0.00 | \$20,245.00 |
| Myriad Gardens Restaurant - ED0855 | \$0.00 | \$0.00 | \$218,931.00 |
| Myriad Gardens Lights - ED0856 | \$0.00 | \$0.00 | \$18,030.00 |
| Project 180 Miscellaneous - ED0857 | \$18,930.00 | \$18,930.00 | \$84,811.14 |
| Streetscape Ancillary Components - ED0858 | \$0.00 | \$65,881.14 | \$101,284.00 |
| Streetscape - Package #8 - ED0859 | <u>\$295.50</u> | <u>\$6,857.50</u> | <u>\$641,685.22</u> |
| Total Expenditures | \$138,140.36 | \$6,822,368.02 | \$258,911,212.49 |
| Funds Available | | | \$27,123,931.17 |
| Outstanding Contract Amounts | | \$6,825,049.82 | |
| Outstanding Debt as of February 28, 2018 | | \$124,575,000.00 | |

* Amount includes gross bond proceeds that include funds for capitalized interest and bond reserve funds.

Contracts Awarded

1. Project Lead Architect for Streetscape Design – Office of James Burnett
2. Project Lead Architect for Myriad Botanical Gardens Design – Office of James Burnett
3. Amis Contracting for Utility relocation on Sheridan Avenue
4. A&E Services for Super Block – Smith Roberts Baldischwilder, LLC
5. A&E Services for Reno – Smith MacArthur Associated Consultants, LLC
6. A&E Services for Walker –Johnson & Associates, Inc.
7. A&E Services for Harvey/Broadway – Tetra Tech
8. A&E Services for Gaylord – Myers Engineering, Consulting Engineers, Inc.
9. A&E Services for Hudson – Cardinal Engineering
10. A&E Services for Robinson – Coon Engineering, Inc.
11. A&E Services for Civic Center – Legacy Engineering, Inc.
12. Transportation Engineer - Traffic Engineering Consultants Inc.
13. Utility Coordinator – C.H. Guernsey and Co
14. Landscape Architect - Howard Fairbairn Site Design
15. Frankfurt Short Bruza & Associates - Architectural Services – Myriad Botanical Gardens South Entry, Restaurant, Cafe and Band Shell
16. Myriad Botanical Gardens Demolition – Lippert Brothers (May 11, 2010)
17. Myriad Botanical Gardens Renovation – Flintco (July 6, 2010)
18. Myriad Gardens Architectural Structures
 - a. Phase 1 - Myriad Gardens Café, Restaurant and South Entry – Lippert Brothers (July 6, 2010)
 - b. Phase 2 - Myriad Gardens Structures(MP-0412D) – Lippert Brothers (August 3, 2010)
19. Streetscape Package 1 (Reno – EK Gaylord to Dewey and Robinson – Sheridan to Reno) (PC0380(10)) (Award August 3, 2010)
20. Streetscape Package 2 (Harvey – Dean A. McGee to NW 6th, Dean A. McGee - Harvey to Robinson, Dean A. McGee – Hudson to Harvey, Robinson – Dean A. McGee to NW 6th) (Rudy Construction) (Award October 14, 2010)
21. Streetscape Package 3 (Walker - Reno to Main, Sheridan - Dewey to Walker, Main - Lee to Hudson, California – Dewey to Walker, Harvey – Park to Devon Site (Sherwood Construction) (Award October 26, 2010)
22. Project 180 Program Consulting Services (Story Engineering Inc.) (Award October 28, 2010)
23. Traffic Control Services PC-0391 (Action Safety) (Award October 28, 2010)
24. Bicentennial Park/City Hall Park Project Landscape Architectural Services MP-0419 (Award October 28, 2010)
25. Myriad Gardens Pavilion MP0412E (Award November 23, 2010)
26. Streetscape Package 4 (Sheridan, Walker to Gaylord, Robinson, Reno to Park, Hudson, Reno to Couch (Sherwood Construction (Award October 6, 2011)
27. Streetscape Package 5 (Walker north of Main, Hudson, Park to Kerr, Patience Latting Circle, Colcord Avenue, Lee to Hudson and Couch Drive from Lee to Hudson. (Rudy Construction (Award December 13, 2011)
28. Bicentennial Park/City Hall Park Project Construction MP-0419 Wynn Construction (Award February 22, 2012)
29. City Center Garage Interior Pedestrian Corridor MB-1053 Diversified Construction of Oklahoma (Award February 22, 2012)
30. Oklahoma County Annex Building Renovation \$4,000,000 (Allocation February 26, 2013)
31. The Oklahoma Publishing Company \$1,500,000 (Allocation February 26, 2013)
32. A&E Services for Streetscape #6 – Tetra Tech (Award February 26, 2013)
33. A&E Services for Streetscape #7 – Smith Roberts (Award February 26, 2013)
34. McGee Center Lobby Renovations – Silvercliffe Construction (Award March 25, 2014)
35. Streetscape Package 6A (Dean A. McGee from N. Robinson to Broadway, NW 4th & Robinson intersection, Robinson from Park to Dean a McGee, Robert S. Kerr from Harvey to Broadway. Rudy Construction (Award October 8, 2013)
36. Streetscape Package 7A PC-0395 (14A) and WC-0828, Robert S. Kerr Avenue from North Hudson Avenue to North Harvey Avenue, and North Harvey Avenue from Park Avenue to Dean A. McGee Avenue Rudy Construction Co. (Awarded June 3, 2014)
37. Streetscape Package 7B PC-0395 (14B), WC-0843, SC-0929, Park Avenue from Hudson Avenue to Broadway Avenue, and Broadway Avenue from R.S. Kerr Avenue to Main Street Rudy Construction Co. (Awarded January 6, 2015)

38. City Hall Lawn Renovation Project – MP-0447. Wynn Construction Co. Inc. (Awarded March 7, 2015)
39. Streetscape Components Installation – MC-0540 – Rudy Construction Co., Inc. (Awarded September 1, 2015)
40. Project 180 Pedestrian Plaza Project - MB-0154, south of Park Avenue between Harvey Avenue and Robinson Avenue. Downey Contracting, LLC (Awarded May 3, 2016)
41. Project 180 Streetscape Package 6B – PC-0394(16B), E.K. Gaylord from Reno Avenue to Sheridan Avenue; Signing and Striping from Sheridan Avenue to NW 4th Street. RDNJ, LLC dba A-Tech Paving (Awarded July 5, 2016).
42. Streetscape Package 8 (North Broadway Avenue from West Main Street to Robert S. Kerr Avenue, West Main Street from North Broadway Avenue to North Robinson Avenue and Robert S. Kerr Avenue from North Walker Avenue to North Hudson Avenue) – RDNJ, LLC dba A-Tech Paving (Awarded July 5, 2017)

Financial Highlights

The Oklahoma City Economic Development Trust entered into a loan agreement with Devon Energy Corporation on October 1, 2009 to fund the priority projects identified in the implementation agreement. On April 17, 2013 the Trust closed on a \$147.7 million bond financing that refunded the loan and provided funding for the remaining projects. Key bond facts include:

- | | |
|--|---------------|
| • Principal of Series 2013A (Taxable) | \$116,445,000 |
| • True Interest Cost (TIC) for Series 2013A | 3.58% |
| • Principal of Series 2013B (Tax Exempt) Bonds | \$26,295,445 |
| • True Interest Cost (TIC) for Series 2013B | 4.33% |
| • Refunding of Interim Devon Note | \$92,533,944 |
| • Devon minimum annual tax payment | \$11,300,000 |

TAX INCREMENT DISTRICT #9

NE Renaissance Increment District

FINANCIAL REPORT AS OF FEBRUARY 28, 2018

| | February-18 | Fiscal Year to Date | Total to Date |
|-------------------------------------|---------------------|------------------------|-----------------------|
| Revenues | | | |
| Ad Valorem Taxes | \$0.00 | \$0.00 | \$0.79 |
| Investment Income | \$679.88 | \$2,276.57 | \$2,276.57 |
| Internal Loan from OCEDT | <u>\$0.00</u> | <u>\$1,300,000.00</u> | <u>\$1,300,000.00</u> |
| Total Revenues | \$679.88 | \$1,302,276.57 | \$1,302,277.36 |
| Expenditures | January-18 | Fiscal Year to Date | Total to Date |
| NE Shopping Center - ED0501 | \$0.00 | \$0.00 | \$0.00 |
| 1700 NE 23rd Street Clinic - ED0502 | <u>\$208,352.44</u> | <u>\$574,653.54</u> | <u>\$574,653.54</u> |
| Total Expenditures | \$208,352.44 | \$574,653.54 | \$574,653.54 |
| Outstanding Encumbrances | | | \$725,346.46 |
| Funds Available | | | \$2,277.36 |

NOTE: Amounts are unaudited and subject to adjustment and/or reclassification

PROJECT STATUS REPORTS AS OF FEBRUARY 28, 2018

Completed Projects

1. NE Shopping Center Project

Projects under Construction

1. 1700 NE 23rd Street Clinic

MISCELLANEOUS ECONOMIC DEVELOPMENT

FINANCIAL REPORT AS OF FEBRUARY 28, 2018

| | February-18 | Fiscal Year to Date | Total to Date |
|--|--------------------|------------------------|---------------------|
| Revenues | | | |
| Investment Income | \$1,326.19 | \$9,726.47 | \$33,992.83 |
| Miscellaneous Revenue | \$0.00 | \$0.00 | \$65,551.41 |
| Lease Revenues | \$0.00 | \$0.00 | \$100,241.92 |
| Utility Reimbursement | \$0.00 | \$864,000.00 | \$55,946.75 |
| Transfer from General Fund - Chamber | \$0.00 | \$0.00 | \$7,731,693.96 |
| Transfer from General Fund - Alliance | \$0.00 | \$1,350,900.00 | \$630,000.00 |
| Transfer from General Fund - Myriad Gardens | \$0.00 | \$592,200.00 | \$10,919,682.68 |
| Transfer from MAPS - Scissortail Park | \$0.00 | \$450,000.00 | \$667,200.00 |
| Transfer from General Fund - Outlet Mall | \$0.00 | \$290,270.06 | \$3,750,000.00 |
| Transfer from General Fund - Cabela's | \$0.00 | \$22,000.00 | \$647,478.42 |
| Transfer from General Fund - Other | <u>\$0.00</u> | <u>\$22,000.00</u> | <u>\$22,000.00</u> |
| Total Revenues | \$1,326.19 | \$3,579,096.53 | \$24,623,787.97 |
| Expenditures | | | |
| OCEDT Admin - ED0500 - TIF 9 | \$0.00 | \$9,131.08 | \$10,750.44 |
| OCEDT Admin - ED0510 - TIF 10 | \$0.00 | \$131.08 | \$131.08 |
| OCEDT Admin - ED0550 - TIF 12 | \$0.00 | \$150.00 | \$150.00 |
| OCEDT Admin - ED0900 - Misc. ED | \$0.00 | \$3,500.00 | \$25,332.04 |
| Chamber ED Contract - ED0911 | \$0.00 | \$432,000.00 | \$7,356,693.96 |
| Myriad Gardens Foundation Contract - ED0920 | \$150,100.00 | \$1,085,595.20 | \$10,517,671.37 |
| Alliance - Additional Services Contract - ED0930 | \$80,000.00 | \$80,000.00 | \$700,161.50 |
| Outlet Mall - Marketing - ED0940 | \$148,745.83 | \$292,508.45 | \$3,325,269.24 |
| Cabela's Commercial Contract - ED0951 | \$0.00 | \$290,270.06 | \$647,478.42 |
| Park Avenue Retail Study - ED0960 | \$0.00 | \$0.00 | \$71,500.00 |
| MAPS Park Foundation Contract - ED0970 | <u>\$58,800.00</u> | <u>\$474,332.57</u> | <u>\$549,332.57</u> |
| Total Expenditures | \$437,645.83 | \$2,667,618.44 | \$23,204,470.62 |
| Outstanding Encumbrances | | | \$1,141,431.60 |
| Funds Available | | | \$277,885.75 |

NOTE: Amounts are unaudited and subject to adjustment and/or reclassification

Outlet Mall Project

Background

On June 22, 2010, OCEDT entered into an agreement with the Horizon Group to develop a 340,000 square feet regional outlet mall. The agreement called for the City and the Trust to provide certain incentives in the form of public improvements and reimbursement for regional marketing expenses. On August 5th, 2011 the mall officially opened the total square footage of 340,000 leased out. Approximately 28,000 square feet of new space opened in November 2012 and another additional 25,000 square feet was opened in August 2014. On May 16, 2017, the agreement was assigned to The Outlet Resource Group.

Sales Status

OKC Outlets has reported sales at just over \$83.1 million for the months of August 2017 through February 2018, which is 1.37% over the target for the year and 2.38% above sales for these same months in the prior contract year. The Outlet Resource Group (TORG) has made facade improvements to the OKC Outlets location and City staff and Chamber officials continue to work with The Outlet Resource Group in promoting the center as a tourism and destination attraction.