

The City of Muskogee encourages participation from all its citizens in public meetings. If participation is not possible due to a disability, notify the City Clerk, in writing, at least forty-eight hours prior to the scheduled meeting and necessary accommodations will be made (ADA 28 CFR/36).

AGENDA
URBAN RENEWAL AUTHORITY
December 17, 2014

AGENDA

REGULAR SESSION at 10:00 a.m. in the CITY MUNICIPAL BUILDING, 229 W. OKMULGEE, MUSKOGEE, OKLAHOMA

ROLL CALL

1. Consider and Take Action With Respect To Approving An Economic Development Agreement By And Among The Muskogee Urban Renewal Authority, The Muskogee Redevelopment Authority, The City Of Muskogee, Oklahoma, And Vector Securities Corporation. (Roy D. Tucker)
2. Receive update on the acquisition of property within the Urban Renewal Area and provide direction to staff, as well as, consider ratification of certain negotiated contracts to purchase parcels within the Urban Renewal Area, or take any other necessary action. (Roy D. Tucker)
3. New Business.

ADJOURN

DRAFT 10/28/2014

ECONOMIC DEVELOPMENT AGREEMENT

BY AND AMONG

VECTOR SECURITIES CORPORATION

and

MUSKOGEE REDEVELOPMENT AUTHORITY

And

MUSKOGEE URBAN RENEWAL AUTHORITY

And

CITY OF MUSKOGEE, OKLAHOMA

Dated as of November ____, 2014

ECONOMIC DEVELOPMENT AGREEMENT

This ECONOMIC DEVELOPMENT AGREEMENT (the "Agreement") dated as of November ___, 2014, by and among VECTOR SECURITIES CORPORATION, an Oklahoma corporation (the "Developer"), MUSKOGEE REDEVELOPMENT AUTHORITY (the "Authority") an Oklahoma public trust, the CITY OF MUSKOGEE, OKLAHOMA, a municipal corporation (hereinafter called "City"), as beneficiary of the Authority, and the CITY OF MUSKOGEE URBAN RENEWAL AUTHORITY (the "URA"), a public body corporate created pursuant to Title 11, Oklahoma Statutes 2011, Section 38-101 *et seq.* (the "Urban Renewal Act").

WITNESSETH:

WHEREAS, the URA is engaged in a program of economic development and redevelopment activities to enhance the City's capabilities for economic growth and redevelopment; and

WHEREAS, the City has hereby adopted the City of Muskogee Urban Renewal Plan dated May 2014, pursuant to Resolution No. 2513 of the City (the "Urban Renewal Plan"); and

WHEREAS, the area described in the Urban Renewal Plan (also referred to herein as the "Urban Renewal Area") has been identified by the City as a blighted area as defined in the Urban Renewal Act; and

WHEREAS, the URA solicited proposals for development of approximately 11 acres of property within the Urban Renewal Area along Shawnee Avenue (Highway 62) west of 6th street (referred to herein as the "Phase 1A Area" and more particularly described in Article II herein); and

WHEREAS, based on its proposal submitted to the URA, the Developer proposes develop the Phase 1A Area into a new outdoor retail power center (as more specifically described herein, the "Three Rivers Plaza Project" or the "Project"); and

WHEREAS, the Three Rivers Plaza Project has received affirmative consideration from all entities required under the Urban Renewal Plan; and

WHEREAS, the City and the Authority desire to assist, encourage and support the Three Rivers Plaza Project by providing assistance in development financing (as authorized under the Local Development Act, as defined herein) to the Developer for the construction of public infrastructure and other site improvements in order to facilitate the Project and to encourage higher quality development so as to provide opportunities for full time employment for the residents in and around the geographical area of the City

and the consequent benefits to the local economy that will derive therefrom, all consistent with the goals and objectives of the Urban Renewal Plan; and

WHEREAS, the City has adopted and approved the Muskogee Urban Renewal Area (Shawnee Avenue) Economic Development Project Plan dated October 27, 2014 (the "Project Plan") by Ordinance No. 3957-A dated October 27, 2014 (the "Local Act"), pursuant to the Oklahoma Local Development Act, Title 62, Oklahoma Statutes, Section 850, *et seq.* as amended (the "Local Development Act"); and

WHEREAS, the City, by virtue of the Local Act, has heretofore created Increment District No. 3, City of Muskogee (as more specifically described herein, the "Increment District"), pursuant to the Local Development Act; and

WHEREAS, the Project Plan envisions the generation of substantial capital investment and creation of significant new retail opportunities within an enterprise area by establishment of the Project within the Increment District; and

WHEREAS, implementation of the Project and the Project Plan will expand employment in the area, attract major investment, enhance the tax base, and make possible investment, development and economic growth which would otherwise be difficult or impossible without the apportionment of ad valorem taxes, sales and use taxes, and other forms of public assistance to the Project; and

WHEREAS, the URA, the Authority and the City deem the execution of this Agreement providing for the implementation of the Project to be vital and in the best interests of the City, and the health, safety, and welfare of the State of Oklahoma and its residents in accordance with the public purposes of the Project and the Project Plan.

NOW, THEREFORE, in consideration of the promises and mutual obligations herein set forth and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties hereby covenant and agree with each other as follows:

ARTICLE I. DEFINITIONS

In each and every place in and throughout this Agreement, whenever the following terms are used, unless the context shall clearly indicate another or different meaning or intent, they shall have the following meanings:

"Agreement" shall mean this Economic Development Agreement dated as of November ____, 2014, entered into by and among the Developer, the City, and the Authority.

"Apportionment Fund" shall mean the Increment District No. 3, City of Muskogee, Tax Apportionment Fund created pursuant to the Local Act and as further defined in the Security Agreement.

“Authority” shall mean the Muskogee Redevelopment Authority, a public trust having the City as beneficiary thereof.

“bonds” shall mean any tax apportionment bonds issued by the Authority and secured by the Tax Increment, including the Series 2014 Note, all pursuant to the Project Plan and the Indenture.

“City” shall mean the City of Muskogee, Oklahoma.

“Developer” shall mean Vector Securities Corporation, an Oklahoma corporation.

“Increment District” shall mean Increment District No. 3, City of Muskogee, Oklahoma, as established by the Local Act, generally described an area bordered on the north by Shawnee Avenue (Highway 62), on the east by Chicago Street, on the west by North 11th Street, and on the south by Talladega Street. See Exhibit A for a map showing the Increment District. See Exhibit B for a legal description of the area of the Increment District.

“Indenture” shall collectively mean the General Bond Indenture dated as of November 1, 2014, by and between the Authority and the Trustee, as supplemented and amended by the Series 2014 Supplemental Note Indenture dated as of November 1, 2014, by and between the Authority and the Trustee.

“Local Act” shall collectively mean Ordinance No. 3957-A adopted and approved by the City on October 27, 2014, all pursuant to the Oklahoma Local Development Act, Title 62, Oklahoma Statutes, Section 850, *et seq.* as amended.

“Local Development Act” shall mean the Oklahoma Local Development Act, Title 62, Oklahoma Statutes, Section 850, *et seq.* as amended.

“Participant” shall mean any purchaser, lessee or successor that acquires any interest in the Project Site.

“Project” or “Thee Rivers Plaza Project” shall mean the development of the Phase 1A Area site into a new outdoor retail power center within the Increment District, all as more specifically described in Article II herein.

“Project Costs Reimbursement Obligation” shall mean that obligation to reimburse the Developer for the costs of the Project Site Improvements as described in Section 3.2 herein.

“Project Plan” shall mean the Muskogee Urban Renewal Area (Shawnee Avenue) Economic Development Project Plan dated October 27, 2014, adopted and approved by the City pursuant to the Local Act and the Oklahoma Local Development Act, Title 62, Oklahoma Statutes, Section 850, *et seq.* as amended.

“Project Site” shall mean the location of the Project on certain property comprising all or a portion of the Increment District, owned or to be owned by the Developer, and

located within the boundaries of the Increment District. See Exhibit A for a map showing the Increment District. See Exhibit B for a legal description of the area of the Increment District. See Exhibit C for a preliminary Project Site Development Plan.

“Project Site Improvements” shall mean the infrastructure and other site improvements to be constructed by the Developer as contemplated in Section 2.1(A).

“Security Agreement” shall mean the Security Agreement dated as of November 1, 2014, by and between the City and the Authority.

“Series 2014 Note” shall mean the Authority’s Tax Increment Revenue Note, Taxable Series 2014, dated November __, 2014, issued in the original aggregate principal amount of \$_____, and issued pursuant to the terms of the Indenture.

“Tax Increment” shall mean the incremental portion of ad valorem tax revenue and sales and use tax revenue generated within the Increment District.

“Transaction Agreements” shall mean this Agreement, the Indenture, and the Security Agreement.

“URA” shall mean the City of Muskogee Urban Renewal Authority, a public body corporate created pursuant to the Urban Renewal Act.

“Urban Renewal Act” shall mean Title 11, Oklahoma Statutes, Section 38-101 *et seq.*

“Urban Renewal Area” shall mean the approximately ninety (90) acres designated in the Urban Renewal Plan and comprising the Increment District.

“Urban Renewal Plan” shall mean the City of Muskogee Urban Renewal Plan dated May 2014, pursuant to Resolution No. 2513 of the City.

ARTICLE II. NATURE OF THE AGREEMENT

2.1. SCOPE OF THE PROJECT. The City desires to encourage economic development in the City by facilitating the development of the Phase 1A Area into a new outdoor retail power center within the Urban Renewal Area that encourages commerce, increases retail opportunities, and generates a corresponding growth in the local tax base. The Developer proposes to develop approximately 11 acres of property within the Increment District along Shawnee Avenue (Highway 62) west of 6th street. The subject property is currently undeveloped except for the Muskogee Juvenile Detention Center located at the corner of 6th and Shawnee. In connection with this development, the existing Juvenile Detention Center will be demolished and a new facility will be constructed at 325 East Cincinnati in Muskogee, Oklahoma. The Developer’s proposal includes the construction of over 108,000 square feet of new retail facilities that are projected to generate over \$21.3 million in net new annual taxable sales, resulting in approximately \$854,000 in new annual sales tax revenues for the City and approximately \$138,000 in new annual sales tax revenues for Muskogee County, Oklahoma (the “County”). The majority of the retail space is projected to be open by October 2015. The total capital investment in the Three Rivers Plaza Project is projected to be approximately \$16.75

million, including \$4.75 million of Site Improvement Costs to be funded through the Increment District. Preliminary estimates indicated that the ad valorem taxable value of the improvements will be approximately \$8 million, which will generate approximately \$81,000 in new annual ad valorem tax revenues. .

The Developer has identified specific infrastructure improvements to the traffic and utility systems serving the Phase 1A Area, along with certain site and drainage improvements that will make the area viable for the proposed development. These improvements are estimated to cost not less than \$4.75 million, and are more specifically described as demolition and/or relocation of existing facilities, drainage improvements, site leveling and preparation, utility line relocation, and traffic improvements, all to be paid by or on behalf of the Developer (collectively, the “Project Site Improvements”). All costs related to the Project will be expended and the related improvements completed as soon as possible in order to facilitate the expedient completion of the commercial retail center.

Certain Project Site Improvements, including but not limited to certain traffic improvements and/or utility system improvements, may actually be located outside the boundaries of the Increment District, however, all Project Site Improvements will be located within the boundaries of the Project Area (as said term is defined in the Local Act and the Project Plan). The City and Authority propose to offer assistance in development financing (as authorized by Section 853(14)(o) of the Local Development Act) in connection with the Project Site totaling not to exceed \$4,750,000 in Project Costs, all pursuant to the Project Plan.

The Project Plan has identified certain improvements to be considered Project Site Improvements. Pursuant to and as more specifically described in the Project Plan, the following Project Costs have been designated for completion by or on behalf of Authority and the City:

The Developer, on behalf of the Authority and the City, has contracted or shall contract for or otherwise cause to be completed, and shall bear the cost, if any, of the Project Site Improvements. The City shall participate in the costs of the Project Site Improvements in an amount not to exceed \$4,750,000.00 (said amount to be funded from proceeds of the Series 2014 Note). The Developer shall be solely responsible for any amounts in excess of \$4,750,000.00 necessary to complete the Project Site Improvements. Notwithstanding the foregoing, additional Project Costs may be incurred by agreement of the parties as may be specifically authorized under the Project Plan. Nothing herein shall prohibit the Developer, the Authority, and/or the City from seeking, obtaining, and applying available state, federal, or other funding to the payment of certain Project Site Improvements in lieu of including said Project Site Improvements as Project Costs under the Project Plan.

The Project will be financed from a combination of public and private sources, including apportionment of ad valorem tax increments and sales and use tax increments generated within or sourced to Increment District No. 3, City of Muskogee, established in connection with the Project. It will require a combination of public and private actions for implementation. The Authority and the City hereby represent to the Developer that with the sale of the Authority’s Series 2014 Note, the City and/or the Authority have secured all funds necessary to complete their obligations with respect to the Project Costs Reimbursement Obligation described herein.

2.2. RELATIONSHIP OF THE AUTHORITY, CITY, THE URA, AND DEVELOPER.

A. The undertaking of this Project is a complex process which will require the mutual agreement of the Authority, the City, the URA, and the Developer and their timely actions on matters appropriate or necessary to Project implementation. Each of the parties hereto shall use commercially reasonable efforts in good faith to perform and to assist the other parties in performing their respective obligations under this Agreement, including specifically the performance of obligations hereinafter set forth in Article III and Article IV; provided, that nothing in this Section 2.2 shall obligate or be deemed to obligate the Developer to incur, expend, or enter into any material cost, expense, liability or obligation.

B. The parties understand, acknowledge and agree that the Developer shall be solely responsible for constructing and completing or, causing the construction and completion of, the Project Site Improvements, and that said costs shall be reimbursed from proceeds of the Series 2014 Note. Accordingly, and notwithstanding anything to the contrary in this Agreement, nothing herein or any of the other Transaction Agreements shall be deemed to impose any obligations on the Developer for the construction or completion of the Project Site Improvements or for any activities or obligations related to such construction or reasonably expected to be within the control of the Authority, the URA or the City.

2.3. OTHER GOVERNMENTAL APPROVALS. The implementation of this Project will require approvals by other governmental entities and the City in accordance with applicable laws, ordinances, and regulations. The Authority, the URA, and the City will in good faith use their best efforts to obtain and expedite the necessary approvals for undertaking and implementing the Project Site Improvements and, to the extent applicable, the construction of the Project, to the extent the Authority, the URA or the City has the authority to grant approval. The Authority, the URA and the City, with the commercially reasonable cooperation of the Developer, shall be responsible for assisting the Developer in complying with applicable requirements, filing appropriate applications, and taking other steps necessary or desirable to expedite and obtain the approvals necessary for undertaking and implementing the Project Site Improvements and, to the extent applicable, the construction of the Project; provided, that nothing in this Section 2.3 shall obligate or be deemed to obligate the Developer to incur, expend, or enter into any material cost, expense, liability or obligation; provided further, any normal and customary expenses related to said approvals shall be the responsibility of the Developer, and if applicable and appropriate, may constitute costs of the Project Site Improvements.

ARTICLE III. COVENANTS AND OBLIGATIONS OF THE AUTHORITY, THE URA, AND CITY

3.1. COLLECTION OF APPORTIONED TAX INCREMENTS. The Authority and or the City shall promptly collect the Tax Increment as generated pursuant to the Local Act and the Project Plan, and shall maintain such funds in the Apportionment Fund for the purposes set forth in the Local Act and the Project Plan.

3.2. ISSUANCE OF TAX APPORTIONMENT BONDS, THE PROJECT COSTS REIMBURSEMENT OBLIGATION AND USE OF PROCEEDS.

A. The Authority shall issue its Series 2014 Note for payment of certain authorized Project Costs. The Series 2014 Note shall be issued pursuant to and in the form provided in the Indenture. The Series 2014 Note shall be issued without regard to applicable requirements for tax exempt status under the United States Internal Revenue Code. Notwithstanding the foregoing, the Authority may issue additional bonds from time to time for the purposes set forth in the Project Plan as authorized under the Indenture, and subject to the requirements for approvals set forth therein.

B. The Authority hereby agrees to utilize \$4,750,000.00 of the proceeds of the Series 2014 Note to reimburse from time to time the Developer for the costs of Project Site Improvements (collectively, the "Project Costs Reimbursement Obligation"). The Authority and the City shall be entitled to rely on certifications made by the Developer with respect to the amounts and times of payment of such costs, and shall further have reasonable rights of inspection (but not an obligation to inspect, except as may be provided by applicable law) with respect to the work so completed. The Authority hereby further agrees to utilize \$_____ in proceeds of the Series 2014 Note as capitalized interest to pay interest on the Series 2014 Note as it comes due, and the remaining \$_____ in proceeds of the Series 2014 Note to pay Organizational Costs incurred in connection with the establishment of the Increment District and costs of issuance of the Series 2014 Note.

C. The Authority and the City agree to utilize the Tax Increment revenues generated within or sourced to the Increment District for the payment of the Series 2014 Note, all as more fully set forth in the Indenture, the Security Agreement, the Local Act, and the Project Plan, and as may be limited thereby. As utilized in this Agreement, the phrase "generated within or sourced to the Increment District" contemplates all ad valorem tax revenues generated on the real or personal property located within the boundaries of the Increment District, along with all sales and use tax revenues of the City on materials and equipment that will be utilized as part of the Project, even if said materials and equipment are temporarily stored by the Developer at locations outside the Increment District prior to installation.

D. The Project Costs Reimbursement Obligation, and the application of proceeds of the Series 2014 Note thereto, shall be subject to the following limitations:

1. All Project Costs, including specifically the Project Site Improvements, shall be deemed paid by the Developer as of the date of issuance of a check, warrant, or other form of payment by the Developer for the specified Project Cost; *provided* that any Project Costs that are internal to the Developer shall be deemed paid by the Developer as of the date that the Developer submits the applicable payment request. The Developer shall submit payment notice(s) in substantially the form attached hereto as Exhibit D with supporting documentation. Such supporting documentation should at a minimum include itemized invoices

to third party payees and evidence of payment thereof in the case of Project Costs that are paid by the Developer to third parties. In the case of Project Costs that are internal to the Developer, the payment notice should include a summary report of such internal Project Costs grouped by category of expenditure (e.g., legal, accounting, engineering, project management) and reflecting the aggregate amount of work in such category on an hourly basis, the average hourly rate and an explanation of how it was calculated and the total reimbursement amount being requested for such category. The Authority and the City, in their reasonable discretion, shall have the right to request and review additional documentation prior to approval of said payment notice(s) for the purpose of confirming that the amounts requested for reimbursement represent appropriate expenditures pursuant to the Project Plan.

2. The Developer understands and agrees that the Project Costs Reimbursement Obligation pertaining to the Project Site Improvements shall be limited by the amounts deposited to the Series 2014 Project Account of the Construction Fund established pursuant to the Indenture, including specifically the schedule of Advances set forth in Section 5.03 of the Series 2014 Supplemental Note Indenture, also attached hereto as Exhibit E. Accordingly, upon completion of the acquisition of the Phase IA Area as described in Section 3.8 herein, and upon demonstration to the City and the Authority that the Developer has fully secured the financing necessary to complete the Project (which may include the Project Costs Reimbursement Obligation), the Developer shall be entitled to seek reimbursement for Project Site Improvements up to the amount of available funds in the Series 2014 Project Account.

3.3. PLEDGE OF APPORTIONED TAX INCREMENTS. The Authority shall pledge, and agrees to take any other actions as shall be necessary to confirm or perfect such pledge, in each case in accordance with the Indenture, one-hundred percent (100%) of the apportioned Tax Increment pertaining to the Increment District, at such times and in such amounts as the Tax Increment may be received, to the payment of debt service on obligations issued pursuant to Section 3.2 herein. Tax Increment revenues in excess of that needed for annual debt service requirements shall be applied as set forth in the Indenture, the Security Agreement, and Project Plan.

3.4. ALLOCATION OF PROJECT COSTS.

A. [Left Blank Intentionally]

B. The Developer shall bear the responsibility of completing said Project Site Improvements from its own funds and shall seek reimbursement thereof up to the maximum Project Site Improvements portion of the Project Costs Reimbursement Obligation of \$4,750,000.00.

C. The Authority agrees to reimburse to the City all organization costs of the Increment District and to pay all closing costs associated with the Series 2014 Note from proceeds of the Series 2014 Note.

3.5. TERM OF DISTRICT. The Authority and the City agree not to take or omit to take any action that would in any way contribute to or cause the elimination of any portion of the area or duration of the Increment District or that would in any way reduce or otherwise jeopardize the Tax Increment to be apportioned to the Increment District; provided however, this provision shall not be construed to prohibit the City, from time to time in the normal course of its legislative powers, from proposing changes in taxing measures that may impact the applicable levies and resulting Tax Increment.

3.6. OTHER ACTIONS. The City and the Authority agree to take such other reasonable actions as may be appropriate or desirable to support the implementation of the Project including, by way of example, assistance in qualifying for tax incentives and exemptions, and other appropriate assistance to facilitate the Project.

3.7. OBSERVANCE OF THE INDENTURE AND SECURITY AGREEMENT. The Authority hereby agrees to keep, perform, and observe faithfully all of the covenants, conditions, and requirements imposed upon it in the Indenture and the Security Agreement. The Authority agrees that any Event of Default (each such term as defined in the Indenture) shall constitute a material breach by the Authority of this Agreement.

3.8. SALE OF PHASE 1A AREA TO DEVELOPER. The URA shall sell to the Developer approximately 11 acres 700' west of 6th Street along Shawnee (Highway 62) as well as additional land for storm water detention more specifically described and priced as follows:

A. Total retail development of 10.58 acres at \$1,844,000.00. Said total comprised of approximate frontage of 700' E/W on Shawnee x 200' N/S total 140,000 square feet m/l at \$8.00 per square foot for a cost of \$1,120,000.00 and non frontage land 700' E/W x 458.5' N/S total 321,000 square feet m/l at \$2.255 per square foot for a cost of \$724,000.00.

ARTICLE IV. COVENANTS AND OBLIGATIONS OF THE DEVELOPER

4.1. DEVELOPMENT OF PROJECT SITE. In accordance with the provisions of this Agreement, the Developer shall enter into lease or sale arrangements with Participants for the development of the Project Site; provided, that nothing in this sentence shall require or be construed to require the Developer to waive rights that are, or accept agreements or provisions that are not, customary or commercially reasonable for any future tenants or residents. The Developer shall provide to the City periodic updates to the Site Plan and Design Documents for the development of the Project Site, which said documents shall be consistent in all respects with any applicable provisions of the City Code or any Planned Unit Development pertaining to the Project Site. The Site Plan shall consist of conceptual drawings depicting the preliminary scale,

placements, and design of the Development. The Design Documents shall consist of drawings and other documents to fix and describe the size and character of the Project as to structural, mechanical, and electrical systems, materials, components, and other such essentials as the City may reasonably request to review and approve the nature, quality, and appearance of the Project. The Developer and any Participant shall maintain the Property in accordance with standards applicable to a first class retail center.

4.2. PROJECT SITE IMPROVEMENTS CONSTRUCTED BY THE DEVELOPER. As provided in Section 2.1 herein, the Developer shall complete or cause to be completed, the Project Site Improvements identified in Section 2.1(A). The Developer shall use its best efforts to commence and complete construction in the most expeditious manner that will allow for the maximum development of the Project Site, and consequentially the maximization of potential Tax Increment revenue.

4.3. DEVELOPER AGREEMENT TO PROJECT COSTS REIMBURSEMENT OBLIGATION. To support the Project, the Developer agrees to pay all costs of the Project Site Improvements, provided however, the Developer may be reimbursed for the costs of the Project Site Improvements through the Project Costs Reimbursement Obligation as set forth in Section 3.2 of this Agreement. The Developer agrees to furnish to the Authority and the City payment notice(s) in substantially the form attached hereto as Exhibit D with supporting documentation as set forth in Section 3.2(D)(1) of this Agreement.

4.4. AD VALOREM TAX AND SALES TAX PAYMENTS. The Developer agrees and understands that the payment of the Series 2014 Note that provide the funds for the Project Costs Reimbursement Obligation is directly dependent upon the Developer's success with respect to the Project in a manner that will generate sufficient Tax Increment revenue to pay the Series 2014 Note. The Developer agrees to remit all ad valorem taxes and sales taxes for which it is legally obligated to remit in a timely manner; the Developer will also use its best efforts to require the Participants to do the same. All payments of ad valorem taxes shall be made to the Muskogee County Treasurer at the times and in the amounts ordinarily required by law. All payments of sales taxes shall be made to the Oklahoma Tax Commission at the times and in the amounts ordinarily required by law. The Developer shall cause, and shall require all contractors to cause, all construction purchases to be delivered to the Project Site and use the appropriate Muskogee street address for such purchases and deliveries. The Developer shall provide invoices and verify that sales tax is collected at the point of delivery for all building items and construction materials.

4.5. PROJECT FINANCING. The Developer shall provide all financing for the development of the Project Site; provided however, the Developer shall be reimbursed for the Project Site Improvements described herein pursuant to the terms of the Project Costs Reimbursement Obligation. The Developer shall be solely responsible for and shall pay all costs of Project Site Improvements in excess of \$4,750,000.00 pursuant to Section 3.4 of this Agreement

4.6. REPORTING. The Developer shall, to the extent feasible, require all Participants in the Project to provide the Developer with reports of retail sales transactions for purposes of consolidated reporting to the City. The Developer shall provide consolidated reports (not less frequently than annually) of all ad valorem tax revenue and sales tax revenue. Such reports must be in a form and format agreed to by the Developer and the City Clerk and/or City Treasurer. Such reports shall be made as long as the Increment District created pursuant to the Local Development Act remains in effect.

4.7 DEDICATION OF RIGHTS-OF-WAY AND EASEMENTS. The Developer shall dedicate any reasonably necessary or appropriate easements for drainage, access, trails, construction, rights-of-way, and public utilities within the Project Site to the City in support of the implementation of the Project Plan and development of the Project Site pursuant to this Agreement.

4.8 SPECIFIC COMMITMENTS OF DEVELOPER. The Developer shall meet all of the following commitments, or will be subject to liquidated damages and/or repayment or divesture of any interest in real properties in accordance with this Agreement. The commitments are as follows:

A. The Developer commits to establishing the retail development to be known as Three Rivers Plaza. The Developer shall acquire the Phase IA Area as described in Section 3.8 herein by November ____, 2014. Construction shall begin by December ____, 2014, and shall be complete by October 15, 2015. All Anchors shall open for business by October 15, 2015.

1. If the Developer fails to acquire the Phase IA Area and begin construction of the Three Rivers Plaza Project by December ____, 2014, the Developer shall forfeit the Project Costs Reimbursement Obligation, and all amounts theretofore disbursed to the Developer pursuant to the Project Costs Reimbursement Obligation shall be subject to an immediate return to the Authority. Furthermore, the Developer shall divest any ownership or interest in real property related to this agreement to the URA.
2. If the Developer fails to have all proposed retail establishments open on or before October 15, 2015, a penalty of \$1,000.00 per day shall be paid to the URA for each day exceeding the deadline. Time is of the essence. The Developer may request one extension of time, however, any request for extension of time must be submitted to the URA in writing no later than 60 days preceding the deadline which details and supports the reason, need and length of the extension. The URA at its sole discretion may grant or deny the requested extension.

B. The Developer commits to meeting a job target of creating a total of a minimum of two hundred (200) Employment Positions by October 15, 2015, and of maintaining these Employment Positions through December 31, 2019. Vector also

commits to the creation of a minimum of one hundred (100) temporary construction jobs related to the development construction period.

C. The Developer will use reasonable efforts to use qualified City labor and suppliers under this Agreement, provided however; the Developer may in its sole discretion select suppliers and contractors based on program needs, criteria, and standards.

D. By execution of this Agreement, the Developer certifies that it is a company in good standing under the laws of the State in which it was formed or organized, and has provided the URA sufficient evidence of such. In addition, the Developer certifies that it owes no delinquent taxes to any taxing unit of this City or County at the time of execution of this Agreement.

E. The Developer shall provide signed final lease agreements with all proposed retail and commercial entities represented to the URA in the submitted proposal within 24 hours of the execution of this Agreement. Further, the Developer shall immediately notify the URA and the Authority should any of the retail and commercial entities proposed withdraw or cease being part of the development during the pendency of the Project, and the Developer shall insure that the entity will be replaced with a like business to meet the stated intent, needs, and goals of the Urban Renewal Area in general and the Project specifically.

F. The Developer will furnish to the Authority and URA timely updates throughout the term of the Agreement or as requested by the Authority or URA, regarding the general project status, market and general summary financial updates regarding the Developer related to the Three Rivers Plaza Project contained herein.

G. The parties' or their representatives will meet as needed to implement the terms of this Agreement and will make a good faith attempt to informally resolve any disputes or issues related to this venture.

H. The Developers will focus its leasing efforts for the Three Rivers Plaza Project to new retailers not located in Muskogee as of the execution of this Agreement.

4.9 REQUIREMENTS FOR AGREEMENTS WITH PARTICIPANTS. The Developer, in all agreements entered into with any purchaser, lessee or successor that acquires any interest in the Project Site shall provide the following:

A. The Participant shall agree to assume the obligations of the Developer as a successor in interest and develop in accordance with this Agreement, the Project Plan, and any other plans related to the Development as adopted or approved by the City or a public entity designated by the City.

B. The Participant shall submit to the Developer such documents as necessary to fix and describe the size and character of their development as to structural, mechanical, and electrical systems, materials, components, and other such essentials in order to show the nature, quality, and appearance of the development to ensure their

conformance with the requirements of the Site Plan, and Design Documents to be approved by the City as set forth in this Agreement. The Developer shall submit such documents to the City for its review and approval in accordance with Sections 4.1 and 5.6 of this Agreement.

C. The completion date for the construction contemplated in each agreement shall be set forth in each agreement.

D. The Participant shall require that all contractors cause all construction purchases to be delivered to the construction site on the Project Site and use the appropriate City of Muskogee, Oklahoma, street address for such purchases and deliveries. The Participant shall provide invoices and verify that sales tax is collected at the point of delivery for all building items and construction materials.

E. The Participant shall permit the representatives of the City access to the development at all reasonable times which any of them deems necessary, including, but not limited to, inspection of all work being performed in connection with the construction. No compensation shall be payable nor shall any charge be made in any form by any party for the access provided for in this Section.

F. The Participant shall be restricted from using any portion of the Project Site for the operation of any of the types of business not approved by the applicable zoning of the City of Muskogee, Oklahoma.

G. The Participant shall commence and complete its portion of the development within a reasonable time.

H. During the life of the Increment District, the Participant shall provide the Developer with reports of retail sales transactions, including hotel-motel activities, for purposes of consolidated reporting to the City.

So long as the foregoing requirements are included in any agreements between the Developer and any Participant, the Developer may sell, lease, or otherwise convey portions of the Project Site prior to receiving a Certificate of Completion in accordance with Section 5.7 of this Agreement.

4.10 DEVELOPER CONSENT TO SUBORDINATE MORTGAGE. The Developer hereby agrees to grant a mortgage in favor of the City in and to its real property within the Increment District; provided however, City shall agree to subordinate said mortgage in favor of any lender providing financing to the Developer in connection with the Project.

4.11 OTHER ACTIONS. The Developer agrees to take such other commercially reasonable actions as may be reasonably necessary or appropriate to support the implementation of the Project including, by way of example, furnishing information reasonably requested by the Authority or the City for reporting purposes under the Local Development Act, preparation and execution of supporting Project documentation, cooperation in construction activities, preparation of Project activities reports, preparation of information relating to employment figures, and assistance in other matters that may be of benefit to the Project; provided, that nothing in this

Section 4.11 shall obligate or be deemed to obligate the Developer to (i) incur, expend or enter into any cost, expense, liability or obligation, (ii) disclose any confidential information, or (iii) undertake any action for which the Authority and/or the City are responsible for undertaking.

ARTICLE V. CONSTRUCTION PROVISIONS

5.1. COMPETITIVE BIDDING ACT. To the extent required by law, any and all public construction contracts, or portions thereof, made by the Authority or the City pursuant to Section 3.2 of this Agreement, shall be made in compliance with the Oklahoma Public Competitive Bidding Act of 1974, Title 61, Oklahoma Statutes, Section 101, *et seq.*, as amended (the "Bidding Act"). The Developer agrees the City and the Authority shall have the exclusive right to make determinations pursuant to the Bidding Act. Provided however, pursuant to Section 127 of the Bidding Act, the City and the Authority agree that competitive bidding shall not be required for any of the Project Site Improvements because the Project Site Improvements are being made or constructed as a part of an agreement to provide development financing assistance, and the cost of such Project Site Improvements does not exceed twenty-five percent (25%) of the total amount of the estimated public and private investment being made within the Increment District.

5.2. CONSTRUCTION PLANS AND CONTRACTS. The Authority and the City shall use their respective best efforts to obtain whatever assistance and approvals may be required from third parties in order to facilitate construction of the Project Site Improvements.

5.3. [Left Blank Intentionally]

5.4. PERFORMANCE AND COMPLETION BONDS. Any and all contracts, or portions thereof, made by the Authority or the City pursuant to Section 3.2 of this Agreement shall, to the extent applicable, comply with the bonding requirements of the Bidding Act. Furthermore, the Developer shall cause its contractor(s) to obtain a performance bond with respect to the Project Site Improvements.

5.5. INDEMNIFICATION.

A. The Developer shall indemnify and hold harmless the Authority, the URA, and the City for any liability for breach of the Developer's obligations under this Agreement, in each case subject to Section 6.18; provided, that the Developer shall have no obligation to indemnify the Authority, the URA, or the City for any such injury or damages to the extent arising out of or from (i) any breach of this Agreement or any other Transaction Agreement by the City, the URA, or the Authority, (ii) any matter for which the Authority, the URA, or the City are responsible or liable pursuant to any other contract with the Developer, (iii) any matter for which any other Person or entity is liable to the Authority, the URA, or the City, or (iv) any matter caused by willful misconduct or gross negligence of the City, the URA, or the Authority. The Developer shall have the right to control the defense of any third-party claims for which the Authority, the URA, or

the City seek indemnification hereunder. The Authority, the URA, or the City shall promptly notify the Developer in writing of any claim subject to this Section 5.5, but in any event shall provide such notification within thirty (30) days of receipt of any such claim in writing.

B. To the fullest extent allowable by law, the Authority, the URA, and the City shall indemnify and hold harmless the Developer for (i) any liability to third parties for personal injury or property damage for construction and operation activities of the Authority, the URA, or the City arising out of or related to this Agreement, the subject matter thereof and/or (ii) breach of the Authority's, the URA's, or the City's obligations stated herein or in any other Transaction Agreement, to the extent not caused by willful misconduct or gross negligence of the Developer, provided that, said indemnification, if lawful, is not intended to be a waiver of tort claims liability limits, and any claims against the Authority, the URA, and the City shall be limited to the amounts specified in the Governmental Tort Claims Act, Title 51, Oklahoma Statutes, Section 151, *et seq.*, as amended.

5.6. CHANGE IN SITE PLAN OR DESIGN DOCUMENTS. If the Developer desires to make any material change to the Site Plan or Design Documents, the Developer shall submit the proposed change to the City for approval. The City may approve the proposed change and notify the Developer in writing of its approval. Such change to the Site Plan or Design Documents shall, in any event, be deemed approved by the City unless rejection thereof, in whole or in part, by written notice thereof by the City to the Developer, setting forth in detail the reasons therefor, made within fifteen (15) days after the date of their receipt of such proposed change. The City shall have full discretion to approve, disapprove, or request modification of the Site Plan or the Design Documents to assure desired standards of quality and appearance.

5.7. CERTIFICATE OF COMPLETION. Promptly after each building site within the Project Site is completed and upon request of the Developer, the City shall furnish the Developer with an appropriate instrument certifying satisfactory completion of such building site.

(a) City to Withhold Certificates. It is the intent of the parties that the applicable City inspections serve as the primary evidence of satisfactory completion of each building site within the Project Site. However, the City, through its staff, employees, or agents, may inspect the building sites from time to time during or after construction, throughout the term of this Agreement, for the purposes of assessing the quality and adherence to the Design Documents. The City may withhold Certificates of Completion until the building site complies with the approved Design Documents.

(b) Effect of Certificates of Completion. The Certificates of Completion issued by the City shall serve as a conclusive determination of satisfaction and termination of those agreements, covenants, and conditions made by the Developer to complete the Development in accordance with this Agreement. The

Certificates of Completion may be filed among the public land records in the Office of the Muskogee County Clerk.

(c) Form of Certificates. The certification provided for in this Section shall be delivered to the Developer in a suitable form that will enable it to be recorded in the proper office for the recording of deeds and other legal instruments pertaining to the Property.

(d) City's Failure to Provide Certificates of Completion. If the City declines or fails to provide Certificates of Completion in accordance with the provisions of this Section, the City shall, no later than thirty (30) days after receiving a written request from the Developer, provide a written explanation of the cause for the denial of a Certificate of Completion. The explanation shall detail the specific failure(s) or default(s) of the Redeveloper to complete the Development in accordance with this Agreement and the necessary acts to be performed by the Developer in order to obtain a Certificate of Completion.

ARTICLE VI. GENERAL PROVISIONS

6.1. **NONDISCRIMINATION**. The Developer agrees, in its capacity as the developer of the Project Site, not to discriminate on the basis of race, color, religion, gender, or national origin in the use or occupancy of the any of the buildings and facilities constructed on the Project Site, in violation of any applicable law or regulation.

6.2. **MUTUAL RIGHTS OF ACCESS**.

A. Authority, URA, and City Access to Project Site. The Developer shall permit representatives of Authority, the URA, and the City and the Authority and the City shall permit representatives of the Developer to have reasonable access to the Project Site, at all reasonable times, for the purposes of this Agreement, including, but not limited to, construction by the Authority, the URA, and the City, as the case may be, and inspection of all work being performed in connection with construction.

B. No Charge. No compensation shall be payable nor shall any charge be made in any form by any party for the access provided in this Section.

6.3. [Left Blank Intentionally]

6.4. **CONFLICT OF INTEREST; AUTHORITY'S, URA'S AND CITY'S REPRESENTATIVES NOT INDIVIDUALLY LIABLE**. No official or employee of the Authority, the URA, or the City shall have any personal interest in this Agreement, nor shall the City, the URA, or the Authority permit any such person voluntarily to acquire any ownership interest, direct or indirect, in the legal entities which are parties to this Agreement. No official or employee of the Authority, the URA, or the City shall be personally liable to the Developer or any successor in interest, in the event of any default or breach by the Authority, the URA, or the City

of this Agreement or for any amount which becomes due to the Developer or its successors under this Agreement.

6.5. DEVELOPER'S REPRESENTATIVES NOT INDIVIDUALLY LIABLE. No manager, officer, director, advisory board member, unit holder or employee of the Developer shall be personally liable to the Authority, the URA, or the City or any successor in interest, in the event of any default or breach by the Developer of this Agreement or for any amount which becomes due to the Authority, the URA, the City or their successors under this Agreement.

6.6. APPLICABLE LAW, SEVERABILITY AND ENTIRE AGREEMENT.

A. 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. Any action or proceeding arising out of or relating to this Agreement or any transaction contemplated hereby may be brought in the United States District Court for the Eastern District of Oklahoma, if it has or can acquire jurisdiction, or if not, in the District Court of Muskogee County, State of Oklahoma, and each of the parties irrevocably submits to the exclusive jurisdiction of each such court in any such action or proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of the action or proceeding shall be heard and determined only in any such court and agrees not to bring any action or proceeding arising out of or relating to this Agreement or any transaction contemplated hereby in any other court. The parties agree that either party may file a copy of this paragraph with any court as written evidence of the knowing, voluntary and bargained agreement among the parties irrevocably to waive any objections to venue or to convenience of forum. Process in any action or proceeding referred to in this Section 6.6(A) may be served on either party anywhere in the world by the methods set forth in Section 6.11.

B. [Left Blank Intentionally]

C. If any provisions of this Agreement or the application thereof to any persons or circumstances shall, to any extent, be invalid, illegal, 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, and the parties shall negotiate in good faith to enter into a provision that effectuates, as closely as possible, the intent of the parties with respect to the invalid, illegal, or unenforceable provision. Furthermore, this Agreement shall be construed in a manner that allows for the effective implementation of the Project Plan pursuant to the Local Act, including specifically the payment of the Project Costs Reimbursement Obligation to the Developer from proceeds of the Series 2014 Note.

D. This Agreement sets forth the entire understanding among the Authority, the URA, the City (as applicable), and Developer, with respect to its subject matter, there being no terms, conditions, warranties or representations with respect to its subject matter other than as contained herein.

6.7. 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.

6.8. NO PARTNERSHIP OR JOINT VENTURE CREATED. This Agreement specifically does not create any partnership or joint venture between or among the Authority, the URA, the City and the Developer, or render any of them liable for any of the debts or obligations of any or the others.

6.9. TIME IS OF THE ESSENCE. The Authority, the URA, the City and the Developer understand and agree that time is of the essence with regard to all the terms and provisions of this Agreement.

6.10. REPRESENTATIONS AND WARRANTIES; FORMALITIES AND AUTHORITY. Each party represents and warrants to the other parties that, as of the date hereof and at all times during the term of this Agreement:

A. Such party validly exists and has all necessary power and authority to execute, deliver and perform its obligations under the Transaction Agreements to which it is party and to carry out the transactions contemplated hereby and thereby.

B. The execution and delivery by such party of the Transaction Agreements to which it is party, the performance by such party of the Transaction Agreements to which it is party and the performance by such party of the Transaction Agreements to which it is party, have been duly authorized by all necessary proceedings with respect to such party, and no other proceedings with respect to such party are necessary to authorize the Transaction Agreements to which such party is party and the transactions contemplated hereby and thereby.

C. Each of the Transaction Agreements to which such party is party have been duly executed and delivered by such party and, assuming due authorization, execution and delivery thereof by the other parties thereto, constitutes a valid and binding obligation of such party, enforceable against such party in accordance with its terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and to general principles of equity.

D. The performance by such party of its obligations under the Transaction Agreements and the transactions contemplated thereby do not: (i) violate, conflict with or constitute a default (with or without the giving of notice, lapse of time or both) under, accelerate any obligations under, terminate or give rise to a right of termination of, any contract or agreement to which such party is a party or by which any property or asset of such party is bound; (ii) violate, conflict with or constitute a default (with or without the giving of notice, lapse of time or both) under the constitutive documents of such party; (iii) cause the creation of any lien or encumbrance upon any of the properties or assets of such party; (iv) violate, conflict with or constitute a default (with or without the giving of notice, lapse of time or both) under any provision of applicable law with respect to such party; (v) require such party to make or provide any notice to, declaration or filing with, or obtain any consent, authorization, permit or approval from, any governmental entity or other person or legal entity or (vi) give any governmental entity

the right to revoke, withdraw, suspend, cancel, terminate or modify any permit, license or approval held by such party.

E. There is no proceeding, claim or litigation pending or, to the knowledge of such party, threatened, against such party with respect to the transactions contemplated by the Transaction Agreements.

F. The lien granted to the Trustee for the benefit of the bondholders under the Indenture in and to the Tax Increment revenues constitutes a valid, perfected and first priority lien in and to the Trust Estate.

6.11. NOTICES AND DEMANDS. Any notice, demand, or other communication under this Agreement shall be sufficiently given or delivered when it is deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested, or delivered personally to:

A. In the Case of the Developer:

Vector Securities Corporation
Attn: _____

B. In the case of Authority:

Muskogee Redevelopment Authority
Attn: City Manager
229 W. Okmulgee
Muskogee, OK 74401

C. In the case of the City:

City of Muskogee, Oklahoma
Attn: City Manager
229 W. Okmulgee
Muskogee, OK 74401

D. In the case of the URA:

Muskogee Urban Renewal Authority
Attn: City Manager
229 W. Okmulgee
Muskogee, OK 74401

or to such other address, within the United States, with respect to a party as that party may from time to time designate in writing and forward to the others as provided in this Section. A copy of any notice, demand or other communication under this

Agreement given by a party under this Agreement to any other party under this Section shall be given to each other party to this Agreement.

6.12. **BINDING EFFECT.** This Agreement shall be binding upon and inure to the benefit of the Authority, the URA, the City and the Developer and their respective legal representatives, successors and assigns.

6.13. **MODIFICATIONS.** This Agreement cannot be changed orally, and no agreement shall be effective to waive, change, modify or discharge it in whole or in part unless such agreement is in writing and is signed by the party or parties against whom enforcement of any waiver, change, modification or discharge is sought.

6.14. **UNAVOIDABLE DELAYS.** The time for performance of any term, covenant, condition, or provision of this Agreement shall be extended by any period of unavoidable delays. In this Agreement, “unavoidable delays” means beyond the reasonable control of the party obligated to perform the applicable term, covenant, condition or provision under this Agreement and shall include, without limiting the generality of the foregoing, delays attributable to acts of God, any other party to this Agreement, strikes, labor disputes, governmental restrictions, delays in any governmental permitting process that are outside of the Developer’s control, court injunctions, riot, civil commotion, acts of public enemy and casualty, but shall not include delays attributable to financial difficulties of such party. In the event of an unavoidable delay the affected party shall promptly notify the other parties in writing and use its reasonable best efforts to mitigate and resolve the unavoidable delay as promptly as possible (keeping the other parties informed of the efforts being made to mitigate and resolve the unavoidable delay). Provided however, it is understood and agreed by the parties that under no circumstances shall an unavoidable delay operate to extend the duration of the Increment District or in any way alter the provisions of the Local Act.

6.15. **FURTHER ASSURANCES.** Each party agrees that it will, without further consideration, execute and deliver such other documents and take such other action, whether prior or subsequent to closing, as may be reasonably requested by the other party to consummate more effectively the purposes or subject matter of this Agreement.

6.16. **ATTORNEYS’ FEES.** In the event of any controversy, claim or dispute between the Authority, the URA, the City and the Developer affecting or relating to the subject matter or performance of this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party all of its reasonable expenses, including reasonable attorneys’ fees.

6.17. **COUNTERPARTS; HEADINGS.**

A. This Agreement may be executed in several counterparts, and all such executed counterparts shall constitute the same agreement. It shall be necessary to account for only one such counterpart in proving this Agreement.

B. 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.

6.18. LIMITED LIABILITY. The liability of the Authority, the URA, and the City to the Developer arising by virtue of this Agreement shall be limited to the Project Costs Reimbursement Obligation, i.e. the reimbursement of costs paid by the Developer for the Project Site Improvements. Said liability of the Authority as to the Project Site Improvements portion of the Project Costs Reimbursement Obligation shall be further limited to and payable solely from the proceeds of the Series 2014 Note, and resort shall not be had to the Authority, the URA, or the City for any additional amounts.

6.19. ASSIGNMENT. This Agreement and the rights and obligations of the Developer may be assigned or transferred upon written approval of the other parties hereto. This Agreement will apply to, be binding in all respects upon and inure to the benefit of the permitted assigns of the parties.

6.20 NO USE OF NAMES. Neither the entry into or consummation of this Agreement, or the transactions contemplated hereby, shall give the City, the URA, or the Authority, any right to use any name, trademark, servicemark, logo or other intellectual property of the Developer or its affiliates.

6.21 EXHIBITS AND SCHEDULES. The following schedules or exhibits attached hereto shall be deemed to be an integral part of this Agreement:

- A. Exhibit A – Map showing the Increment District;
- B. Exhibit B – Legal description of the Increment District;
- C. Exhibit C – Project Site Development Plan;
- D. Exhibit D – Project Costs Payment Notice
- E. Exhibit E – Schedule of Advances on Series 2014 Note

6.22. CONSTRUCTION OF THIS AGREEMENT. The Authority, the URA, the City and the Developer acknowledge that they and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

6.23. SURVIVAL. The representations, warranties, covenants and undertakings of the parties set forth in this Agreement shall survive the execution and delivery of this Agreement, and continue in full force until this Agreement has been fully performed in accordance with its terms and the Authority has fully paid the Project Costs Reimbursement Obligation in accordance with the terms herein. Notwithstanding the foregoing, the provisions of Section 6.6 shall continue following the payment of the Project Costs Reimbursement Obligation with respect to matters, events or circumstances occurring or arising prior to such time.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Developer, the City, and the Authority have caused this Agreement to be duly executed and delivered as of the date first above written.

VECTOR SECURITIES CORPORATION

By: _____

Name: _____

Title: _____

STATE OF OKLAHOMA)
)SS
COUNTY OF TULSA)

BEFORE ME, the undersigned, a Notary Public in and for said State on the ____ day of November, 2014, personally appeared _____, to me known to be the _____ of Vector Securities Corporation, an Oklahoma corporation, on behalf of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year first above written.

(SEAL)

Notary Public

My commission expires _____.

My commission number _____.

**MUSKOGEE
AUTHORITY**

REDEVELOPMENT

(SEAL)

ATTEST:

By: _____
Name: Bob Coburn
Title: Chairman

By: _____
Name: Pam Bates
Title: Secretary

STATE OF OKLAHOMA)
)SS
COUNTY OF MUSKOGEE)

The foregoing instrument was acknowledged before me this ____ day of November, 2014, by Bob Coburn, Chairman of the Muskogee Redevelopment Authority, a public trust, on behalf of the trust.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year first above written.

(SEAL)

Notary Public

My commission expires 08/26/2016.
My commission number 04007771.

CITY OF MUSKOGEE, OKLAHOMA

(SEAL)

By: _____

Name: Bob Coburn

Title: Mayor

ATTEST:

By: _____

Name: Pam Bates

Title: City Clerk

STATE OF OKLAHOMA)
)SS
COUNTY OF MUSKOGEE)

The foregoing instrument was acknowledged before me this ____ day of November, 2014, by Bob Coburn, Mayor of the City of Muskogee, Oklahoma, a municipality, on behalf of the City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year first above written.

(SEAL)

Notary Public

My commission expires 08/26/2016.
My commission number 04007771.

EXHIBIT A

MAP OF INCREMENT DISTRICT NO. 3

The boundaries of Increment District No. 3, City of Muskogee contain an area bordered on the north by Shawnee Avenue (Highway 62), on the east by Chicago Street, on the west by North 11th Street, and on the south by Talladega Street. The approximate boundaries of the Increment District are outlined in red below. Please see [Exhibit B](#) for a legal boundary description of Increment District No. 3.



EXHIBIT B

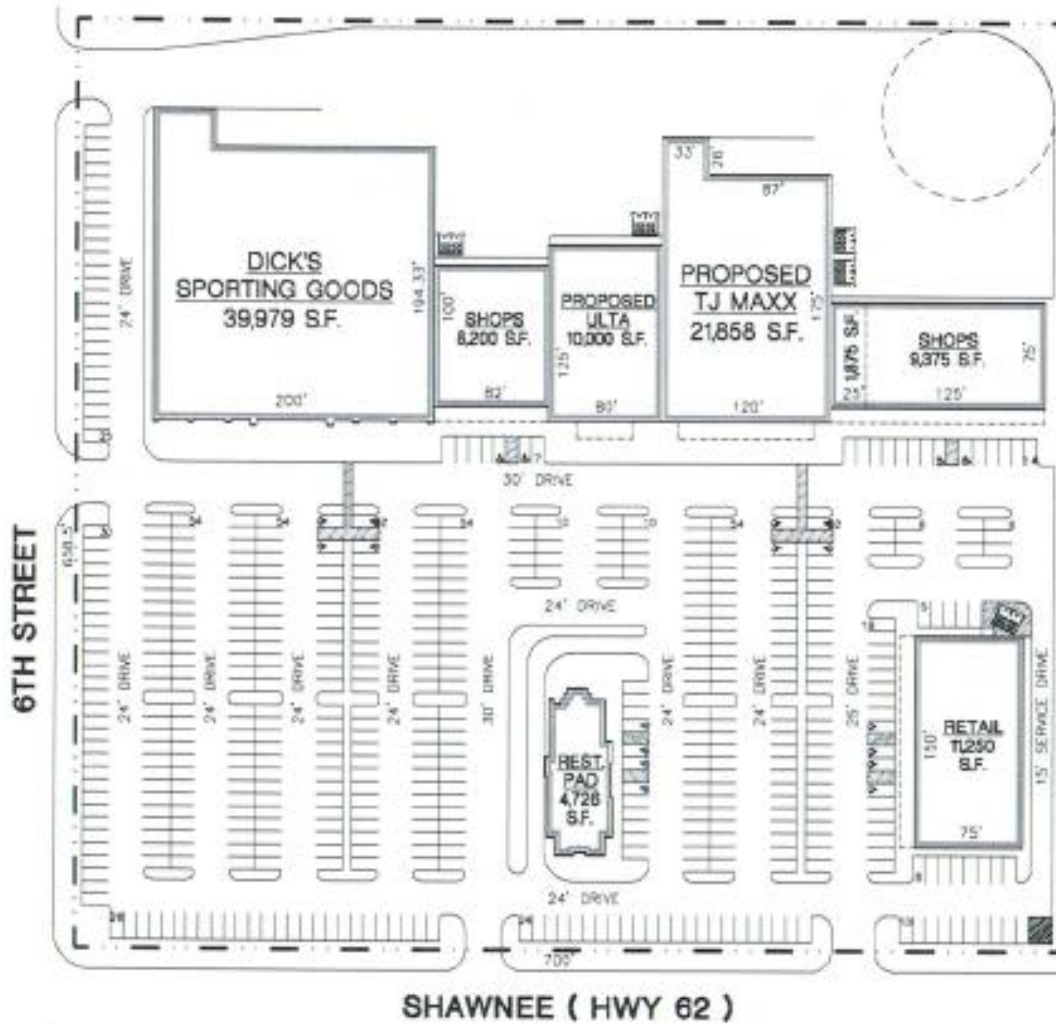
INCREMENT DISTRICT LEGAL DESCRIPTION

INCREMENT DISTRICT NO. 3, CITY OF MUSKOGEE

An area located entirely in Muskogee County, Oklahoma, more particularly described as follows:

AN AREA LOCATED IN THE NORTH HALF (N1/2) OF THE NORTHWEST QUARTER (NW1/4) AND THE WEST HALF (W1/2) OF THE NORTHWEST QUARTER (NW1/4) OF THE NORTHEAST QUARTER (NE1/4) OF SECTION 23, TOWNSHIP 15 NORTH, RANGE 18 EAST, CITY OF MUSKOGEE, MUSKOGEE COUNTY, STATE OF OKLAHOMA; CONTAINING 90 ACRES, MORE OR LESS.

EXHIBIT C
THREE RIVERS PLAZA
PRELIMINARY PROJECT SITE DEVELOPMENT PLAN



S I T E P L A N
 0 25 50 100'
PRELIMINARY STUDY
THREE RIVERS PLAZA
 5WC 6TH ST & SHAWNEE (HWY62)
 MUSKOGEE, OKLAHOMA

* Preliminary Layout; subject to change.

EXHIBIT D

**PROJECT COSTS PAYMENT NOTICE
INCREMENT DISTRICT NO. 3, CITY OF MUSKOGEE**

FROM: Vector Securities Corporation (the "Developer")
TO: Trustees of the Muskogee Redevelopment Authority (the "Authority")
Mayor and Board of Commissioners of the City of Muskogee, Oklahoma
(the "City")
DATE: _____

Pursuant to the provisions the Economic Development Agreement dated as of November ____, 2014, by and among the Authority, the City, the Muskogee Urban Renewal Authority, and the Developer (the "Agreement"), you are forthwith given notice of the expenditure of Project Costs by the Developer, pursuant to Sections 3.2 and 4.3 of the Agreement, in the amounts shown for the purposes set forth in this Notice. You are hereby requested to disburse proceeds of the Series 2014 Note, at such times and in such amounts as received, for payment of the Project Costs Reimbursement Obligation as set forth in the Agreement.

NOTICE NUMBER _____

CREDITOR _____

DESCRIPTION OF WORK OR ITEMS PURCHASED _____

AMOUNT REQUESTED FOR REIMBURSEMENT _____

PAYMENT DATE OF PROJECT COST _____

Notices shall be supported by invoices and canceled checks or bank statements showing the date funds are transferred for payment of authorized Project Costs, all as more thoroughly described in Section 3.2 of the Agreement. Reimbursement to the Developer for costs of the Project Site Improvements shall occur upon receipt by the Trustee of available proceeds of the Series 2014 Note and action of the Authority and the City approving disbursement of same.

With reference to the above notice, the undersigned duly authorized representative of the Developer certifies that the foregoing payment is for a purpose specified in the Economic Development Agreement and in the Muskogee Urban Renewal Area (Shawnee Avenue) Economic Development Project Plan and: (i) that none of the items for which this payment is proposed to be made has formed the basis for any payment heretofore made from the Tax Increment, (ii) that each item for which this payment is proposed to be made is or was necessary and proper in connection with the Project and each item of tangible property is now in place and (iii) that there has not been filed with or served upon the Developer notice of any lien, right to lien, or attachment upon, or claim affecting the right of any such persons, firms, or corporations to receive payment of, the respective amounts stated in such notice which has not been released or will not be released simultaneously with this payment.

[Remainder of Page Left Blank Intentionally]

VECTOR SECURITIES CORPORATION

Authorized Developer Representative

Acknowledged by:

MUSKOGEE REDEVELOPMENT AUTHORITY

By: _____
Name: _____
Title: _____
Date: _____

CITY OF MUSKOGEE, OKLAHOMA

By: _____
Name: _____
Title: _____
Date: _____

Submit in quadruplicate:

- 1 to Developer
- 1 to Authority
- 1 to City
- 1 to Trustee

EXHIBIT E

SCHEDULE OF ADVANCES ON SERIES 2014 NOTE

Date of Advance	Amount of Advance	Deposit to Series 2014 Project Account of Construction Fund	Deposit to Interest Account of Bond Fund	Payment of Organizational Costs
November 14, 2014	\$4,750,000.00	\$4,750,000.00		
TOTAL ADVANCES:	\$4,750,000.00	\$4,750,000.00	\$0.00	\$0.00

Amounts deposited in the Series 2014 Project Account of Construction Fund (as defined in the Indenture) shall be available for the Project Costs Reimbursement Obligation.

Amounts deposited in Interest Account of the Bond Fund (as defined in the Indenture) shall be available for the payment of accrued interest on the Series 2014 Note.