

**LOCAL DEVELOPMENT ACT-TAX EXEMPTION AGREEMENT BETWEEN THE CITY  
OF TULSA AND BOARD OF COUNTY COMMISSIONERS OF TULSA COUNTY  
(TCB LANDLORD LLC- TULSA CLUB BUILDING 115 E 5<sup>TH</sup> STREET)**

**THIS AGREEMENT** is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2016, by and between The City of Tulsa, Oklahoma, a municipal corporation (“City”) and the Board of County Commissioners for Tulsa County (“Taxing Entity”).

**WITNESSETH:**

**WHEREAS**, TCB Landlord LLC, owner of the property more particularly described in the attached Exhibit “A” (the “Property”), will enter into an agreement with the City regarding a project conversion of an existing building of 92,022 square feet of vacant space into a 79,822 square feet 98 room boutique hotel, plus 12,200 square feet of renovated commercial retail space on the first and eleventh floors for restaurant and retail, designed to comply with tax incentive program (the “Project”), said Project designed to comply with the tax incentive district established by the City to promote development of residential housing in downtown Tulsa, Oklahoma; and

**WHEREAS**, it is necessary and desirable, in order to ensure the economic viability of the Project, that provisions be made by the various taxing entities sharing in the ad valorem taxes applicable to the Property, to provide for the granting of an incentive abatement of ad valorem tax applicable to non-retail uses within the Project and Property, for a period of six (6) calendar years commencing January 1<sup>st</sup> of the first calendar year following the completion of construction of the Project, all as authorized by Article 10, §6(C) of the Oklahoma Constitution, its enabling legislation known as the Local Development Act, 62 O.S. §850, et seq. (“the Act”) and City Ordinance No. 18058 “Ordinance”), as amended by City Ordinance No. 19168, approving and creating Tax Incentive District Number One, City of Tulsa, Oklahoma and other applicable authorizations; and

**WHEREAS**, Section 10 of the Ordinance provides that the City will enter into a written agreement with the property owners who are granted tax incentives or exemptions pursuant to the Act, 62 O.S. §866, establishing the terms and conditions of the tax incentives or exemptions granted; and

**WHEREAS**, Section 9 of the Ordinance provides the City will enter into a written agreement with each respective taxing entity providing for the relinquishment of ad valorem tax increases applicable to the Property for the designated period; and

**WHEREAS**, the Local Development Act Review Committee has recommended that the benefits of the provisions of Tax Incentive District Number One, City of Tulsa, Oklahoma project plan be made available to TCB Landlord LLC, the owner of the Property, in order to ensure the economic viability of the Project; and

**WHEREAS**, the granting of this tax exemption by the City, the Taxing Entity and other taxing entities is deemed necessary, desirable and in the public interest, and will assist in strengthening the economic viability of the City, as a whole, and more particularly in relation to the plan included in Tax Incentive District Number One, City of Tulsa, Oklahoma; and

**WHEREAS**, an agreement regarding the development will be entered into by and between TCB Landlord LLC, and the City, whereby the City, as a taxing entity, will relinquish any increase in ad valorem taxes applicable to non-retail uses within the Project and Property for a period of six (6) calendar years commencing January 1<sup>st</sup> of the first calendar year following the completion of construction of the designated residential space on the Property and continuing for a six (6) year period, after which the exemption shall automatically terminate; and

**WHEREAS**, the agreement between TCB Landlord LLC, and the City will provide that if the owner fails to use the Property after development for the designated residential purposes or changes its use to some use other than residential, then the granted tax exemption shall terminate; and

**WHEREAS**, Taxing Entity, in anticipation of the City entering into an ad valorem tax exemption agreement with TCB Landlord LLC, hereby agrees to relinquish any increase in ad valorem taxes applicable to non-retail uses within the Project and Property commencing January 1<sup>st</sup> of the first calendar year following the completion of construction of the designated residential space on the Property and continuing for a six (6) year period, after which the exemption shall automatically terminate, subject to earlier termination in the event the portion of the Property designated for residential use ceases to be used for residential purposes.

**NOW, THEREFORE**, in consideration of the mutual covenants, promises and conditions contained herein, the parties agree as follows:

**Section 1.** The tax exemption provided herein shall be in effect from January 1<sup>st</sup> of the first calendar year following completion of construction of the designated residential space until December 31<sup>st</sup> of the sixth year after the commencement of the tax exemption. The tax exemption automatically terminates upon the expiration of six (6) full years from its date of commencement or upon the failure of the Property to be used as residential space.

**Section 2.** The City shall provide an annual report to the chief executive of the Taxing Entity, such report to include information describing the Project, naming the parties receiving incentives or exemptions and demonstrating compliance with statutory requirements for tax incentive districts.

**Section 3.** This written Agreement contains the entire agreement between the parties. Any alterations or modifications of the terms of this Agreement shall be agreed to in writing by both parties.

**APPROVED** the day and year first above written.

**The Board of County  
Commissioners for Tulsa County**

“Taxing Entity”

By: \_\_\_\_\_  
Karen Keith, Chairman Tulsa County  
Board of Commissioners

\_\_\_\_\_  
Secretary

**City of Tulsa, Oklahoma,  
a municipal corporation**

**APPROVED** by the City Council on this \_\_\_\_\_ day of \_\_\_\_\_ 2016

\_\_\_\_\_  
Chair of the City Council

\_\_\_\_\_  
Mayor,  
City of Tulsa

(Seal)  
ATTEST:

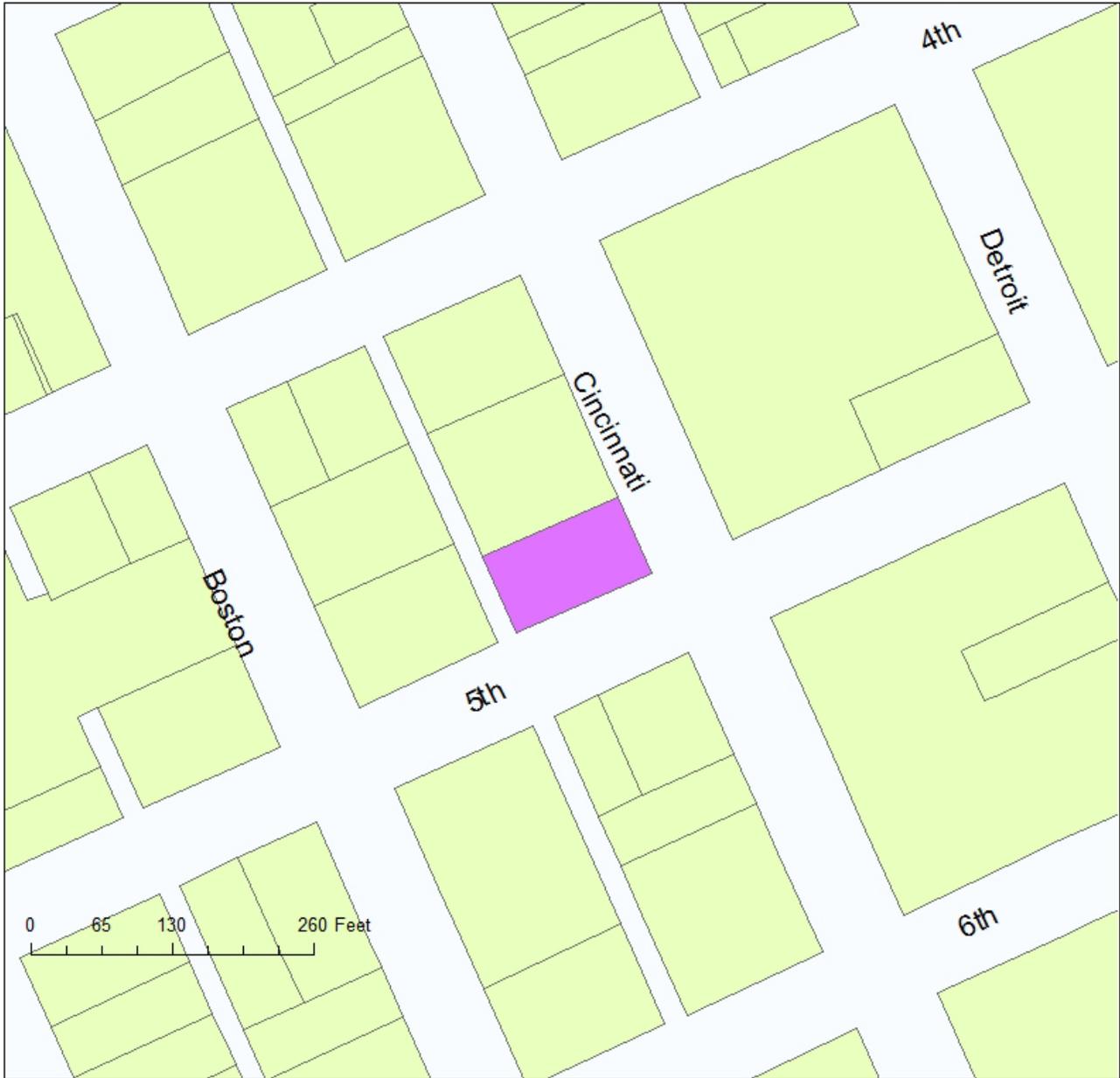
\_\_\_\_\_  
City Clerk

APPROVED:

\_\_\_\_\_  
City Attorney

# Exhibit A

**TCB Landlord, LLC  
Tulsa Club Building  
115 E 5th Street**



 Tulsa Club Parcel

Subdivision: Tulsa - Original Town  
Legal: S75 LT 3 BLK 137  
SECTION 1, TOWNSHIP 19, RANCE 12

City of Tulsa - Mayor's Office of Economic Development  
June 2016



CITY OF  
**Tulsa**  
A New Kind of Energy.