



SECOND AMENDED SKILLS TRAINING, EDUCATION, DEVELOPMENT AND INVESTMENT (STEDI) PROJECT PLAN

The City of Lawton, Oklahoma

Stan Booker, Mayor

City Council:

Mary Ann Hankins, Ward 1

Kelly Harris, Ward 2

Linda Chapman, Ward 3

George Gill, Ward 4

Allan Hampton, Ward 5

Dr. Robert Weger, Ward 6

Sherene L. Williams, Ward 7

Randy Warren, Ward 8

with the assistance of:



**CENTER FOR ECONOMIC
DEVELOPMENT LAW**

301 North Harvey, Suite 200
Oklahoma City, Oklahoma 73102
(405) 232-4606
www.econlaw.com

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[Second Amended Project Plan (a major amendment) Adopted by City Council: _____]

SECOND AMENDED SKILLS TRAINING, EDUCATION, DEVELOPMENT AND INVESTMENT (STEDI) PROJECT PLAN

INTRODUCTION AND BACKGROUND

This Second Amended Skills Training, Education, Development and Investment (**STEDI**) Project Plan (“**Second Amended Project Plan**” or “**Project Plan**”), a project plan as defined under the Local Development Act, 62 O.S. §850, *et seq.* (“**Act**”), amends the STEDI Project Plan originally adopted by the City Council of Lawton (“**City Council**”) on December 10, 2019, as thereafter amended on December 29, 2023, with the City Council’s adoption of the First Amended STEDI Project Plan.

The objectives, principal actions, and authorizations of the original STEDI Project Plan remain unchanged, except as provided herein. The STEDI Project Plan supports the City of Lawton’s economic development goals, particularly for supporting new and expanded non-retail business in the City’s Industrial Parks and the Project Area.

Upon adoption of the original STEDI Project Plan, Increment District No. 3, City of Lawton (“**Increment District No. 3**”), an ad valorem and sales tax increment district, was established to support the Republic Paperboard Company (“**Republic**”) expansion, which included a capital investment of over \$94 million and the creation of twenty (20) new high-quality jobs at its Facilities (“**Republic Expansion**”).

Since the original adoption of the STEDI Project Plan, Increment District No. 4, City of Lawton (“**Increment District No. 4**”), an ad valorem and sales tax increment district (initially designated temporarily as Increment District “L” under the Project Plan), was activated for the new 70,000 square foot PepsiCo warehouse and distribution center, generating approximately 40 new jobs in the community (“**PepsiCo Development**”).

Fisher59 Properties, L.L.C. (“**Fisher59**”), pursuant to a Redevelopment Agreement dated April 23, 2024, as thereafter amended, will develop a new non-retail development, investing approximately \$16 million in a 100,000 square foot distribution center and related improvements on 15.71 acres, retaining 60 existing employees and adding 30 new jobs at an average salary of \$48,000 (“**Fisher59 Development**”).

Westwin Elements, Inc., a Delaware corporation (“**Westwin**”) has developed a pilot facility on forty (40) acres of land in the Southwest Rail Industrial Park to demonstrate capabilities to refine cobalt, nickel and other critical elements (“**Westwin Pilot Facility**”), pursuant to an Amended and Restated Redevelopment Agreement dated December 12, 2023, as thereafter amended. Should the Westwin Pilot Facility prove successful, Westwin will invest over \$730 million to develop a large-scale commercial refinery in Southwest Rail Industrial Park (“**Westwin Refinery**”), creating 735 new quality jobs, with a 10-year operational commitment.

The City is actively engaged in discussions with several industrial partners regarding potential expansion projects in the Southwest Rail Industrial Park. These projects are anticipated to create

additional permanent, high-quality jobs in the community, further strengthening the City's economic foundation.

To support these and other developments, this Second Amended Project Plan will expand the Project Area and create new increment districts for the Second Republic Expansion, the Fisher59 Development, the Westwin Pilot Facility, the Westwin Refinery, and other future non-retail developments. This Second Amended Project Plan reinforces and strengthens the City's strategies and goals as outlined herein.

Finally, the City has previously adopted a STEM Strategic Plan to support programs and initiatives focused on job skills training, internships and STEM education, through partnerships with local, state, and federal partners, including public schools within the City of Lawton municipal limits providing K-12 education, Great Plains Technology Center, Cameron University, the Fires Innovation Science and Technology Accelerator Development Trust Authority, a public trust ("FISTA"), and others as may be determined appropriate and necessary by the City from time to time (herein, the "**STEM Strategic Plan**"). This Second Amended Project Plan reaffirms the City's commitment to establishing Lawton as a thriving hub for STEM education, innovation, and economic growth, enhancing educational and training opportunities for both adults and children.

This Second Amended Project Plan will benefit both existing companies seeking to expand facilities and/or product lines, as well new businesses attracted to Lawton, thereby creating new employment opportunities and contributing to the long-term economic health of the community.

I. STRATEGIC PROJECT PLAN OVERVIEW

The City's Non-Retail Business Economic Development Assistance Policy supports new and expanded non-retail business in the City's Industrial Parks. Non-retail business as used herein means any business not defined as a retail business by the Oklahoma Tax Code and includes, without limitation, businesses engaged in commerce for profit in the manufacturing, processing, compounding, packaging, assembly, production, treatment, disposal, warehousing, storage, transportation, freighting, trucking, or distribution of goods and materials, including those in both light and heavy industrial sectors, and also includes defense contractors, information technology, energy and engineering sectors, the high-technology industry, innovative businesses, and research, laboratory, and experimental businesses (collectively, "**Non-Retail Business**").

This Second Amended STEDI Project Plan provides the necessary financial and legal authorizations for the City of Lawton ("**City**") to continue implementing its long-range strategy to drive economic development in Lawton and the broader Southwest Oklahoma region, in collaboration with local, state and federal partners by attracting and supporting Non-Retail Business growth in the City's industrial parks. The primary objectives of this Second Amended STEDI Project Plan are to bolster the City's original strategies by financing critical public infrastructure and development incentives and advancing the STEM Strategic Plan, along with supporting workforce training programs and providing home buyer assistance to assist the new Non-Retail Business workforce with acquiring a home in Lawton.

This Second Amended Project Plan is essential for fostering public-private partnerships that promote Non-Retail Business development in Lawton, ultimately leading to thousands of new jobs, several hundred million dollars of new private investment, and an enhanced quality of life for the community. The Non-Retail Business growth and expansion may include innovative businesses, high-technology businesses, and light industrial as well as manufacturing. Effective workforce training and enhanced STEM education are critical to achieving these objectives.

A key benefit of this Second Amended Project Plan is its ability to accelerate new business activities, investment and job creation, which in turn will enhance school district revenues and increase property taxes outside the increment districts. Accordingly, the first priorities are to develop infrastructure, provide incentives, and acquire land for development.

II. DESCRIPTION OF PROJECT

This Second Amended Project Plan builds on recent successes in Non-Retail Business development spearheaded by the City, the Lawton Economic Development Authority, a public trust (“LEDA”), Comanche County Industrial Development Authority, a public trust (“CCIDA”), and the Lawton-Ft. Sill Economic Development Corporation (“LEDC”). This Second Amended Project Plan, in conjunction with the City’s other strategies, aims to further promote Non-Retail Business development.

The objective of this Second Amended Project Plan is to provide the legal and financial framework to facilitate Non-Retail Business expansion in the Southwest Rail Industrial Park and the Airport Industrial Park. Each new and expanded Non-Retail Business, together with the developments by Republic, PepsiCo, Westwin, and Fisher59 described herein are collectively referred to as the “**Project**”). Specifically, this Second Amended Project Plan authorizes the City to: (1) provide assistance in development financing and acquire real property for new and expanding Non-Retail Business developments; (2) fund public improvements necessary to attract and promote new and expanded private Non-Retail Businesses; (3) allocate a direct revenue source to public school districts whose jurisdictional boundaries are located within the respective Increment Districts (“**Public Schools**”), in proportion to their respective annual operating levies (excluding any sinking fund levies), as set forth in Section X.E. of this Second Amended Project Plan; Comanche County, Comanche County Health Department, and Great Plains Technology Center, in proportion to their respective annual operating levies (excluding any sinking fund levies); (4) implement the STEM Strategic Plan to support job skills training, internships, and STEM Education; (5) expand workforce training and internship programs through partnerships with local institutions, such as Great Plains Technology, to meet the needs of growing Non-Retail Businesses; and (6) provide home buyer assistance to support the workforce growth resulting from Non-Retail Business expansion.

The Project will be financed from a combination of public and private sources, including the apportionment of ad valorem tax increments and sales tax increments generated by each of the increment districts established and activated pursuant to this Second Amended Project Plan.

III. INTENTIONALLY OMITTED.

IV. PROJECT AREA AND INCREMENT DISTRICT BOUNDARIES

The Project Area is the area in which Project activities will take place. The Project Area is comprised of two non-contiguous areas, one located generally in and around the Southwest Rail Industrial Park, and the other in the Airport Industrial Park. The Project Area is shown on the Project Area Boundary Map attached as Exhibit A. The specific legal description of the Project Area boundary is set forth in Exhibit B.

The boundaries of Increment District No. 3, City of Lawton, an ad valorem and sales tax increment district, Increment District No. 4, City of Lawton, an ad valorem and sales tax increment district, as modified herein, Increment District No. 5, City of Lawton, an ad valorem and sales tax increment district, Increment District No. 6, City of Lawton, an ad valorem and sales tax increment district, and the boundaries of the other increment districts temporarily designated and identified under this Second Amended Project Plan as Increment Districts No. “A”, “B”, “Ca”, “Cb”, “Da” “Db”, “E”, “Fa”, “Fb”, “G”, “Ha”, “Hb”, “I”, “J”, “K”, “M”, “N”, “O”, “P”, “Q”, “R”, “S”, “T”, and “U”, City of Lawton, are all shown on Exhibit C and the specific legal descriptions for each of the Increment Districts are set forth in Exhibit D.

Increment Districts No. “A”, “B”, “Ca”, “Cb”, “Da”, “Db”, “E”, “Fa”, “Fb”, “G”, “Ha”, “Hb”, “I”, “J”, “K”, “M”, “N”, “O”, “P”, “Q”, “R”, “S”, “T”, and “U”, may be activated and made effective at a later date upon resolution of the City Council of the City of Lawton. Once the effective date of each of the Increment Districts Nos. “A” through “U” is determined, that Increment District shall be renamed as “Increment District Number ___, City of Lawton,” as appropriate, by assigning the next consecutive number for increment districts of the City of Lawton in accordance with 62 O.S. § 856(3).

V. PROJECT AREA ELIGIBILITY REPORT

The Project Area and Increment Districts are located within an enterprise zone, as defined by Section 853(6) of the Act, and the entire area qualifies as a reinvestment area, as defined in Section 853(17) of the Act.

In addition, the Project Area and Increment Districts have suffered from a condition of stagnant economic development without additional public improvements and are therefore significantly undeveloped or underdeveloped. Public infrastructure is necessary to enhance the industrial parks for use by new companies and existing companies looking to expand. Without such public improvements and public facilities to support the Project, these companies will not have a suitable location for the development and expansion of their facilities.

Therefore, the Project Area and Increment Districts qualify as a reinvestment area in accordance with the provisions of 62 O.S. §853(17) of the Act because public improvements are required to reverse the economic stagnation, to serve as a catalyst for expanding employment, and to retain and attract new investment in the area. The public investment is necessary to replace the condition

of stagnant economic development with new activity. The investment and stimulation of employment opportunities generated by the Project will benefit the community.

VI. OBJECTIVES

The principal objectives of the Project and the Increment Districts are:

- A. To provide funding through apportioned tax increments for the construction of public infrastructure and other public enhancements necessary to support existing business and attract new Non-Retail Business development in the Project Area.
- B. To attract major new Non-Retail Businesses to locate in Lawton, including the acquisition of real property.
- C. To serve as a catalyst for retaining or expanding employment.
- D. To reverse economic decline and stagnation.
- E. To provide authorized development incentives to support specific project developments.
- F. To provide economic development financing enhancement and to defray essential implementation/administrative costs.
- G. To provide a direct revenue source to the Public Schools, Great Plains Technology Center, and other taxing jurisdictions in proportion to their respective annual operating levies (excluding any sinking fund levies), to offset any impacts they might experience as a result of the Project.
- H. To advance STEM education, increase high school graduation rates, promote post-secondary STEM training, grow the STEM workforce, and drive economic development in the City of Lawton and the broader Southwest Oklahoma region.
- I. To provide workforce training, development, internships, and programs in support of new and expanding Non-Retail Businesses.
- J. To preserve and enhance the tax base and make possible investment, development, and economic growth that would otherwise be difficult without the Project and the apportionment of incremental tax revenues.
- K. To provide home buyer assistance for the workforce generated by new and expanded Non-Retail Businesses.

VII. STATEMENT OF PRINCIPAL ACTIONS

Implementation actions for the Project, including all necessary, appropriate and supportive steps will consist principally of the following:

- A. Construction, maintenance, and repair of public improvements, including without limitation, utilities, water, sewer, sewer holding, storm water detention, gas, electric, roads,

roadway improvements and amenities, signage, entry features, landscaping, sidewalks, multi-use trails, rail spurs, public facilities, communications facilities, and other infrastructure and utilities as may be necessary or required for the Project, to be financed in whole or in part by apportioned ad valorem and sales tax increments.

- B. Financing authorized Project Costs, to include real property acquisition costs, in support of development activities and investment to retain, attract and expand quality employment within the Project Area.
- C. Expansion of existing Non-Retail Businesses and stimulation of new major Non-Retail Business.
- D. Negotiation, preparation, execution, and implementation of development agreements, including agreements for financing and construction by private developers, as authorized by the Act.
- E. Implementation of the STEM Strategic Plan to support partnerships, programs, and initiatives focused on STEM Education, job skills training, and internship programs.
- F. Implementation of work force training, development, internship programs, and other initiatives in partnership with Great Plains Technology Center and other local institutions. These programs will focus on cultivating local skilled talent and aligning workforce capabilities with the needs of new and expanding Non-Retail Businesses. This approach will ensure a robust talent pipeline that supports sustainable economic growth and meets the evolving demands of the local business community.
- G. Distribution of a portion of the ad valorem increment to affected taxing entities, in proportion to their respective annual operating levies (excluding any sinking fund levies).
- H. Provide home buyer assistance to support the workforce generated by the expansion of Non-Retail Businesses.

VIII. ESTABLISHMENT OF TAX INCREMENT DISTRICTS

- A. The original STEDI Project Plan previously created Increment District No. 3, City of Lawton, an ad valorem and sales tax increment district. The increment is the ad valorem revenue in excess of the revenue generated by the base assessed value of the increment district (*i.e.*, the new revenue attributable to increases in the value of the increment district).
- B. The increment of Lawton sales and use taxes generated by investment and development in Increment District No. 3 was determined by a formula approved by resolution of the City Council of the City of Lawton (“**City Council**”) in accordance with the Local Development Act, together with state local government matching payments pursuant to the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act, 62 O.S. § 840, *et seq.* (“**Leverage Act**”), may be used to pay Project Costs authorized pursuant to Section X of

this Second Amended Project Plan, for a period not to exceed 25 fiscal years from the effective date of Increment District No. 3 as provided by law, or the period required for payment of the Project Costs authorized pursuant to Section X of this Second Amended Project Plan, whichever is less.

- C. Increment District No. 4, City of Lawton, an ad valorem and sales tax increment district, originally identified as Increment District “L” under the Project Plan, was activated by the City Council’s adoption of Resolution No. 21-71 on May 11, 2021, for the PepsiCo Development, in accordance with and as authorized by Ordinance No. 19-31. The increment is the ad valorem revenue in excess of the revenue generated by the base assessed value of the property in Increment District No. 4, as determined by the County Assessor. The increment of Lawton sales and use taxes generated by investment and development in Increment District No. 4 will be determined by a formula approved by resolution of the City Council of the City of Lawton in accordance with the Local Development Act, together with state local government matching payments received pursuant to the Leverage Act, may be used to pay Project Costs authorized pursuant to Section X of this Second Amended Project Plan, for a period not to exceed 25 fiscal years from the effective date of Increment District No. 4 as provided by law, or the period required for payment of the Project Costs authorized pursuant to Section X of this Second Amended Project Plan, whichever is less.
- D. This Second Amended Project Plan revises the boundaries of Increment District No. 4, reducing its area for the actual development in place, with the remaining area being placed within the reconfigured areas of Increment Districts “J” and “K”.
- E. This Second Amended Project Plan creates Increment District No. Five, City of Lawton (“**Increment District No. 5**”), an ad valorem and sales tax increment district, for the Fisher59 development. The increment is the ad valorem revenue in excess of the revenue generated by the base assessed value of the increment district (*i.e.*, the new revenue attributable to increases in the value of the increment district). The increment of Lawton sales and use taxes generated by investment and development in Increment District No. 5 will be determined by a formula approved by resolution of the City Council of the City of Lawton in accordance with the Local Development Act, together with state local government matching payments received pursuant to the Leverage Act, may be used to pay Project Costs authorized pursuant to Section X of this Second Amended Project Plan, for a period not to exceed 25 fiscal years from the effective date of Increment District No. 5 as provided by law, or the period required for payment of the Project Costs authorized pursuant to Section XI of this Second Amended Project Plan, whichever is less.
- F. This Second Amended Project Plan creates Increment District No. Six, City of Lawton (“**Increment District No. 6**”), an ad valorem and sales tax increment district, for the Westwin Pilot Facility. The increment is the ad valorem revenue in excess of the revenue generated by the base assessed value of the increment district (*i.e.*, the new revenue

attributable to increases in the value of the increment district). The increment of Lawton sales and use taxes generated by investment and development in Increment District No. 6 will be determined by a formula approved by resolution of the City Council of the City of Lawton in accordance with the Local Development Act, together with state local government matching payments received pursuant to the Leverage Act, may be used to pay Project Costs authorized pursuant to Section X of this Second Amended Project Plan, for a period not to exceed 25 fiscal years from the effective date of Increment District No. 6 as provided by law, or the period required for payment of the Project Costs authorized pursuant to Section X of this Second Amended Project Plan, whichever is less.

- G. Increment Districts No. “A”, “B,” “Ca” and “Cb” [which together were originally designated as Increment District “C”], “Da” and “Db” [which together were originally designated as Increment District “D”], “E”, “Fa” and “Fb” [together originally designated as Increment District “F”], “G”, “Ha” and “Hb” [which together were originally designated as Increment District “H”], “I”, “J”, “K”, each as reconfigured under this Second Amended Project Plan, and “M”, “N”, “O”, “P”, “Q”, “R”, “S”, “T”, and “U” all of which are ad valorem and sales tax increment districts, shall each be effective upon dates established by resolution of the City Council within ten (10) years following the date of approval of this Second Amended Project Plan. The Increment Districts shall be implemented in the sequence that development commitments are obtained and shall be sequentially numbered accordingly.
- H. The increment of ad valorem taxes from each of the Increment Districts authorized herein, in excess of the base assessed value of the increment district may be apportioned from time to time to pay Project Costs authorized by Section X of this Second Amended Project Plan for a period not to exceed twenty-five (25) fiscal years, as provided by law, or the period required for the payment of such Project Costs, whichever is less.
- I. The increment of Lawton sales and use taxes generated by investment and development in Increment Districts No. A”, “B,” “Ca”, “Cb”, “Da” “Db”, “E”, “Fa”, “Fb”, “G”, “Ha”, “Hb”, “I”, “J”, “K”, “M”, “N”, “O”, “P”, Q”, “R”, “S”, “T”, and “U” as determined by a formula to be approved by resolution of the City Council in accordance with the Local Development Act, together with state local government matching payments received pursuant to the Leverage Act, may be used to pay Project Costs authorized pursuant to Section X of this Second Amended Project Plan, for a period not to exceed 25 fiscal years from the respective effective dates of each Increment District, as provided by law, or the period required for payment of the Project Costs authorized pursuant to Section X of this Second Amended Project Plan, whichever is less.
- J. During the period of apportionment, the apportionment fund shall constitute special funds of the Lawton Economic Development Authority, a public trust (“LEDA”), and shall not be subject to annual appropriation as a part of the general fund of the City of Lawton.
- K. In the event of any litigation challenging directly or indirectly the validity of this Second Amended Project Plan, any Increment District authorized hereunder, or challenging directly or indirectly any apportionment of disbursement, the time period for any such

Increment District or any apportionment or disbursement shall be tolled for a period of time equal to the pendency of any such litigation as permitted under 62 O.S. § 861(A).

IX. PROJECT AND INCREMENT DISTRICT AUTHORIZATIONS

- A. Principal Entity. The City is designated and authorized as the principal public entity to carry out and administer the provisions of this Project Plan and to exercise all powers necessary or appropriate thereto as provided in Section 854 of the Act.
- B. Delegation of Powers. LEDA, or another public entity designated by the City Council from time to time, is authorized to carry out implementation actions for the Project, including all necessary, appropriate, and supportive steps pursuant to economic development agreements with private developers and to provide assistance in development financing consistent with the provisions of such economic development agreements. LEDA is authorized and designated to carry out those provisions of the project related to issuance of bonds or notes as provided in Sections 861(B) and 863 of the Act, subject to approval of the City Council of any specific notes or bonds. LEDA is authorized to assist in carrying out this Project Plan and to exercise all powers necessary or appropriate thereto pursuant to Section 854 of the Act, except for approval of this Project Plan and those powers enumerated in paragraphs 1, 3, 4, 7, 13 and 16 of Section 854.
- C. Specific Financing and Development Authorizations. LEDA, or another public entity, may be designated and authorized by the City Council from time to time to: (1) issue tax apportionment bonds or notes, or both; (2) pledge revenues from current and future fiscal years to repayment; (3) incur Project Costs pursuant to Section X of this Project Plan; (4) to enter into development, redevelopment, and construction agreements to implement this Project Plan; (5) provide funds to or reimburse the City for the payment of Project Costs and other costs incurred in support of the implementation of the project; (6) advance, guaranty, loan and repay funding for Project Costs by and between Increment District Nos. 3, 4, 5, 6, “A”, “B,” “Ca”, “Cb”, “Da” “Db”, “E”, “Fa”, “Fb”, “G”, “Ha”, “Hb”, “I”, “J”, “K”, “M”, “N”, “O”, “P”, Q”, “R”, “S”, “T”, and “U”; and (7) incur the cost of issuance of bonds for payment of such costs and to accumulate appropriate reserves, if any, in connection with them. As authorized in Section VIII(J) above, during each respective period of apportionment, the apportionment fund shall constitute funds of LEDA or an alternative entity authorized by the City and shall not constitute a part of the general fund to be appropriated annually by the City Council.
- D. Person in Charge. The City Manager, John Ratliff, his successor in office, or another designee of the City Manager shall be the person in charge of the responsibilities delegated to or reserved by the City in connection with the implementation of the Project Plan, and the Executive Director of LEDA, Richard Rogalski or his successor in office, shall be the person in charge of the responsibilities delegated to LEDA, in accordance with the provisions, authorizations, and respective delegations of responsibilities contained in this Project Plan. The Mayor, his successor in office, or his designee is authorized to empower

one or more designees to exercise responsibilities in connection with Project implementation.

- E. Implementation Authorizations. The City and LEDA are authorized to: (1) enter into economic development agreements to support Non-Retail Business development, (2) form partnerships and cooperative arrangements to attract and develop new, growing, and expanding Non-Retail Business with an emphasis on job creation, (3) support, and where appropriate, provide for present and future obligations to redevelop, or commit property for redevelopment, support, implement, or enhance business improvement districts, provide for participation in the activities or developments stimulated by this Project Plan, (4) approve additional financial and investment initiatives to support Project Plan implementation, including public infrastructure improvements, economic development bonds, guaranteed obligation limited tax bonds, and agreements for minimum tax (or minimum payments in lieu of tax) agreements, (5) adopt policies and enter into implementation, partnership, and support agreements, programs, and initiatives with public and private institutions present in the community, including FISTA, Cameron University, Great Plains Technology Center, any of the public schools, the Lawton Chamber of Commerce, LEDC, CCIDA, and other public and private not-for-profit entities, organizations, and institutions, as may be determined appropriate and necessary by the City from time to time, (6) adopt policies and carry out actions to support housing assistance, which may include, but is not limited to, home buyer assistance for the new workforce generated by expanding or new Non-Retail Business pursuant to economic development agreements with the expanded or new Non-Retail Businesses located or locating within an Increment District; and (7) enter into agreements and cooperative arrangements with local educational institutions, including Great Plains Technology Center, to provide workforce training, internship programs and other initiatives aimed at educating and preparing workers to meet the demands of new and expanding Non-Retail Businesses. The City and LEDA are authorized to enter into agreements to implement enhanced educational programs, to include, without limitation, the skills training programs, intern programs, workforce development for the new employment to be generated by the Project. Okla. Const. Art. 10, §6C; 62 O.S. §853(9), 14(e), 14(i), and §854(4). The City and LEDA are authorized to enter into agreements with LEDC to assist with the implementation and administration of this Project Plan.
- F. Minor Amendments. Pursuant to 62 O.S. §858.D. of the Act, LEDA is authorized to make minor amendments to this Project Plan. Any change to the allocations to the affected taxing jurisdictions, as provided in Section X.E. of this Project Plan shall be deemed a major amendment, approval of which shall be in compliance with the requirements of the Act, including public hearings by the governing body.
- G. Economic Development Amendment. The City specifically contemplates the addition of an area (not to exceed a five percent (5%) addition) for Non-Retail Business development to enhance quality job growth.

X. BUDGET OF ESTIMATED PROJECT COSTS TO BE FINANCED BY TAXES APPORTIONED FROM THE INCREMENT DISTRICTS.

Budget Requirements and Procedures. The estimated Budget of Project Costs on Pages 14-15 of this Project Plan represents the best estimate of the maximum costs to be financed by incremental revenues expected from development in each Increment District. This budget includes a significant allocation for public improvements, recognizing the need to finance and construct a substantial portion of these improvements upfront to support development of the Project Area and provide “shovel ready” sites for Non-Retail Business development.

To optimize the potential development under this Project Plan, final budgets for each Increment District shall be determined at the time of City Council authorization of the district’s effective date and approval of a conditional economic development agreement for such district. Accordingly, at the time of City Council action triggering the effective date of an Increment District, the budget for such district shall be finalized by (1) reducing the line item for public improvements and infrastructure, and (2) adjusting the remaining line items in accordance with the guidelines contained for each budget categories listed below, based on the tax increments expected to be generated by the development contemplated by the approved conditional development agreement for that Increment District.

Total budgetary estimates for an increment district may be reduced or adjusted at any time without further review by the statutory review committee, which is only required when (a) the estimated total project costs or (b) the area of an increment district, is increased by 5% or more. These finalized Increment District budgets, after such adjustment, will serve as the maximum authorized expenditure limits for that Increment District. The Increment District will terminate once the maximum expenditures are reached, or at the end of its 25-fiscal year period, whichever occurs first.

Budget of Estimated Project Costs. Nine (9) basic categories of Project Costs will be financed by the apportionment of ad valorem and sales tax increments from each of the effective Increment Districts. Additional financing may be provided by other sources, including state local government matching payments received pursuant to the Leverage Act. Other public improvement costs for the Project may be funded by other funding sources, including without limitation, the Oklahoma Department of Transportation and other local, state, and federal entities. The Project Cost categories are described below.

A. Public Improvements and Infrastructure. To attract new companies and support the expansion of existing businesses, the City will invest in critical infrastructure improvements at the Southwest Rail and Airport Industrial Parks. These improvements will significantly enhance the City’s ability to attract Non-Retail Businesses and increase employment opportunities. Accordingly, public improvements to serve the industrial development areas will be financed, to the extent feasible, in the districts initially activated, thereby reducing the costs in the districts later activated. Below is an itemization of the estimated costs of the public improvements:

	<u>Probable</u>	<u>Budgeted</u>
Roads, Infrastructure and Improvements:	\$ 48,500,000	- \$97,000,000
Rail Spurs:	\$ 10,000,000	- \$20,000,000
Water System Improvements:	\$ 29,000,000	- \$58,000,000
Sanitary Sewer System Improvements	\$ 21,500,000	- \$43,000,000
Other Utilities	\$ 15,000,000	- <u>\$30,000,000</u>
Total		\$248,000,000

B. Assistance in Development Financing / Project Support. An allocation for assistance in development financing, in the amounts set forth in the budget below, may be utilized to provide public financial support to a Non-Retail Business pursuant to a legally enforceable economic development agreement to ensure the delivery of each Project or specific portions thereof. Assistance in development financing will be provided only for new and expanding Non-Retail Businesses that are determined, in the City’s discretion: (1) to meet the City’s approved development goals and objectives for the Project Area and (2) to provide adequate consideration and public benefit in return for the public investment pursuant to an approved conditional development or redevelopment agreement. The acquisition of real property, including both vacant buildings and “shovel-ready” land, is an important factor in recruiting Non-Retail Business to the City’s industrial parks.

C. Economic Development Enhancement Fund / Financing Reserve. Three percent (3%) of the total ad valorem increment revenue generated from each Increment District shall be set aside and reserved in an Economic Development Enhancement Fund/Financing Reserve to provide credit enhancement for City Council authorized financing by LEDA under the Oklahoma Local Development Act and to secure any moral obligation pledge of the City of Lawton and pay any debts incurred by LEDA for the implementation of Project Plans approved by the City Council.

D. Implementation and Administration. Seven and one-half percent (7.5%) of the total ad valorem increment revenue generated from each Increment District may be utilized for the cost of implementing and administering this Project Plan incurred or to be incurred by the City, LEDA and/or LEDC, including, but not limited to, payment and/or reimbursement of costs in connection with the preparation and approval of each Project, the Project Plan, economic development, implementation, and/or other definitive agreements, administrative costs, organizational costs, professional fees, and financing costs and fees (to the extent financing is authorized by the City Council).

E. Specific Revenue Source for Public Entities. An allocation of the total ad valorem increment revenue generated from each Increment District shall be utilized to provide financial support and as a specific revenue source to: (1) Great Plains Technology Center, Comanche County, and Comanche County Health Department in an amount equal to twenty-five percent (25%) of their respective annual operating levies, and (2) Public Schools (whose jurisdictional boundaries are located within the respective Increment Districts) in an amount equal to fifty

percent (50%) of the net financial benefit of the total operating levies of the Public Schools (excluding sinking funds). After provision for the most critical Project Costs in Category A for public improvements and infrastructure (estimated at \$62,000,000), and regardless of the sequence of implementation, an allocation of the increment shall be utilized to provide financial support to: (1) Great Plains Technology Center, Comanche County, and Comanche County Health Department in an amount equal to 100% of their respective annual operating levies, and (2) the Public Schools in an amount equal to 100% of the net financial benefit of the total levies of the Public Schools (excluding sinking funds). The net financial benefit to Public Schools, as used herein, shall be determined after reduction by all state school aid offsets. The entire Countywide “4-mill” school levy shall be treated as an operational levy of the Public Schools, as applied to each respective Increment District. In the event the jurisdictional boundaries of more than one Public School are located within an Increment District, the allocation to the Public Schools, as provided herein, shall be made in proportion to the valuation of land area of that Increment District located in each respective Public School’s boundaries.

F. STEM Strategic Plan. Ten percent (10%) of the total ad valorem increment revenue generated from each Increment District will be allocated for implementing the STEM Strategic Plan to support programs, and initiatives focused on STEM Education, jobs training, and internship programs. Such programs and initiatives may include partnership, implementation, and support agreements, as determined in the City’s discretion, with the public schools providing K-12 education, FISTA, Great Plains Technology Center, Cameron University, and other with local organizations, local schools, educational institutions, academic organizations, local industry partners, state and federal entities, nonprofits, public trusts, and other entities, organizations, and partners as may be determined appropriate and necessary by the City from time to time. Funding or allocations pursuant to approved agreements authorized herein for STEM programs with the public schools providing K-12 education will generally be in proportion to their respective enrollments (as measured by average daily membership (ADM) determined by the State Department of Education).

G. Workforce Training. A portion of the total ad valorem increment revenue generated from each Increment District will be allocated to expanding and developing the Lawton workforce. This funding will support training and internship programs, equipping and expanding facilities at Great Plains Technology and other local institutions, and workforce recruitment, as necessary, to attract, develop, and retain a skilled local talent pool that aligns with the needs of growing Non-Retail Businesses.

H. Home Buyer Assistance. One hundred percent (100%) of the total sales and use tax increment revenue generated from each Increment District, which is attributable to new employment by Non-Retail Businesses, together with state local government matching payments received pursuant to the Leverage Act, may be allocated to provide public financial support to a Non-Retail Business for the purpose of providing home buyer assistance for its employees who have been: (1) newly hired or relocated from a facility outside of the City of Lawton, by a new or expanded Non-Retail Business, (2) employed to perform work duties specifically at or from the

location of the Non-Retail Business within an Increment District, and (3) and acquire a residence in the City of Lawton (a “**Non-Retail Employee**”), and such other eligibility requirements as may be established by the City of Lawton, pursuant to policies adopted by the City from time to time and as set forth in an economic development agreement entered between the Non-Retail Business located or locating in an Increment District and the City or another public entity designated by the City. Each Non-Retail Business shall be required to provide evidence of compliance with the minimum employment requirements established in an economic development agreement and evidence of each Non-Retail Employee’s appropriate and authorized use of the Home Buyer Assistance.

I. Contingencies. Three percent (3%) of the total ad valorem increment revenue generated from each Increment District, along with (a) all sales and use taxes generated by construction purchases, and (b) any sales and use taxes attributable to new employment by Non-Retail Businesses not otherwise allocated under Section H, may be apportioned to this Project Cost category and deposited into a contingency fund. These contingency funds may be used for unforeseen or incidental costs and expenses incurred in any other Project Cost category.

For all Increment Districts, Project Cost Categories A, B, D, G, H, and I may be combined and allocated as deemed necessary for the Project. Furthermore, previously unpledged increment revenues from a Project Cost Category for any Increment District may be pledged to the repayment of financing or payment of Project Costs authorized from the same Project Cost Category for any other Increment District.

See Estimated Budget of Project Costs on Pages 14-15 below.

<u>Estimated Budget of Project Costs (in thousands of dollars):</u>										
	A.	B.	C.	D.	E.	F.	G.	H.	I.	
Incr. District No.	Public Improve-ments	Project Support	Fin. Reserve	Admin	Specific Revenue Source	STEM	Work Force Training	Home Buyer Assist	Cont.	Totals
3	\$ 6,975	\$ 4,302	\$ 559	\$ 1,491	\$ 1,734	\$ 1,864	\$ 1,156	\$ 591	\$ 841	\$ 19,513
4	\$ 1,095	\$ 675	\$ 88	\$ 234	\$ 272	\$ 293	\$ 181	\$ 93	\$ 132	\$ 3,063
5	\$ 1,804	\$ 1,112	\$ 145	\$ 386	\$ 449	\$ 482	\$ 299	\$ 153	\$ 217	\$ 5,046
6	\$ 4,171	\$ 2,572	\$ 334	\$ 891	\$ 1,037	\$ 1,115	\$ 691	\$ 353	\$ 503	\$ 11,667
“A”	\$ 11,886	\$ 7,330	\$ 953	\$ 2,540	\$ 2,956	\$ 3,177	\$ 1,970	\$ 1,007	\$ 1,432	\$ 33,251
“B”	\$ 10,740	\$ 6,623	\$ 861	\$ 2,295	\$ 2,670	\$ 2,870	\$ 1,780	\$ 910	\$ 1,294	\$ 30,043
“Ca”	\$ 16,683	\$ 10,288	\$ 1,338	\$ 3,566	\$ 4,148	\$ 4,458	\$ 2,765	\$ 1,413	\$ 2,010	\$ 46,669
“Cb”	\$ 8,341	\$ 5,144	\$ 669	\$ 1,783	\$ 2,074	\$ 2,229	\$ 1,382	\$ 707	\$ 1,005	\$ 23,334
“Da”	\$ 16,683	\$ 10,288	\$ 1,338	\$ 3,566	\$ 4,148	\$ 4,458	\$ 2,765	\$ 1,413	\$ 2,010	\$ 46,669
“Db”	\$ 5,109	\$ 3,151	\$ 410	\$ 1,092	\$ 1,270	\$ 1,365	\$ 847	\$ 433	\$ 616	\$ 14,292
“E”	\$ 10,844	\$ 6,687	\$ 870	\$ 2,318	\$ 2,696	\$ 2,898	\$ 1,797	\$ 919	\$ 1,307	\$ 30,335
“Fa”	\$ 3,337	\$ 2,058	\$ 268	\$ 713	\$ 830	\$ 892	\$ 553	\$ 283	\$ 402	\$ 9,334
“Fb”	\$ 3,232	\$ 1,993	\$ 259	\$ 691	\$ 804	\$ 864	\$ 536	\$ 274	\$ 390	\$ 9,042
“G”	\$ 14,389	\$ 8,873	\$ 1,154	\$ 3,075	\$ 3,578	\$ 3,845	\$ 2,384	\$ 1,219	\$ 1,734	\$ 40,252
“Ha”	\$ 16,683	\$ 10,288	\$ 1,338	\$ 3,566	\$ 4,148	\$ 4,458	\$ 2,765	\$ 1,413	\$ 2,010	\$ 46,669
“Hb”	\$ 16,683	\$ 10,288	\$ 1,338	\$ 3,566	\$ 4,148	\$ 4,458	\$ 2,765	\$ 1,413	\$ 2,010	\$ 46,669
“I”	\$ 1,668	\$ 1,029	\$ 134	\$ 357	\$ 415	\$ 446	\$ 276	\$ 141	\$ 201	\$ 4,667
“J”	\$ 1,355	\$ 836	\$ 109	\$ 290	\$ 337	\$ 362	\$ 225	\$ 115	\$ 163	\$ 3,792
“K”	\$ 1,439	\$ 887	\$ 115	\$ 308	\$ 358	\$ 385	\$ 238	\$ 122	\$ 173	\$ 4,025
“M”	\$ 16,683	\$ 10,288	\$ 1,338	\$ 3,566	\$ 4,148	\$ 4,458	\$ 2,765	\$ 1,413	\$ 2,010	\$ 46,669

Estimated Budget of Project Costs (in thousands of dollars):

	A.	B.	C.	D.	E.	F.	G.	H.	I.	
Incr. District No.	Public Improve-ments	Project Support	Fin. Reserve	Admin	Specific Revenue Source	STEM	Work Force Training	Home Buyer Assist	Cont.	Totals
“N”	\$ 16,683	\$ 10,288	\$ 1,338	\$ 3,566	\$ 4,148	\$ 4,458	\$ 2,765	\$ 1,413	\$ 2,010	\$ 46,669
“O”	\$ 16,683	\$ 10,288	\$ 1,338	\$ 3,566	\$ 4,148	\$ 4,458	\$ 2,765	\$ 1,413	\$ 2,010	\$ 46,669
“P”	\$ 16,683	\$ 10,288	\$ 1,338	\$ 3,566	\$ 4,148	\$ 4,458	\$ 2,765	\$ 1,413	\$ 2,010	\$ 46,669
“Q”	\$ 12,512	\$ 7,716	\$ 1,003	\$ 2,674	\$ 3,111	\$ 3,344	\$ 2,073	\$ 1,060	\$ 1,508	\$ 35,001
“R”	\$ 5,630	\$ 3,472	\$ 451	\$ 1,203	\$ 1,400	\$ 1,505	\$ 933	\$ 477	\$ 679	\$ 15,751
“S”	\$ 4,171	\$ 2,572	\$ 334	\$ 891	\$ 1,037	\$ 1,115	\$ 691	\$ 353	\$ 503	\$ 11,667
“T”	\$ 4,692	\$ 2,894	\$ 376	\$ 1,003	\$ 1,167	\$ 1,254	\$ 778	\$ 397	\$ 565	\$ 13,126
“U”	\$ 1,147	\$ 707	\$ 92	\$ 245	\$ 285	\$ 307	\$ 190	\$ 97	\$ 138	\$ 3,208
Project Totals¹	\$ 248,000	\$ 152,938	\$ 19,887	\$ 53,004	\$ 61,664	\$ 66,275	\$ 41,096	\$ 21,009	\$ 29,887	\$ 693,759

¹Plus financing costs, costs of issuance, necessary or appropriate reserves, and interest on repayment of Project Costs, including, where authorized, interest on assistance in development financing.

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Additional Financial Authorizations:

Advances, guaranties, loans, and repayments between any Increment Districts approved by the City of Lawton are authorized under this Project Plan, provided the aggregate budgets for the respective Increment Districts are not exceeded. Project Costs remaining upon the expiration of an Increment District may be paid from increments of any remaining Increment District(s).

Additional costs necessary or appropriate to implement this Project Plan that are to be funded or financed by other than apportioned tax increments may be approved by the City at any time. The provisions of this Section X are not a limitation on Project Costs to be funded or financed by sources other than apportioned tax increments.

XI. FINANCING PLAN AND REVENUE SOURCES

- A. Financing Plan. Some Project Costs, in anticipation of private investment, may be financed and funded by the City from apportioned tax increments or from sources other than apportioned tax increments, through the issuance of tax apportionment revenue notes, which may be repaid once increment is generated by the development within an Increment District. Private developers within the Project Area may be required to construct the necessary improvements for specific projects at their initial expense, and the financing of such private developments will be provided by private sources. Other Project Costs incurred in connection with the implementation of this Project Plan will be financed on a pay-as-you-go basis.
- B. Financing Authorizations. The implementation of this Project Plan shall be financed in accordance with financial authorizations, including both fund and asset transfers, authorized from time to time by the City Council.
- C. Financing Revenue Sources. The revenue sources expected to finance Project Costs authorized by Section X are the portion of the increments attributable to investment and development within the Increment District. Project Costs will be paid by the City and/or LEDA, as authorized from time to time by the City Council. Increment generated from within the Increment District will provide the funding of Project Costs to be paid by the City and/or LEDA, as authorized from time to time by the City Council.
- D. Financial Reports and Audits. The development activities undertaken by the City, pursuant to this Project Plan, shall be accounted for and reported by the appropriate and necessary annual fiscal year audits and reports.
- E. Other Necessary and Supporting Costs. LEDA, or another public entity designated by the City, is authorized to issue bonds and notes and to apply for and obtain grants from other sources for costs incurred or to be incurred in connection with the Project and the construction of improvements therein in addition to Project Costs to be financed pursuant to Section X.

XII. PRIVATE AND PUBLIC INVESTMENTS EXPECTED FOR THE PROJECT

- A. Private and Public Investments Expected from the Project and Increment Districts. Given the scope of the Project objectives, the density of the desired development, and the timeframe for implementation of the Project, the total private investment is anticipated to exceed \$2 billion over the life of the Project Plan. Additional private investment is anticipated as growth in the area continues. Within the proposed Increment Districts with smaller land areas (less than 160 acres), the new investment in real property (including buildings) and equipment installations (i.e. business personal property) is estimated at approximately \$1.4 million per acre. In the proposed Increment Districts with larger land areas (160 acres or more), potential land, building, and equipment valuations are estimated to exceed \$200 million per district. New employment is projected at one (1) FTE for each \$250,000 of development cost at median pay of \$80,000 annually, excluding benefits. These private investments are in addition to the aggregate public investments which are estimated to exceed \$300 million.
- B. Public Revenue Estimated to Accrue from the Project and Increment Districts. The estimated incremental increases in ad valorem and sales tax revenue, which will serve as the revenue source for financing the Project Costs authorized by Section X, is the public revenue directly attributable to the project defined by establishment of the Increment Districts. Both the City and the State will experience increases in tax revenues generated by developments that are stimulated by the Increment Districts.

Incremental ad valorem tax revenues are estimated to range between \$1.5-3 million annually in the near term, and \$12 million annually over the longer term. It is also estimated that incremental sales tax revenues will be between \$200,000 and \$500,000 annually in the near term, and \$1-2 million annually over the longer term. The development anticipated by the Project may result in an increase in demand for services by or in costs to the affected taxing entities, which will be offset by the direct financial support authorized under this Project Plan and by increases in tax revenues generated by investment in new residential and commercial development occurring outside of the Increment Districts. Funding will also be made available for implementing the STEM Strategic Plan and Workforce Training. The impacts on business activities within the Increment Districts are positive. The economic benefits of the Project for the City, the affected taxing jurisdictions, and business activities indicate positive financial impacts for the community as a whole. The aggregate impacts on the City from implementation of the Project Plan are positive and include the achievement of the objectives set forth in Section VI.

XIII. LAND USE

Existing uses and conditions of real property in the Project Area are shown on the map attached as Exhibit E. The proposed uses of the real property in the Project Area are shown on Exhibit F to reflect zoning changes that are necessary to accommodate the Project. All necessary zoning changes will proceed according to established re-zoning procedures.

Exhibit A - Project Area

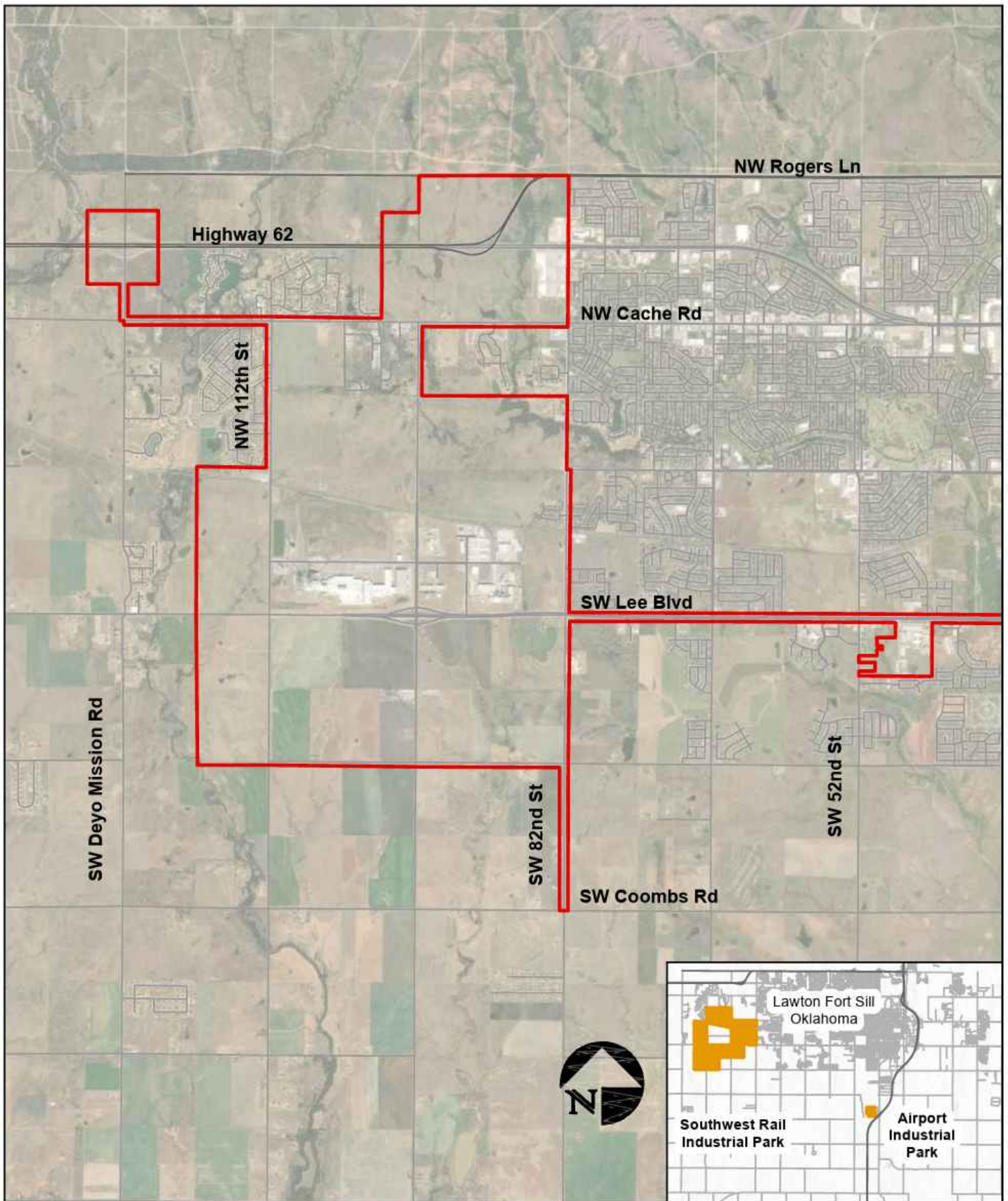


Exhibit A - Project Area

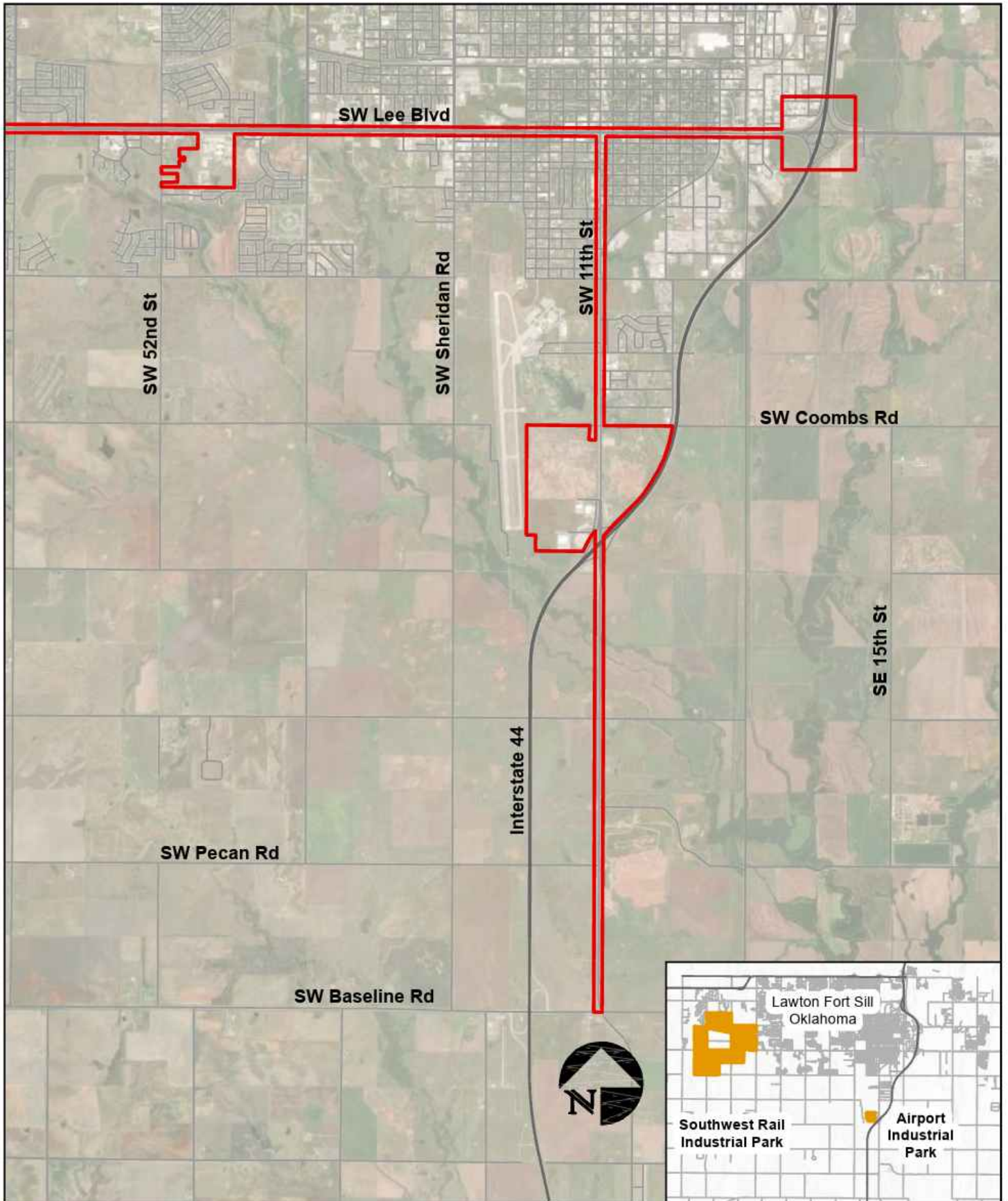


EXHIBIT B

PROJECT AREA LEGAL DESCRIPTION

A parcel of land described as follows:

The East Half of Section Two (2), Township One (1) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH The East Half of Section Thirty-Five (35), Township Two (2) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma, lying South of the Burlington Northern Railroad;

TOGETHER WITH All of Section Thirty-six (36), Township Two (2) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH All of Section Twenty-five (25), Township Two (2) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH All of Section One (1), Township One (1) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH All of Section Six (6), Township One (1) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH The West 150 feet and the North 150 feet of Section Five (5), Township One (1) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH The North 150 feet of Section Four (4), Section Two (2), Township One (1) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH The North 150 feet and the Northeast Quarter of the Northwest Quarter and the Southeast Quarter of the Northwest Quarter of the Northwest Quarter of Section Three (3), Township One (1) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma LESS AND EXCEPT beginning at a point 1002.57 feet S0°23'E of the Northwest Corner of Lot 4; Thence S0°23'E a distance of 132.00 feet; Thence N89° 51"E a distance of 825.00 feet; Thence N0°23'W a distance of 132.00 feet; Thence S89°51'W a distance of 825.00 feet to the point of beginning;

TOGETHER WITH The South Half of the Northwest Quarter of Section Three (3), Township One (1) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma LESS AND EXCEPT the Waterstone Development, the Park Ridge West Part 1, and the Warranty Deed filed in the Comanche County Clerk's Office in Book 5915, Page 192;

TOGETHER WITH The West Half of the Northeast Quarter of Section Three (3), Township One (1) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma lying South of Park Ridge Commercial Addition Part One and Park Ridge Commercial Addition Part Two, lying West of the Park Ridge Boulevard Easement filed in the Comanche County Clerk's Office in Book 1362, Page 14, and lying North of Park Ridge Addition Part 5 and Park Ridge Addition Part 6;

TOGETHER WITH The North 150 feet and the East 150 feet of Section One (1), Township One (1) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma;

Exhibit B – Project Area Legal Description cont.

TOGETHER WITH The North 150 feet and the West 150 feet of Section Six (6), Township One (1) North, Range Eleven (11) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH The North 150 feet of the Northwest Quarter of the Northwest Quarter and the Northeast Quarter of the Northwest Quarter and the Northwest Quarter of the Northeast Quarter of Section Five (5), Township One (1) North, Range Eleven (11) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH The South 150 feet of the Southwest Quarter of the Southwest Quarter and the Southeast Quarter of the Southwest Quarter and the Southwest Quarter and Southeast Quarter of Section Thirty-two (32), Township Two (2) North, Range Eleven (11) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH The South 150 feet of Section Thirty-one (31), Township Two (2) North, Range Eleven (11) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH The South 150 feet of Section Thirty-six (36), Section Thirty-five (35), Section Thirty-four (34), and Section Thirty-three (33), Township Two (2) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH The South 150 feet and the West 150 feet of Section Thirty-two (32), Township Two (2) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH The West 150 feet of Section Eight (8), Township One (1) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH The East 150 feet and the North 150 feet of Section Seven (7), Township One (1) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH The North 150 feet of Section Twelve (12) and the North 150 feet of the Northeast Quarter of Section Eleven (11), Township One (1) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH All of Section Thirty-one (31), Township Two (2) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH The West 150 feet of the North Half, the North 150 feet, and the South Half of Section Thirty (30), Township Two (2) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH The East 150 feet and the North 150 feet of Section Twenty-six (26), Township Two (2) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH All of Section Nineteen (19), Township Two (2) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH The South 150 feet of the Southwest Quarter and the South 150 feet of the West Half of the Southeast Quarter and the Southeast Quarter of the Northeast Quarter and the East Half of the Southeast Quarter of Section Twenty-four (24), Township Two (2) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH The South 150 feet, the West 150 feet of the Southwest Quarter of the Southwest Quarter, the Southwest Quarter of the Northwest Quarter and the Northwest Quarter of the Southwest Quarter of Section Twenty-three (23), Township Two (2) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma;

Exhibit B – Project Area Legal Description cont.

TOGETHER WITH The East 150 feet of the Southeast Quarter of the Southeast Quarter, the Southeast Quarter of the Northeast Quarter and the Northeast Quarter of the Southeast Quarter of Section Twenty-two (22), Township Two (2) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH The West 150 feet of Section Seven (7), Section Nineteen (19), Section Thirty (30), and Section Thirty-one (31), Township One (1) North, Range Eleven (11) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH The East 150 feet of Section Thirty-six (36), Section Twenty-five (25), Section Twenty-four (24), Section Thirteen (13), and Section Twelve (12), Township One (1) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma;

TOGETHER WITH The Northeast Quarter of Section Thirteen (13), Township One (1) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma; LESS AND EXCEPT; Beginning at the Northeast Corner of the Northeast Quarter, Thence N89°31'23"W a distance of 360.056 feet; Thence S03°36'40"W a distance of 511.562 feet; Thence S87°25'52"E a distance of 391.168 feet; Thence N00°09'45"E a distance of 525.084 feet to the point of beginning.

TOGETHER WITH A portion of the Southeast Quarter lying North and West of the highway right-of-way more particularly described as: Beginning at a point 81.8 feet N89°31'44"W of the Northeast Corner of the Southeast Quarter of Section Thirteen (13), Township One (1) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma; Thence N89°31'44"W along the North boundary of the Southeast Quarter a distance of 2547.97 feet to the West boundary of the Southeast Quarter; Thence South along the West boundary line of the Southeast Quarter a distance of 1312.64 feet; Thence S89°27'45"E a distance of 330.0 feet; Thence S00°11'42"W a distance of 572.11 feet; Thence S89°27'45"E a distance of 1704.025 feet; Thence N28°04'21"E a distance of 648.89 feet; Thence Northeasterly on a curve to the left having a radius of 1467.894 feet a distance of 561.98 feet; Thence N06°08'13"E a distance of 493.89 feet; Thence N00°09'45"E a distance of 285.39 feet to the point of beginning.

TOGETHER WITH The West 150 feet of the Southwest Quarter and all of land lying West of Interstate 44 in the Northwest Quarter of Section Eighteen (18), Township One (1) North, Range Eleven (11) West, I.M., Comanche County, Oklahoma.

Containing approximately 6,413 acres, more or less.

Exhibit C

Southwest Rail Industrial Park Increment Districts

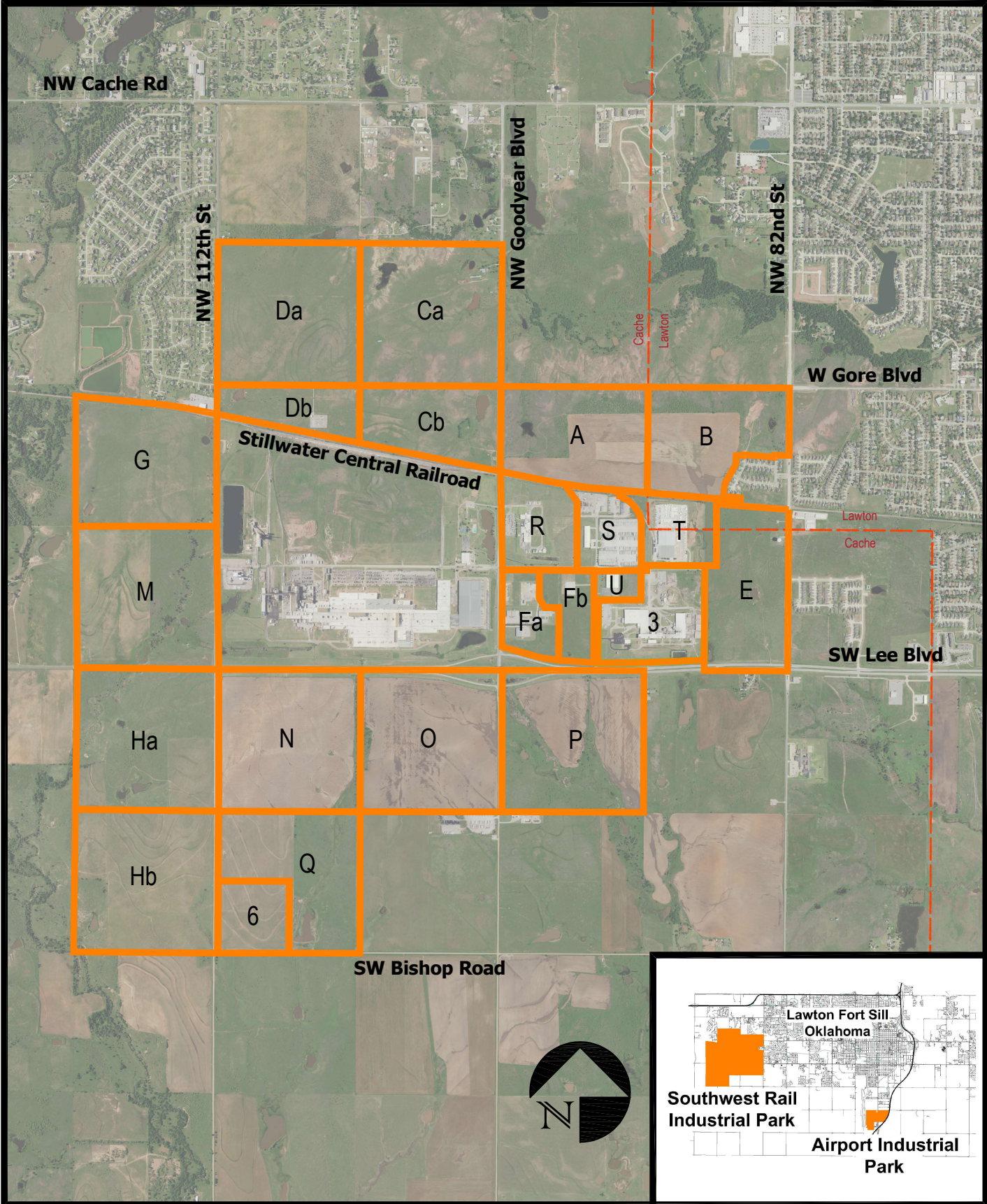


Exhibit C

Airport Industrial Park Increment Districts

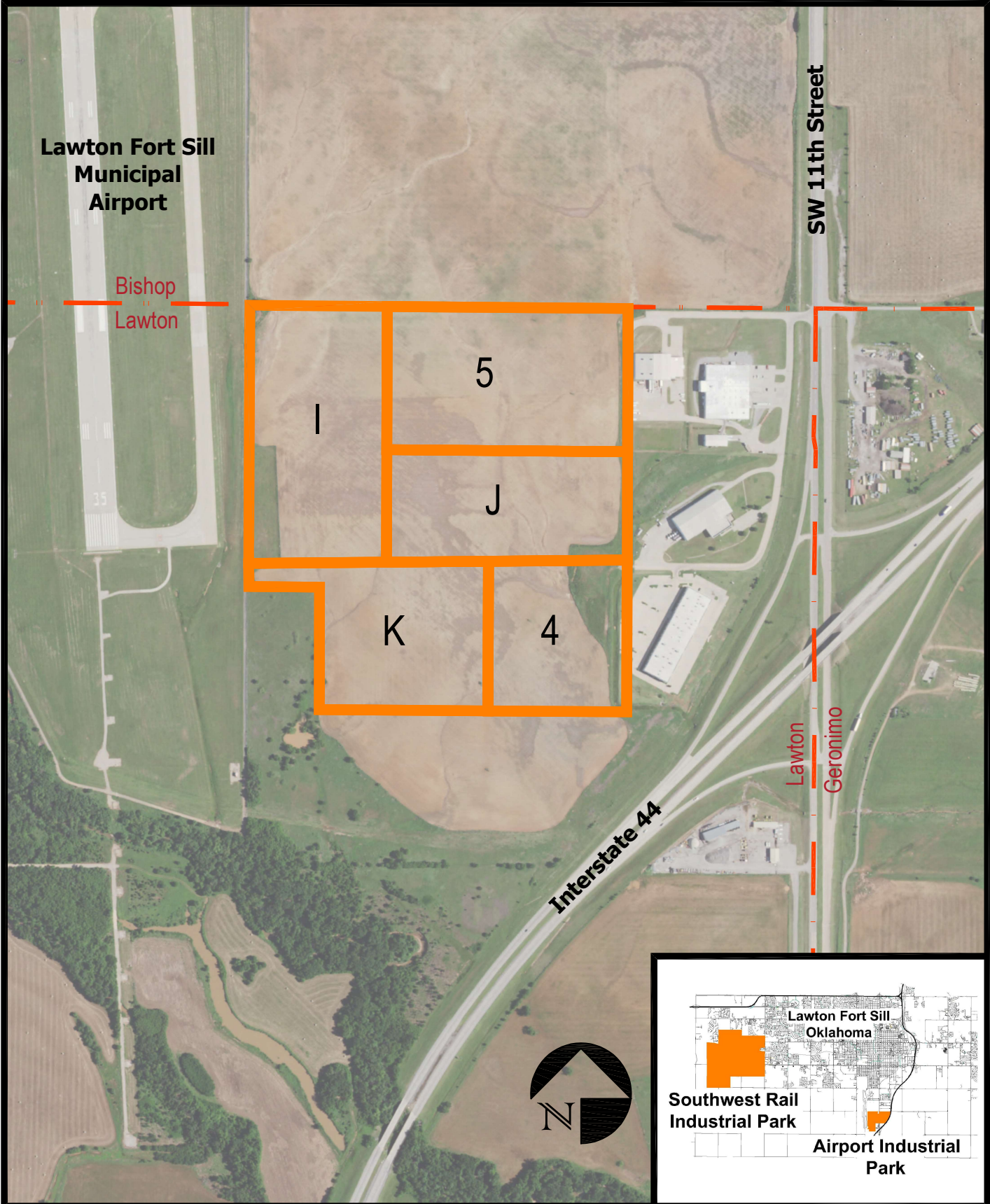


EXHIBIT D

INCREMENT DISTRICT LEGAL DESCRIPTIONS

Legal Description of Increment District No. 3:

Lot 2, Block 2, REPLAT OF LAWTON INDUSTRIAL PARK, PART 1, to the City of Lawton, Comanche County, Oklahoma, according to the recorded plat thereof.

AND

A tract of land described as beginning at a point 150.75 feet N00°24'28" E of the Southwest Corner of the Southeast Quarter (SE ¼) of Section Thirty-one (31), Township Two (2) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma, according to the U.S. Government Survey thereof, said point also being the Southeast Corner of Lot 2, Block 2, LAWTON INDUSTRIAL PARK, PART 1, Comanche County, Oklahoma, according to the recorded plat thereof; Thence N00°24'28"E along the Quarter Section Line, being the East boundary of said LAWTON INDUSTRIAL PARK, PART 1, a distance of 1,808.395 feet; Thence S89°38'38"E a distance of 660.023 feet; Thence S00°24'43"W along the East boundary of the West Half of the West Half of the Southeast Quarter of said Section 31, Township 2 North, Range 12 West, a distance of 1,780.543 feet, to a point on the North Right- of-Way line of Lee Blvd; Thence along said Lee Blvd North Right-of-Way line in a Southwesterly direction along a curve to the left, having a radius of 21,615,920 feet, a distance of 49.293 feet; Thence S88°02'35"W along said Lee Blvd North Right-of-Way line, a distance of 611.230 feet to the Point of Beginning.

AND

A tract of land described as beginning at a point 659.885 feet S89°41'57"E and 177.966 feet N00°24'43"E of the Southwest Corner of the Southeast Quarter (SE ¼) of Section Thirty-one (31), Township Two (2) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma, according to the U.S. Government Survey thereof; Thence N00°24'43"E along the East boundary of the West Half of the West Half of the Southeast Quarter of said Section 31, Township 2 North, Range 12 West, a distance of 1,780.543 feet; Thence S89°38'38"E a distance of 426.022 feet; Thence S00°24'28"W a distance of 1,757.675 feet to a point on the North Right-of-Way line of Lee Blvd; Thence along said Lee Blvd North Right-of-Way line in a Southwesterly direction along a curve to the left, having a radius of 21,615.920 feet, a distance of 426.789 feet to the Point of Beginning.

Containing approximately 66.9 acres, more or less.

Legal Description of Increment District No. '4':

Lots 2R and 3, Block 1, LAWTON AIRPORT INDUSTRIAL PARK, PART 2, to the City of Lawton, Comanche County, Oklahoma, according to the recorded plat thereof.

AND

The 60 feet of right-of-way for Rex Madeira Road as shown on the LAWTON AIRPORT INDUSTRIAL PARK, PART 2 plat.

Exhibit D – Increment District Legal Descriptions cont.

Containing approximately 10.5 acres, more or less.

Legal Description of Increment District No. '5':

That portion of the Southeast Quarter (SE ¼) of Section Thirteen (13), Township One (1) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma; according to the U.S. Government Survey thereof, more particularly described as commencing at the Northeast Corner (NE/c) of the Southeast Quarter (SE ¼); Thence West along the North quarter section boundary line a distance of 867.01 feet to the point of beginning; Thence South a distance of 671.43 feet; Thence West a distance of 1120.00 feet; Thence North a distance of 670.90 feet to the North boundary line of the quarter section; Thence East along the North boundary line a distance of 1120.00 feet to the point of beginning.

Containing approximately 17.3 acres, more or less.

Legal Description of Increment District No. '6':

The Southwest Quarter (SW ¼) of the Southwest Quarter (SW ¼) of Section One (1), Township One (1) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma; according to the U.S Government Survey thereof.

Containing approximately 40 acres, more or less.

Legal Description of Increment District No. 'A':

That portion of the Northwest Quarter (NW ¼) of Section Thirty-one (31), Township Two (2) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma, according to the U.S. Government thereof, lying North of the railroad right-of-way.

Containing approximately 114 acres, more or less.

Legal Description of Increment District No. 'B':

That portion of the Northeast Quarter (NE ¼) of Section Thirty-one (31), Township Two (2) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma, according to the U.S. Government Survey thereof, lying North of the railroad right-of-way.

LESS AND EXCEPT Wyatt Village Addition, Part 1 & 2, to the City of Lawton, Comanche County, Oklahoma, according to the recorded plats thereof.

Containing approximately 103 acres, more or less.

Legal Description of Increment District No. 'Ca':

The Southeast Quarter (SE ¼) of Section Twenty-five (25), Township Two (2) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma, according to the U.S. Government Survey thereof.

Containing approximately 160 acres, more or less.

Legal Description of Increment District No. 'Cb':

Exhibit D – Increment District Legal Descriptions cont.

That portion of the Northeast Quarter (NE ¼) of Section Thirty-six (36), Township Two (2) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma, according to the U.S. Government Survey thereof, lying North of the railroad right-of-way.

Containing approximately 80 acres, more or less.

Legal Description of Increment District No. 'Da':

The Southwest Quarter (SW ¼) of Section Twenty-five (25), Township Two (2) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma, according to the U.S. Government Survey thereof.

Containing approximately 160 acres, more or less.

Legal Description of Increment District No. 'Db':

That portion of the Northwest Quarter (NW ¼) of Section Thirty-six (36), Township Two (2) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma, according to the U.S. Government Survey thereof, lying North of the railroad right-of-way.

Containing approximately 49 acres, more or less.

Legal Description of Increment District No. 'E':

That portion of the Southeast Quarter (SE ¼) of the Northeast Quarter (NE ¼) of Section Thirty-one (31), Township Two (2) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma, according to the U.S. Government Survey thereof, lying South of the railroad right-of-way.

AND

Beginning at the Southeast Corner of the Southeast Quarter (SE ¼) of Section Thirty-one (31), Township Two (2) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma, according to the U.S. Government Survey thereof, Thence West approximately 1,538 feet; Thence North approximately 1,895 feet; Thence East approximately 218 feet; Thence North approximately 746 feet to the North line of the Southeast Quarter; Thence East approximately 1,320 feet to the East line of the Southeast Quarter; Thence South approximately 2,640 feet to the Point of Beginning, LESS AND EXCEPT: Any dedicated street right-of-way of SW 82nd Street and SW Lee Blvd.

Containing approximately 104 acres, more or less.

Legal Description of Increment District No. 'Fa':

Lots 1, 3, 4, and 5, Block 1, LAWTON INDUSTRIAL PARK, PART 1, to the City of Lawton, Comanche County, Oklahoma, according to the recorded plat thereof.

AND

Exhibit D – Increment District Legal Descriptions cont.

Lots 2A and 2B, Block 1, REPLAT OF LOTS 2 & 7, BLOCK 1, LAWTON INDUSTRIAL PARK, PART 1, to the City of Lawton, Comanche County, Oklahoma, according to the recorded plat thereof.

AND

Lots 6A and 6B, Block 1, RE-PLAT OF LOT 6, BLOCK 1, LAWTON INDUSTRIAL PARK, PART 1, to the City of Lawton, Comanche County, Oklahoma, according to the recorded plat thereof.

AND

Lot C, Block 1, LAWTON INDUSTRIAL PARK, PART 3, to the City of Lawton, Comanche County, Oklahoma, according to the recorded plat thereof.

Containing approximately 32 acres, more or less.

Legal Description of Increment District No. 'Fb':

Lots 7A-1 and 7B-1, Block 1, REPLAT OF LOTS 7A & 7B, BLOCK 1 OF THE REPLAT OF LOTS 2 & 7, BLOCK 1, LAWTON INDUSTRIAL PARK, PART 1, to the City of Lawton, Comanche County, Oklahoma, according to the recorded plat thereof.

AND

Lots A and B, Block 1, LAWTON INDUSTRIAL PARK, PART 3, to the City of Lawton, Comanche County, Oklahoma, according to the recorded plat thereof.

Containing approximately 31 acres, more or less.

Legal Description of Increment District No. 'G':

That portion of the Northeast Quarter (NE $\frac{1}{4}$) of Section Thirty-five (35), Township Two (2) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma, according to the U.S. Government Survey thereof; lying south of the railroad right-of-way.

Containing approximately 138 acres, more or less.

Legal Description of Increment District No. 'Ha':

The Northeast Quarter (NE $\frac{1}{4}$) of Section Two (2), Township One (1) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma, according to the U.S. Government Survey thereof.

Containing approximately 160 acres, more or less.

Legal Description of Increment District No. 'Hb':

The Southeast Quarter (SE $\frac{1}{4}$) of Section Two (2), Township One (1) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma, according to the U.S. Government Survey thereof.

Exhibit D – Increment District Legal Descriptions cont.

Containing approximately 160 acres, more or less.

Legal Description of Increment District No. 'I':

That portion of the Southeast Quarter (SE ¼) of Section Thirteen (13), Township One (1) North, Range Twelve (12) West. I.M., Comanche County, Oklahoma; according to the U.S. Government Survey thereof, more particularly described as commencing at the Northeast Corner (NE/c) of the Southeast Quarter (SE ¼); Thence West along the North quarter section boundary line a distance of 1987.01 feet to the point of beginning; Thence South a distance of 1232.24 feet; Thence West a distance of 650 feet to the West boundary line of the Southeast Quarter; Thence North along the West boundary line a distance of 1200 feet to a point on the North boundary line of the quarter section; Thence East along the North boundary line a distance of 645.76 feet to the point of beginning.

Containing approximately 16 acres, more or less.

Legal Description of Increment District No. 'J':

That portion of the Southeast Quarter (SE ¼) of Section Thirteen (13), Township One (1) North, Range Twelve (12) West. I.M., Comanche County, Oklahoma; according to the U.S. Government Survey thereof, more particularly described as commencing at the Northeast Corner (NE/c) of the Southeast Quarter (SE ¼); Thence West along the North quarter section boundary line a distance of 867.01 feet; Thence South a distance of 671.43 feet to the point of beginning; Thence South a distance of 560.81 feet to the North boundary line of LAWTON INDUSTRIAL PARK, PART 2; Thence West a distance of 1120.00 feet partially along the North boundary of LAWTON AIRPORT INDUSTRIAL PARK, PART 2; Thence North to a point 670.90 feet South of the North boundary line of the quarter section; Thence East parallel to the North quarter section boundary line a distance of 1120.00 feet to the point of beginning.

Containing approximately 13 acres, more or less.

Legal Description of Increment District No. 'K':

That portion of the Southeast Quarter (SE ¼) of Section Thirteen (13), Township One (1) North, Range Twelve (12) West. I.M., Comanche County, Oklahoma; according to the U.S. Government Survey thereof, more particularly described as beginning at the Northwest corner of the LAWTON AIRPORT INDUSTRIAL PARK, PART 2 plat; Thence South along the West boundary of said plat a distance of 680.06 feet to the Southwest corner of Lot 3, Block 1, LAWTON AIRPORT INDUSTRIAL PARK, PART 2; Thence continuing South a distance of 33.75 feet; Thence West a distance of 800 feet; Thence North 572.11 feet; Thence West 330.0 feet; Thence North a distance of 143.69 feet; Thence East a distance of 1132.15 feet to the point of beginning.

Containing approximately 13.78 acres, more or less.

Legal Description of Increment District No. 'M':

The Southeast Quarter (SE ¼) of Section Thirty-five (35), Township Two (2) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma, according to the U.S. Government Survey thereof.

Exhibit D – Increment District Legal Descriptions cont.

Containing approximately 130 acres, more or less.

Legal Description of Increment District No. 'N':

The Northwest Quarter (NW ¼) of Section One (1), Township One (1) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma; according to the U.S Government Survey thereof.

Containing approximately 160 acres, more or less.

Legal Description of Increment District No. 'O':

The Northeast Quarter (NE ¼) of Section One (1), Township One (1) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma; according to the U.S Government Survey thereof.

Containing approximately 160 acres, more or less.

Legal Description of Increment District No. 'P':

The Northwest Quarter (NW ¼) of Section Six (6), Township One (1) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma; according to the U.S Government Survey thereof.

Containing approximately 160 acres, more or less.

Legal Description of Increment District No. 'Q':

The Southwest Quarter (SW ¼) of Section One (1), Township One (1) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma; according to the U.S Government Survey thereof, LESS AND EXCEPT: The Southwest Quarter (SW ¼) of the Southwest Quarter (SW ¼) of Section One (1), Township One (1) North, Range Thirteen (13) West, I.M., Comanche County, Oklahoma; according to the U.S Government Survey thereof.

Containing approximately 120 acres, more or less.

Legal Description of Increment District No. 'R':

Lot 8, Block 3, LAWTON INDUSTRIAL PARK, PART 2, to the City of Lawton, Comanche County, Oklahoma, according to the recorded plat thereof.

Containing approximately 54 acres, more or less.

Legal Description of Increment District No. 'S':

Lots 1, 2, 3, 4, 5, 6, and 7, Block 3, LAWTON INDUSTRIAL PARK, PART 2, to the City of Lawton, Comanche County, Oklahoma, according to the recorded plat thereof.

Containing approximately 40 acres, more or less.

Legal Description of Increment District No. 'T':

Exhibit D – Increment District Legal Descriptions cont.

Lot 9, Block 3, LAWTON INDUSTRIAL PARK, PART 2, to the City of Lawton, Comanche County, Oklahoma, according to the recorded plat thereof.

AND

That portion of the Southwest Quarter (SW $\frac{1}{4}$) of the Northeast Quarter (NE $\frac{1}{4}$) of Section Thirty-one (31), Township Two (2) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma, according to the U.S. Government Survey thereof, lying south of the railroad right-of-way.

AND

The North Half (N $\frac{1}{2}$) of the Northwest Quarter (NW $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$) of Section Thirty-one (31), Township Two (2) North, Range Twelve (12) West, I.M., Comanche County, Oklahoma, according to the U.S. Government Survey thereof.

Containing approximately 45 acres, more or less.

Legal Description of Increment District No. 'U':

Lot 1, Block 2, LAWTON INDUSTRIAL PARK, PART 1, to the City of Lawton, Comanche County, Oklahoma, according to the recorded plat thereof.

Containing approximately 11 acres, more or less.

Exhibit E Southwest Rail Industrial Park Existing Uses

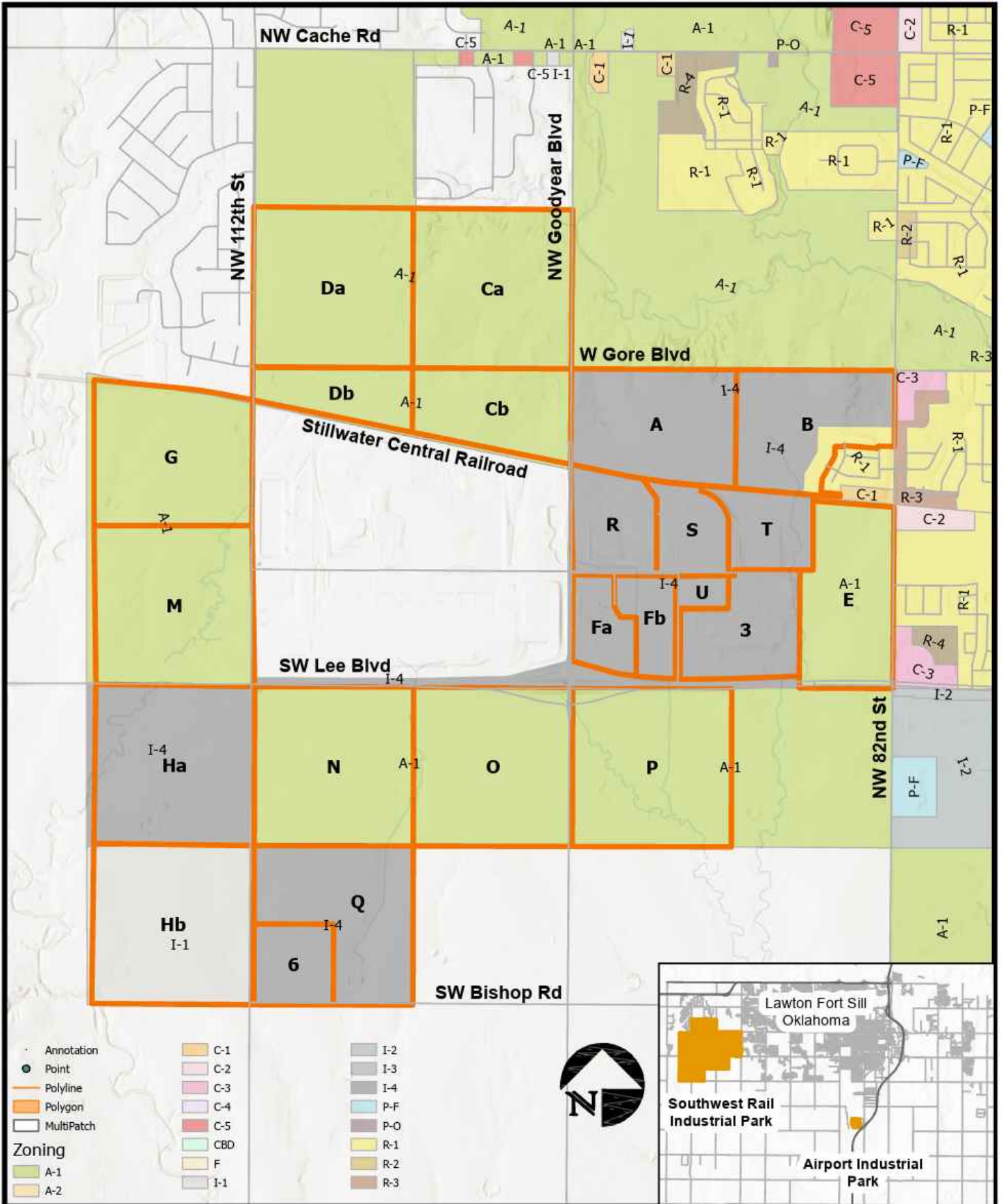


Exhibit E Airport Industrial Park Existing Uses

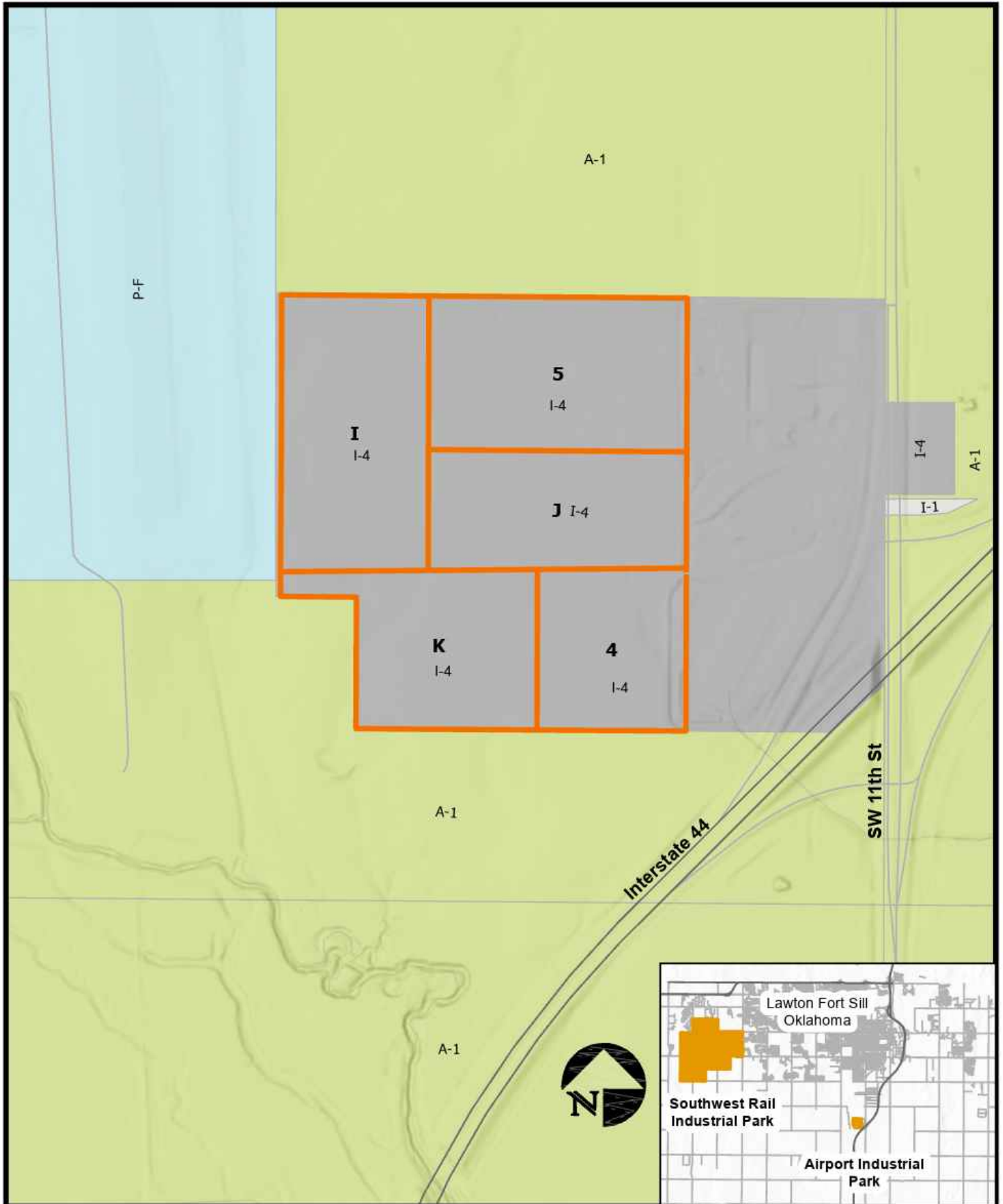


Exhibit F

Southwest Rail Industrial Park Proposed Uses

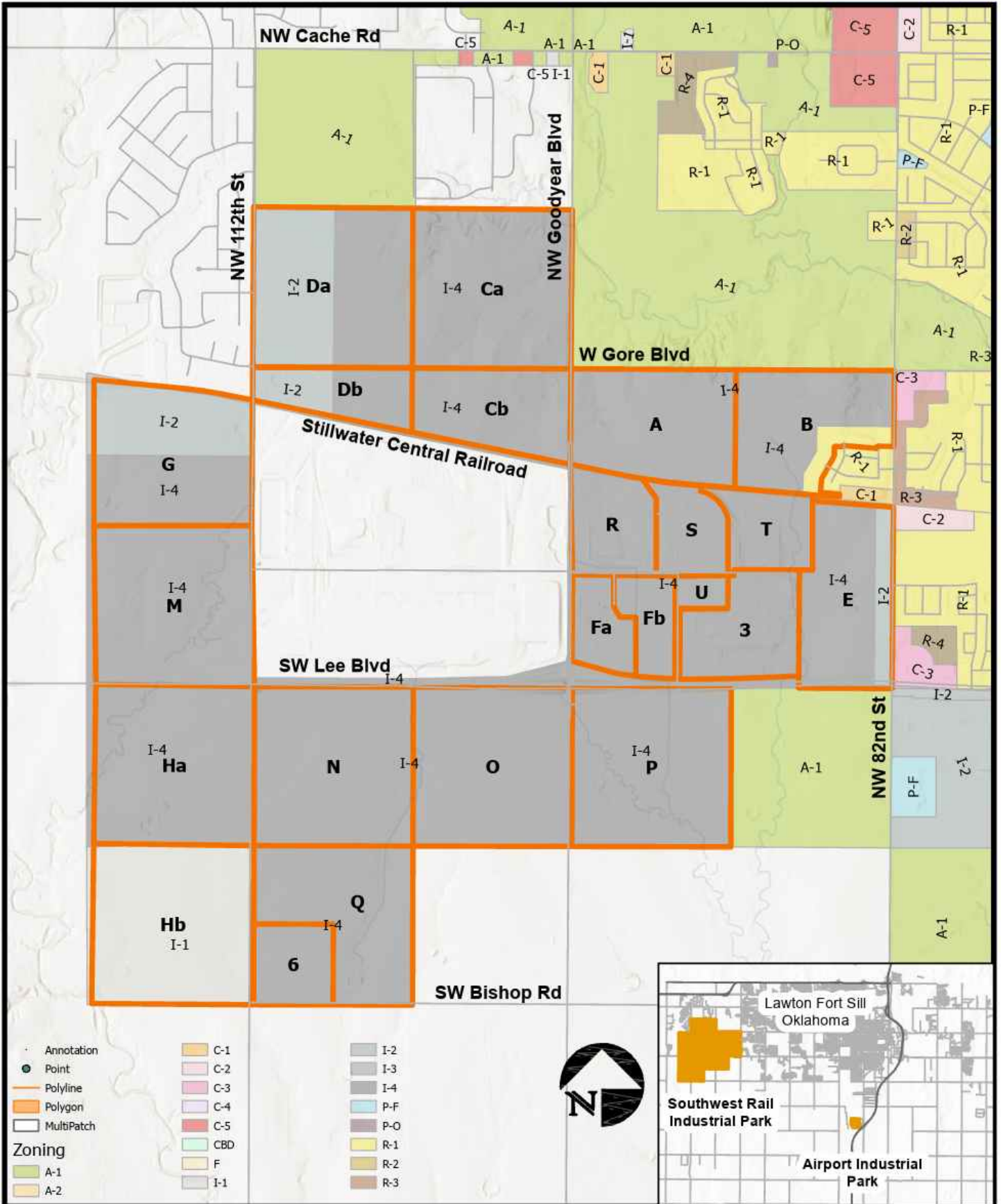


Exhibit F Airport Industrial Park Proposed Uses

