ECONOMIC DEVELOPMENT AGREEMENT

THIS ECONOMIC DEVELOPMENT AGREEMENT ("the Agreement") made effective as of the ___________ day of _______________, 2026 ("the Effective Date"), by and between the **BROKEN ARROW ECONOMIC DEVELOPMENT AUTHORITY**, an Oklahoma public trust (together with its successors and assigns, "the Authority"), and **THE CITY OF BROKEN ARROW, OKLAHOMA**, an Oklahoma municipal corporation (together with its successors and assigns, "the City", which term, when used in such context, shall also mean and refer to the areas within the territorial limits of the City), and **Rise Grind & Ride, LLC**, an Oklahoma limited liability company (together with its successors and assigns, "the Developer").

WITNESSETH:

WHEREAS, Rise Grind & Ride, LLC, has operated Rise Grind & Ride Espresso Café located at 521 N. Main Street, Broken Arrow, Oklahoma, for a period of seven (7) years; and

WHEREAS, Rise Grind & Ride Espresso Café has outgrown its current location and desires to relocate and expand within the heart of the Rose District in downtown Broken Arrow; and

WHEREAS, the Developer has identified 224 S. Main Street to relocate and expand his business to add a "District Mercantile," which will provide a deli style establishment, merchandise, and grocery type items in addition to the espresso café and which will require significant renovation to the property; and

WHEREAS, the City reasonably expects that the development of the identified location will increase overall sales tax revenues for the City; and

WHEREAS, a declared goal of the City is to encourage and facilitate economic development within and near the City by attracting new industry and commercial businesses to the Broken Arrow area, and to promote the economic health and expansion of existing industry and commercial businesses within the City; and

WHEREAS, the City recognizes that the relocation and expansion of Rise Grind & Ride will have both direct and indirect economic benefits for the City and through such relocation and expansion reasonably expects (i) to realize increased sales tax revenues from project based sales in the City; (ii) that the renovation to 224 S. Main Street will generally enhance property values both residential and commercial within the City; and (iii) that the relocation and expansion of Rise Grind & Ride will otherwise contribute significantly to the economic wellbeing of the citizens of, and residents within and near, the City, and those in Tulsa County and the State of Oklahoma ("the State") generally; and

WHEREAS, the City also recognizes that the relocation and expansion of Rise Grind & Ride in this area in the City is reasonably expected to attract organizations, individuals, and customers from without the City's territorial limits with the reasonably expected result of encouraging and facilitating additional economic development within and near the City, and downtown in particular, and promoting the expansion of existing industry, commercial, and retail enterprises within the City; and

WHEREAS, in connection with such reasonable expectations and following negotiations with the Developer, the City has determined that it is necessary and appropriate for the City to provide the Developer with development incentives in an aggregate amount of not to exceed $80,000.00; and

WHEREAS, implementation of this Agreement, which is reasonably expected to facilitate the realization of the aforesaid economic benefits to the City, downtown, and general area, would otherwise be difficult or impractical without certain development incentives, apportionments, and appropriations for such purposes of certain City sales tax revenues and other forms of public assistance; and

WHEREAS, the City is implementing the economic development and redevelopment objectives of the City in accordance with the approved Broken Arrow FlightSafety and Downtown Economic Development Project Plan (hereafter referred to as "the Project Plan") and Increment District No. 1 City of Broken Arrow; and

WHEREAS, the City desires to utilize these economic development incentives for this project in order to reverse the condition of arrested economic development and to bring about new activity in downtown Broken Arrow, expand economic development, and attract new businesses and cultural arts; and

WHEREAS, the City deems it appropriate to approve the execution and delivery of this Agreement in the interest of providing for the implementation of the relocation and expansion of Rise Grind & Ride Espresso Café and has determined such actions are in the best interests of the City and the health, safety, and welfare of the City and residents within and near the City.

NOW, THEREFORE, in consideration of the covenants and mutual obligations herein set forth and other consideration, the sufficiency of which the parties hereby acknowledge, the parties hereto hereby covenant and agree as follows:

ARTICLE I

OBLIGATIONS OF DEVELOPER

1.1 Development of Premises. Developer shall obtain all permissions and authority to complete the development as described herein from the premises owner and shall diligently undertake the development and renovation of the property located at 224 S. Main Street, Broken Arrow, Oklahoma, in accordance with the proposed construction plan, which is attached hereto as Exhibit "A" and incorporated herein. Substantial Completion of the Project (as evidenced by issuance of a final Certificate of Occupancy) shall occur no later than December 31, 2026, subject to extension solely for Unavoidable Delays under Section 3.11. Developer shall provide the City with written quarterly progress reports during the construction period.

1.2 Operation of Project. For a period of five (5) years following the issuance of the Certificate of Occupancy for the Project, Developer shall continuously operate the espresso café and District Mercantile at the Premises as a going concern open to the public during normal business hours consistent with similar businesses in the Rose District. If Developer ceases operations for more than ninety (90) consecutive days (other than for Unavoidable Delays or temporary closure for remodeling or repair not exceeding one hundred eighty (180) days) or relocates the primary business operations outside the territorial limits of the City without the prior written consent of the City, Developer shall repay to the City, within sixty (60) days of demand, a pro-rata portion of the total incentive actually received, calculated by multiplying the total incentive paid by a fraction, the numerator of which is the number of full months remaining in the five (5) year period at the time of cessation or relocation, and the denominator of which is sixty (60). This obligation shall survive termination of this Agreement.

ARTICLE II

OBLIGATIONS OF THE CITY

2.1 Financial Assistance to the Developer. The City agrees, upon submission by the Developer to the City of complete and satisfactory documentation of paid Eligible Construction Costs (as defined in Exhibit "B" attached hereto and incorporated herein), to reimburse the Developer for fifty percent (50%) of the total Eligible Construction Costs, less any builder and/or developer fees, in an aggregate amount not to exceed Eighty Thousand and No/100 Dollars ($80,000.00), as an economic incentive to develop and renovate the property located at 224 S. Main Street, Broken Arrow, Oklahoma. The following procedures and conditions shall apply to all reimbursements:

(a) Developer shall submit reimbursement requests in writing to the Economic Development Director (or his designee), accompanied by: (i) itemized invoices from all contractors, subcontractors, and suppliers; (ii) proof of payment (canceled checks, wire transfer confirmations, or credit card statements); (iii) conditional or final lien waivers from all contractors, subcontractors, and major suppliers in a form acceptable to the City; and (iv) such other documentation as the City may reasonably request to verify the costs and that the work was performed in accordance with Exhibit "A".

(b) The City shall have thirty (30) days from receipt of a complete reimbursement request to review, approve, or request additional information. If additional information is requested, the thirty (30) day period shall reset upon receipt of such information.

(c) Upon issuance of a final Certificate of Occupancy by the City, successful opening of the business to the public, and City approval of a complete reimbursement request from the developer, the City shall issue payment to Developer within thirty (30) days.

(d) The City reserves the right, at its sole cost and expense, to audit Developer's books, records, and accounts relating to the Project and any reimbursement claims for a period of three (3) years following the date of final payment under this Agreement. Developer shall cooperate fully with any such audit.

(e) Reimbursement is expressly subject to the availability of funds and compliance with all applicable provisions of the Project Plan for Increment District No. 1 and the City's Local Incentive Policy.

2.2 Permit Fee. Costs for required permit fees shall be included in the reimbursement by the City as otherwise described in Section 2.1 above up to the limitations set forth and described therein.

ARTICLE III

GENERAL PROVISIONS

3.1 Nondiscrimination. Developer agrees not to discriminate on the basis of race, color, religion, gender, or national origin in the sale, lease, or rental or in the use or occupancy of the Site, the Project or any related facilities in violation of applicable law or regulation.

3.2 Conflict of Interest; Representative not Individually Liable. No official or employee of the City shall have any personal interest in or under this Agreement, nor shall any person voluntarily acquire any ownership interest, direct or indirect, in any legal entity which is a party to this Agreement. No official or employee of the City shall be personally liable to the Developer in the event of any default or breach by the City or for any amount to become due to the Developer under this Agreement.

3.3 Applicable Law, Severability, and Entire Agreement. This Agreement shall be governed by and construed in accordance with the laws of the State of Oklahoma. Venue for any legal action arising out of or relating to this Agreement shall be exclusively in the District Court of Tulsa County, Oklahoma. If any provisions of this Agreement or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, then the remainder of this Agreement or surviving portion(s) of such provision, and each other provision of this Agreement, shall be valid and enforceable to the fullest extent permitted by law. This Agreement sets forth the entire understanding between the City and the Developer with respect to the subject matter of this Agreement, there being no terms, conditions, warranties, or representations with respect thereto other than as contained herein.

3.4 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.

3.5 No Partnership Created. This Agreement specifically does not create any partnership or joint venture between the parties hereto, or render any party liable for any of the debts or obligations of any other party.

3.6 Formalities and Authority. The parties hereto represent and warrant that they are validly existing and lawful entities with the power and authorization to execute and perform this Agreement. 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.

3.7 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 sent by email with confirmation of receipt, as follows:

To Developer: Randall Ryan, Rise Grind & Ride, LLC, [Insert Full Street Address], Broken Arrow, Oklahoma 74012

To The City: City Manager, The City of Broken Arrow, PO Box 610, 220 South First Street, Broken Arrow, Oklahoma 74012

To The Authority: Broken Arrow Economic Development Authority, PO Box 610, 220 South First Street, Broken Arrow, Oklahoma 74012

with copies to: Trevor Dennis, City Attorney, The City of Broken Arrow, PO Box 610, 220 South First Street, Broken Arrow, Oklahoma 74012

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 any party hereto shall be given to each party to this Agreement.

3.8 Assignment. Neither party shall have the right to assign its rights or obligations under this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned, or delayed.

3.9 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and assigns.

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

3.11 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.

3.12 Further Assurances. Each party agrees that it will, without further consideration, execute and deliver such other documents and take such other action.

3.13 Attorney's Fees. In the event of any controversy, claim, or dispute between the parties 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 attorney's fees.

3.14 Counterparts. 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.

3.15 Construction of this Agreement. Each party hereby acknowledges that it and its legal counsel have reviewed and, as the case may be, 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.

3.16 Insurance. During the term of this Agreement and until final completion of the Project and payment of all reimbursements, Developer shall maintain, at its sole cost and expense, the following insurance coverage with insurers licensed to do business in Oklahoma and rated A-VII or better by A.M. Best: (a) Commercial General Liability Insurance with limits of not less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) general aggregate, naming the City and the Authority as additional insureds; (b) Builder's Risk Insurance (or equivalent property insurance) covering the full replacement value of the improvements during construction; and (c) Workers' Compensation Insurance as required by Oklahoma law. Developer shall provide certificates of insurance to the City upon request and shall provide at least thirty (30) days' prior written notice of any cancellation or material change.

3.17 Indemnification. Developer shall indemnify, defend, and hold harmless the City, the Authority, and their respective officers, employees, agents, and representatives from and against any and all claims, damages, losses, costs, and expenses (including reasonable attorneys' fees) arising out of or resulting from the performance of the Project, the construction activities, or the operation of the business at the Premises, except to the extent caused by the sole negligence or willful misconduct of the City or the Authority. This indemnification obligation shall survive the termination or expiration of this Agreement.

3.18 Representations and Warranties of Developer. Developer represents and warrants to the City and the Authority that: (a) it is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Oklahoma; (b) it has full power and authority to enter into this Agreement and to perform its obligations hereunder; (c) the execution and delivery of this Agreement and the performance of its obligations have been duly authorized by all necessary action; (d) it has (or will have prior to commencement of construction) adequate financing or resources to complete the Project; (e) the Project will be constructed in compliance with all applicable laws, codes, ordinances, and regulations; and (f) there is no pending or, to its knowledge, threatened litigation or governmental proceeding that would materially adversely affect its ability to perform under this Agreement.

3.19 Events of Default and Remedies. (a) The following shall constitute Events of Default: (i) failure by Developer to complete the Project by the deadline set forth in Section 1.1 (subject to Unavoidable Delays); (ii) material breach of any covenant, term, or condition of this Agreement that remains uncured for thirty (30) days after written notice (or sixty (60) days if the breach cannot reasonably be cured within thirty (30) days, provided Developer commences cure within thirty (30) days and diligently pursues cure to completion); (iii) submission of false or fraudulent documentation in support of a reimbursement request; (iv) insolvency, bankruptcy, or assignment for the benefit of creditors by Developer; or (v) cessation of operations or relocation in violation of Section 1.2. (b) Upon the occurrence of an Event of Default, the City may exercise any or all of the following remedies: (i) withhold any unpaid reimbursement amounts; (ii) terminate this Agreement; (iii) require immediate repayment of all incentive amounts previously paid, together with interest at the rate of six percent (6%) per annum from the date of payment; (iv) pursue specific performance or injunctive relief; and (v) pursue any other remedy available at law or in equity. The remedies herein are cumulative and not exclusive.

3.20 Term. This Agreement shall commence on the Effective Date and shall remain in full force and effect until the later of: (i) the date on which the City has paid the full amount of the incentive or the $80,000.00 cap has been reached; (ii) the expiration of the five (5) year operating period under Section 1.2; or (iii) the expiration of the three (3) year audit rights period under Section 2.1(d). The provisions of Sections 1.2, 3.13, 3.17, 3.19, and 3.20 shall survive termination or expiration of this Agreement.

IN WITNESS WHEREOF, each of the parties have caused this Agreement to be executed by its duly authorized officials, as of the date first above written.

Rise Grind & Ride, LLC

BY: ____

Name: Randall Ryan
Title: Manager / Member

The Broken Arrow Economic Development Authority

BY: ____

Debra Wimpee, Chairman

ATTEST:

BY: ____

City Clerk

Approved as to Form:

____

James Walters, Deputy City Attorney
City of Broken Arrow