

**SIDE AGREEMENT CITY OF BROKEN ARROW AND OAKTRUST
RELATING TO THE FIFTH AMENDMENT TO THE ECONOMIC DEVELOPMENT
AGREEMENT**

This Side Agreement ("Agreement") is entered into on May 8, 2025, by and between the City of Broken Arrow, a municipal corporation organized under the laws of the State of Oklahoma, with its principal office at 220 S. 1st Street, Broken Arrow, OK 74012 ("City"), and OakTrust Development, LLC, an Oklahoma Limited Liability Company ("OakTrust"). The City and OakTrust are collectively referred to as the "Parties."

RECITALS

WHEREAS, on June 29, 2021, OakTrust, the Broken Arrow Economic Development Authority ("Authority"), and the City entered into an Economic Development Agreement ("EDA") for the OakTrust Project located near 5601 South Aspen Avenue, as amended by subsequent amendments, including the Fifth Amendment to the Economic Development Agreement dated April 1, 2025 ("Fifth Amendment"); and

WHEREAS, the Fifth Amendment clarifies the development timeline and obligations of OakTrust for the construction of a 168-unit multi-family apartment complex and 200,000 square feet of commercial and retail space, among other provisions, pursuant to the EDA; and

WHEREAS, Hackberry Market, LLC, Chris Challis, Manager ("Hackberry"), is developing Hackberry Market, a commercial project on the approximate thirty (30) acre property immediately to the south of the OakTrust Project (the "Hackberry Property"), which requires stormwater detention to enable full development of its footprint; and

WHEREAS, the existing stormwater detention facility in the Aspen Ridge Development as identified on Exhibit A, attached hereto and incorporated hereby (the "Facility"), owned by Steve Easley through OakTrust, has been identified as suitable for modification to serve as a regional detention facility, benefiting both the Hackberry Market and the OakTrust Project; and

WHEREAS, following negotiations, Steve Easley, on behalf of OakTrust, has agreed to donate the Facility to the City of Broken Arrow, in exchange for certain considerations outlined herein, to support regional development and economic growth; and

WHEREAS, pursuant to Section 6.13 of the EDA, modifications or additional agreements related to the EDA must be in writing and signed by the Parties; and

NOW, THEREFORE, in consideration of the mutual promises and covenants herein, the Fifth Amendment, the EDA, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

TERMS AND CONDITIONS

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1. Relation to Fifth Amendment

This Agreement is entered into as a supplemental agreement to the EDA and the Fifth Amendment, specifically supporting the development obligations outlined in Sections 4.2 and 4.3 of the Fifth Amendment for the Oak Trust Project and facilitating the Hackberry Market development. All terms of the EDA and Fifth Amendment not modified herein remain in full force and effect.

2. Cash Payment

Hackberry, or Hackberry's affiliate, Royce Enterprises, Incorporated, shall make a one-time payment of One Hundred Thousand Dollars (\$100,000) to OakTrust in consideration of OakTrust's donation of the Facility to the City for site stormwater detention for the Hackberry Property (the "OakTrust Payment"). Hackberry shall deliver the OakTrust Payment to the City by check not later than June 6, 2025 to be held until OakTrust shall have delivered all documentation reasonably necessary to complete OakTrust's donation of the Facility to the City as provided in Section 4, at which time the City shall deliver the OakTrust Payment to OakTrust. The City acknowledges this payment as a private transaction between Hackberry and OakTrust, facilitated to support the regional stormwater solution.

3. Fee for Onsite Detention


Upon (i) Hackberry's delivery of the OakTrust Payment to the City as provided in Section 2, and (ii) Hackberry's reimbursement to the City, within thirty (30) days of the City's written demand therefore, for actual costs associated with the City's improvement of the Facility in an amount not to exceed Ten Thousand Dollars (\$10,000) (the "Reimbursement"), the City hereby agrees that such Oak Trust Payment and Reimbursement shall constitute payment in satisfaction of Hackberry's onsite stormwater detention requirements for development of the Hackberry Property consistent with the Hackberry Market, Conditional Final Plat, approved by the City Council on April 15, 2025 (net of the onsite stormwater pond as shown thereon).

4. Stormwater Detention Donation and Tax Donation Letter

Not later than June 9, 2025 OakTrust, through Steve Easley, shall donate the Facility to the City, following its modification to serve as a regional detention facility. Upon completion of the donation and transfer of title, the City shall provide OakTrust with a tax donation letter confirming the donation as a charitable contribution, to the extent permitted by applicable federal and state tax laws. The letter shall be issued within fifteen (15) days of the completed donation and shall include all necessary details for OakTrust to pursue any applicable tax benefits.

5. Beautification – Planting of 15 Trees

The City shall plant fifteen (15) trees around the Facility using trees donated by the developer of the 168-unit multi-family apartment complex referenced in the Fifth Amendment. The trees shall be of a species and size approved by the City's Parks and Recreation Department, consistent with the City's landscaping standards. Planting shall be completed by City force labor within twelve (12) months of the execution of this

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Agreement. The City shall maintain the trees in good condition for a period of two (2) years following planting, replacing any trees that fail to survive during this period.

6. Compliance with Laws and EDA

OakTrust and the City shall comply with all applicable federal, state, and local laws, including the City of Broken Arrow Code of Ordinances, and the terms of the EDA and Fifth Amendment in performing their obligations under this Agreement. This includes obtaining any necessary permits for lot clearing, tree planting, or modifications to the stormwater detention facility.

7. Default and Remedies

In the event of a breach of this Agreement by either Party, the non-breaching Party shall provide written notice specifying the nature of the breach. The breaching Party shall have thirty (30) days from receipt of notice to cure the breach. If the breach is not cured, the non-breaching Party may pursue all available remedies at law or in equity, including termination of this Agreement. Notwithstanding the foregoing, the City may withhold issuance of the tax donation letter until the stormwater detention facility donation is completed.

8. Notices

All notices required under this Agreement shall be in writing and delivered by certified mail, email, or hand delivery to:

- For the City: City Manager, City of Broken Arrow, 220 S. 1st Street, Broken Arrow, OK 74012, mnpurgeson@brokenarrowok.gov.
- For OakTrust: Steve Easley, Managing Member, Oak Trust Development, LLC, Steve Easley steve@sedevelopmentgroup.com

9. Entire Agreement

This Agreement, together with the EDA and Fifth Amendment, constitutes the entire understanding between the Parties regarding the subject matter herein and supersedes all prior negotiations or agreements, whether written or oral, related to these specific commitments. Any amendments to this Agreement must be in writing and signed by both Parties, consistent with Section 6.13 of the EDA.

10. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Oklahoma. Any disputes arising hereunder shall be resolved in the courts of Tulsa County, Oklahoma.

11. Binding Effect

This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors, assigns, and representatives, subject to any restrictions on assignment under the EDA or applicable law.

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IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

By: _____
Michael Spurgeon, City Manager, City of Broken Arrow

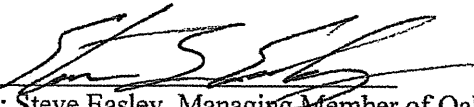
By: _____
City Clerk

THE CITY OF BROKEN ARROW, a municipal corporation.
ATTEST: _____ (SEAL)


Approved as to Form:

City Attorney, City of Broken Arrow

OAKTRUST DEVELOPMENT, LLC, an Oklahoma Limited Liability Company

By: 
Name: Steve Easley, Managing Member of OakTrust Development, LLC

HACKBERRY MARKET, LLC, an Oklahoma limited liability company

By: 
Name: Chris Challis, Manager for Hackberry Market, LLC