

RESOLUTION NO. 1038

A RESOLUTION OF THE BROKEN ARROW CITY COUNCIL APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN ECONOMIC DEVELOPMENT AGREEMENT BY AND AMONG THE CITY OF BROKEN ARROW AND ALFA LAVAL, INC.; AND OTHER PROVISIONS RELATING THERETO.

WHEREAS, Alfa Laval, Inc. ("Alpha Laval") is a corporation organized under the laws of the State of New Jersey and headquartered in Richmond, Virginia, which specializes in the development of heat exchangers and presently employs 114 individuals; and

WHEREAS, Alfa Laval is interested in expanding its industrial manufacturing operations presently located on 17.5 acres of land generally located at 1201 South 9th Street; and

WHEREAS, this expansion will include a total development located on approximately 21 acres of land generally located at 1201 South 9th Street, within the City (the "Site"); and

WHEREAS, Alfa Laval intends to create a United States of America competence center in the City with a greater critical mass of welded heat exchanger expertise; and

WHEREAS, the proposed development (the "Project") will include two phases; and

WHEREAS, the first phase of the Project will include about 68,500 additional square feet of space for manufacturing, warehouse, office and other related uses (the "First Phase"); and

WHEREAS, it is estimated that, upon completion of the First Phase, Alfa Laval will hire 120 new full time employees, for a total of 234 employees; and

WHEREAS, the second phase of the Project includes, subject to Alfa Laval's future business demands, the planning for the potential construction and operation of about 220,000 square feet of additional space for manufacturing, warehouse, office and other related uses (the "Second Phase"); and

WHEREAS, if constructed and operated by Alfa Laval, it is estimated that the Second Phase will result in the hiring of 147 new full time employees for a total of 381 employees; and

WHEREAS, the City reasonably expects that the establishment of the Project in the City will increase overall sales tax and property tax revenues of the City; and

WHEREAS, a declared goal of the City is to encourage and facilitate economic development within and near the City by attracting and expanding 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 seeks to promote development in this area in order to retain and expand employment, enhance the tax base, stimulate economic growth, improve the quality of life in the City, and strengthen the community; and

WHEREAS, the City also recognizes that the Project and its operations will have additional direct and indirect economic benefits within and near the City, in Tulsa County and in the State through, including without limitation, diversifying the local economy, providing economic stimulus for additional employment and other development, and predicated and/or providing training and employment opportunities in manufacturing, sales and management skills; and

WHEREAS, the City also recognizes it would be beneficial to the public and would help facilitate the construction of additional facilities and addition of full time employees at the Site if the City were to construct an industrial access road (the “Access Road”); and

WHEREAS, the City has appropriated and is prepared to encumber the sum of \$500,000.00 for engineering and construction of the Access Road and representatives of the State of Oklahoma’s Department of Transportation have committed to contribute the remainder of the costs for engineering and construction of the Access Road; and

WHEREAS, implementation of this Agreement, which is reasonably expected to facilitate the realization of the aforesaid economic benefits to the City and general area, would otherwise be difficult or impractical without certain development incentives, and apportionments and appropriations for such purposes of certain City sales tax revenues, other forms of public assistance and the involvement the City; 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 Project and have 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, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BROKEN ARROW, OKLAHOMA, that the Agreement is hereby approved and shall be executed substantially in the form thereof submitted at the meeting at which this Resolution was approved and as finally approved by the Mayor or Vice Mayor, as the case may be, and shall be executed for and on behalf of the City by its Mayor or Vice Mayor, as the case may be and attested by the City Clerk, and for and on behalf of the other parties thereto by their respective authorized officers. The Agreement is hereby authorized for execution and delivery, subject to such minor changes, insertions and omissions in such filings of blanks therein as may be approved and made in the form thereof by the Officer of the City executing the same pursuant to this section. The execution of the Agreement for and on behalf of the other parties thereto by their respective authorized officers and for and on behalf of the City by its Mayor or Vice Mayor as the case may be, with the official seal of the City affixed and attested by the signature of the City Clerk, shall be conclusive evidence of the approval of any changes, insertions, omissions and filling of blanks.

APPROVED AND ADOPTED by the City Council of the City of Broken Arrow, Oklahoma, at a regular meeting thereof, advance public notice of which was duly given and at which a majority of said Council was present, this 1st day of August, 2017.

MAYOR

ATTEST:

(seal) City Clerk

APPROVED AS TO FORM:

Assistant City Attorney