

**LOCAL DEVELOPMENT ACT TAX EXEMPTION AGREEMENT BETWEEN THE CITY OF TULSA, THE BOARD OF COUNTY COMMISSIONERS OF WAGONER COUNTY, INDEPENDENT SCHOOL DISTRICT NO. 2 OF ROGERS COUNTY, SCHOOL DISTRICT NO. 18 OF TULSA COUNTY, THE WAGONER COUNTY HEALTH DEPARTMENT, AND ROLLING HILLS FIRE PROTECTION DISTRICT NO.**

**1**

**(PROJECT ANTHEM)**

**THIS AGREEMENT** is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the City of Tulsa, Oklahoma, a municipal corporation (“City”); the Board of County Commissioners of Wagoner County (“County”); Independent School District No. 2 of Rogers County (“Catoosa Public Schools”); School District No. 18 of Tulsa County (“Tulsa Technology Centers”); the Wagoner County Health Department (“WCHD”); and Rolling Hills Fire Protection District No. 1 (“Rolling Hills Fire District”) (City, County, Catoosa Public Schools, Tulsa Technology Centers, WCHD, and Rolling Hills Fire District, individually, “Party,” and collectively, “Parties”; the Parties, less the City, “Taxing Entities”).

**WITNESSETH:**

**WHEREAS**, the City, the Tulsa Authority for Economic Opportunity, a public trust having the City as its beneficiary (“TAEO”), and Atmoss LLC (“Developer”) will enter into a conditional development and financing assistance agreement (“Development Agreement”) regarding property more particularly described in the attached Exhibit A (“Property”), to develop it into a data center project meeting the business type described by U.S. Industry Number 518210 of the North American Industry Classification System (NAICS) Manual, 2017 revision, consisting of a capital investment of at least \$800,000,000.00, which is anticipated to include \$400,000,000.00 in construction costs, which will include public and private infrastructure needed to serve the data center (estimated to be approximately \$25,000,000.00 of public infrastructure), and \$400,000,000.00 in machinery and equipment costs (“Project”); and

**WHEREAS**, it is necessary and desirable, in order to ensure the economic viability of the Project, that provisions be made by the various taxing entities sharing in the ad valorem taxes and specific special assessments applicable to the Property, after development, to provide for the granting of 25-year exemption of 85% of the ad valorem taxes and special assessments levied by or on behalf of the Taxing Entities that become due and owing on the Project, the Property and improvements (“Exemption”), beginning on the date the City activates a Tax Incentive District following TAEO’s receipt of written notice from the Developer pursuant to the Development Agreement, and in any event no later than December 31, 2030, all as authorized by Article 10, § 6(C) of the Oklahoma Constitution, its enabling legislation known as the Local Development Act, 62 O.S § 851, *et seq.* (“Act”) and pursuant to a Project Plan and Tax Incentive District to be considered and potentially approved by the City; and

**WHEREAS**, the Development Agreement will establish the terms and conditions of the Exemption, as required by 62 O.S. § 866, and the obligations in the Development Agreement will be conditioned upon (among other things) the approval of a Project Plan that establishes a Tax Incentive District for the Project by the City pursuant to the Act; and

**WHEREAS**, 62 O.S. § 865 requires the governing body of the City to enter into written agreements with the governing bodies of the Taxing Entities in order to provide the Exemption through a Tax Incentive District pursuant to the Act; and

**WHEREAS**, the granting of the Exemption through the creation of a Tax Incentive District related to the Project and Property to be activated no later than ten years after the after the date of the approval of the Project Plan, is deemed necessary, desirable and in the public interest, and will assist in strengthening the economic viability of the City, as a whole; and

**WHEREAS**, the Development Agreement will provide that if the Project fails to be completed, the Exemption will terminate and Developer will be liable for repayment of any Exemption provided up to the date of Developer's default; and

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

**Section 1.** In anticipation of and contingent upon the City's entering into said Development Agreement, considering and approving a Project Plan and establishing a Tax Incentive District pursuant to the Act sufficient to provide the Exemption, all as stated in the recitals to this Agreement, the Taxing Entities hereby agree to relinquish 85% of the increase in ad valorem taxes or special assessments levied by or on behalf of the Taxing Entities that become due and owing on real and personal property applicable to the Project, Property and improvements. Upon activation of the Tax Incentive District, no later than ten years after the after the date of the approval of the Project Plan, the Exemption shall commence upon the City's activation of the Tax Incentive District following TAE0's receipt of written notice from the Developer pursuant to the Development Agreement (which activation will occur no later than December 31, 2030) and shall continue for a 25-year period, after which the Exemption and Tax Incentive District shall automatically terminate.

**Section 2.** The Exemption provided herein shall be in effect for ad valorem taxes and special assessments that become due and owing from the date the City activates the Tax Incentive District following TAE0's receipt of written notice from the Developer pursuant to the Development Agreement (which activation will occur no later than December 31, 2030) until the date that is 25 years after the City's activation of the Tax Incentive District. The Exemption automatically terminates upon the expiration of 25 full years from its date of commencement or upon an earlier default under the Development Agreement.

**Section 3.** Pursuant to 62 O.S. § 867 the City shall provide an annual report to the chief executives of the Taxing Entities, such report including information describing the improvements made to the Project, naming the parties receiving incentives and demonstrating compliance with statutory requirements for tax incentive districts.

**Section 4.** This written Agreement contains the entire agreement between the Parties. Any alterations or modifications of the terms of this Agreement shall be agreed to in writing by the Parties.

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

[SIGNATURE PAGES FOLLOW]

**THE CITY OF TULSA, OKLAHOMA,**  
a municipal corporation  
(City)

By: \_\_\_\_\_  
Mayor G. T. Bynum

Date: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_  
City Attorney

**APPROVED** by the City Council on the \_\_\_\_ day of \_\_\_\_\_, 2024

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

**BOARD OF COUNTY COMMISSIONERS OF  
WAGONER COUNTY, OKLAHOMA**  
(County)

By: *Tri Kelly* 2/20/24  
Chair

By: *[Signature]*  
Commissioner

By: *[Signature]* 2-20-24  
Commissioner


(SEAL)



ATTEST:

By: *Lois Hendricks*  
Clerk to the Board of County Commissioners

INDEPENDENT SCHOOL DISTRICT NO. 2 OF  
ROGERS COUNTY  
(Catoosa Public Schools)

By:   
Chair, Board of Education



ATTEST:

By:   
Secretary

**SCHOOL DISTRICT NO. 18 OF TULSA COUNTY**  
(Tulsa Technology Centers)


By:   
\_\_\_\_\_  
President, Board of Education

(SEAL)

ATTEST:


By:   
\_\_\_\_\_  
Board Clerk/Secretary

WAGONER COUNTY HEALTH DEPARTMENT  
(WCDH)

By:   
Chair, Board of Health

(SEAL)

ATTEST:

By:   
Secretary



**ROLLING HILLS FIRE PROTECTION DISTRICT  
NO. 1  
(Rolling Hills Fire District)**

By: *Faded signature*  
Chair, Board of Directors

(SEAL)

ATTEST:

By: *Bryan J. Fox*  
Secretary



## EXHIBIT A

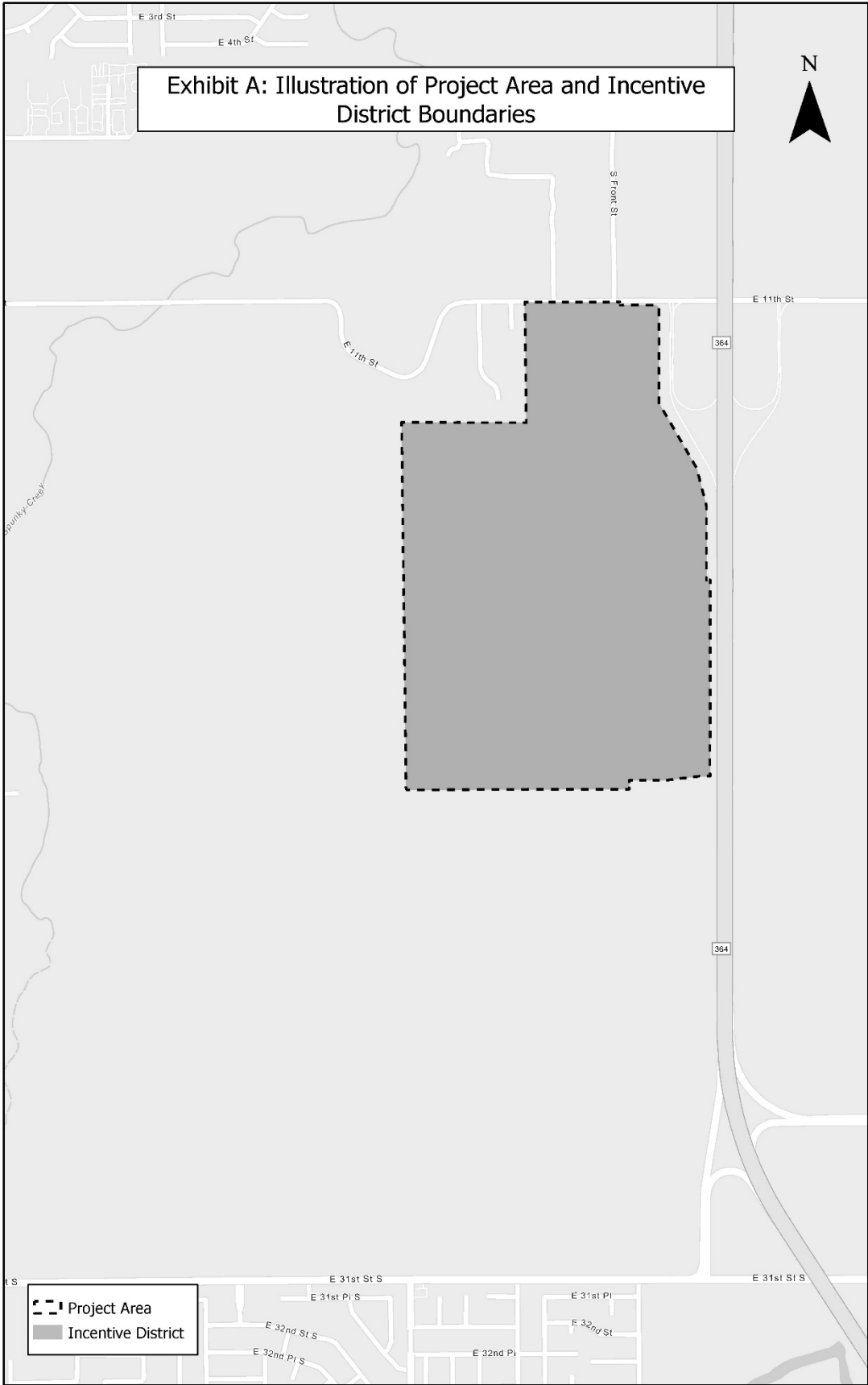
### PROJECT AREA AND INCENTIVE DISTRICT LEGAL DESCRIPTION

The Project Area and Incentive District share the same legal description:

A TRACT OF LAND LOCATED IN SECTION 8, TOWNSHIP 19 NORTH, RANGE 15 EAST OF THE INDIAN BASE AND MERIDIAN, WAGONER COUNTY, STATE OF OKLAHOMA, ACCORDING TO THE UNITED STATES GOVERNMENT SURVEY THEREOF, SAID TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 8; THENCE ON THE WEST LINE OF SAID SECTION 8 FOR THE FOLLOWING TWO (2) DESCRIBED COURSES: (1) ON AN ASSUMED BEARING OF N01°35'51"W, 2640.24 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 8; (2) N01°36'38"W, 1320.45 FEET TO THE SOUTHWEST CORNER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER; THENCE ON THE SOUTH LINE OF SAID NORTHWEST QUARTER OF THE NORTHWEST QUARTER N88°59'14"E, 1319.08 FEET TO THE SOUTHEAST CORNER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER; THENCE ON THE EAST LINE OF SAID NORTHWEST QUARTER OF THE NORTHWEST QUARTER N01°34'23"W, 1320.26 FEET TO A POINT ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 8; THENCE ON SAID NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 8 N89°00'04"E, 1066.01 FEET TO THE WEST RIGHT-OF-WAY LINE OF CREEK TURNPIKE: THENCE ON SAID WEST RIGHT-OF-WAY LINE OF CREEK TURNPIKE FOR THE FOLLOWING FOURTEEN (14) DESCRIBED COURSES: (1) S01°00'00"E, 85.34 FEET; (2) N88°58'26"E, 254.82 FEET; (3) N88°58'26"E, 133.21 FEET; (4) S45°58'59"E, 42.41 FEET; (5) S01°03'02"E, 1028.62 FEET; (6) S31°03'21"E, 810.01 FEET; (7) S15°26'06"E, 419.15 FEET; (8) S00°58'35"E, 799.95 FEET; (9) N88°05'44"E, 40.00 FEET; (10) S00°58'34"E, 2115.51 FEET; (11) S89°07'16"W, 113.07 FEET; (12) S82°06'35"W, 375.14 FEET; (13) S89°00'11"W, 384.60 FEET; (14) S00°37'49"E, 70.37 FEET TO A POINT ON THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 8; THENCE ON SAID SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 8 S88°59'43"W, 2427.60 FEET TO THE POINT OF BEGINNING.

Exhibit A: Illustration of Project Area and Incentive District Boundaries



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