

AGENDA
SPECIAL MEETING OF
OKLAHOMA CITY URBAN RENEWAL AUTHORITY
FRIDAY, JULY 28, 2017
CONFERENCE ROOM
105 NORTH HUDSON, SUITE 101
10:00 A.M.

1. Call to Order
2. Statement of Compliance with the Oklahoma Open Meeting Law
3. Roll Call
4. Reading and Approval of Minutes of a Regular and Annual Meeting held on Wednesday, July 19, 2017

CORE TO SHORE

5. Resolution No. _____ Approving a Redevelopment Agreement with Omni OKC, LLC, for the Redevelopment of the Property Bounded by Southwest 3rd Street, South Broadway Avenue, Southwest 4th Street, and South Robinson Avenue, as the Convention Center Hotel, and Supporting the Hotel Funding Plan for the Convention Center Hotel, Core to Shore Urban Renewal Plan
6. Staff Report
7. Citizens to be heard
8. Adjournment

POSTED at the offices of the City Clerk, Oklahoma City Urban Renewal Authority and at 105 North Hudson, Suite 101 by 10:00 a.m. on Wednesday, July 26, 2017 by Pam Lunnon, Executive Assistant

MINUTES OF REGULAR AND ANNUAL MEETING
OF THE
OKLAHOMA CITY URBAN RENEWAL AUTHORITY

A Regular and Annual Meeting of the Board of Commissioners of the Oklahoma City Urban Renewal Authority (“Authority”) was held on Wednesday, July 19, 2017 at 10:30 a.m. in the conference room located at 431 West Main; Suite B; Oklahoma City, Oklahoma 73102.

The Chairman called the meeting to order and stated that the meeting was being held in compliance with the Oklahoma Open Meeting Law. Upon roll call the following members were present:

Mr. J. Larry Nichols
Mr. Russell Perry
Mr. James R. Tolbert
Ms. Mary Mélon

Commissioners Absent:

Mr. Mark Beffort

Staff Members Present:

Catherine O’Connor, Executive Director
Dan Batchelor, OCURA General Counsel, CEDL
Leslie Batchelor, OCURA Associate General Counsel, CEDL
Emily Pomeroy, CEDL
Cassie Poor, Mitchell Moore, Pam Lunnon, Geri-Kenfield-Harlan,
Nicolle Goodman, Michael Owens, The Alliance for Economic Dev. of OKC
Nelia Crank-Clements, Progress OKC

Others Present:

Steve Lackmeyer, The Oklahoman
Brett Dickerson, Red Dirt Report
Tricia Everest, Palomar
Kim Garrett, Palomar
Stacey Garcia, Citizen
Arnulfo Garcia, Citizen
Tim Johnson, Citizen
Abigail Johnson, Citizen
Alana Haynes, Citizen

The Chairman requested a motion to approve the circulated minutes of the Regular Board Meeting of the Oklahoma City Urban Renewal Authority held on Wednesday, June 21, 2017.

OCURA Board of Commissioners, Wednesday, July 19, 2017

Commissioner Tolbert moved the adoption of the minutes, and upon second by Commissioner Mélon, the vote was as follows:

Mr. J. Larry Nichols	Aye
Ms. Mary Mélon	Aye
Mr. Russell M. Perry	Aye
Mr. James R. Tolbert, III	Aye
Mr. Mark Beffort	Absent

Minutes Approved

Chairman stated it is time to conduct the annual election of officers for the Oklahoma City Urban Renewal Authority and the following has been recommended:

Chairman:	J. Larry Nichols
Vice Chairman:	James R. Tolbert, III
Secretary:	Mary Mélon
Assistant Secretary:	Russell Perry
Assistant Secretary:	Mark Beffort
Assistant Secretary:	James R. Tolbert, III
Treasurer	Mark Beffort

Commissioner Mélon moved to adopt the officers, and upon second by Commissioner Perry, the vote was as follows:

Mr. J. Larry Nichols	Aye
Mr. Russell M. Perry	Aye
Mr. James R. Tolbert, III	Aye
Ms. Mary Mélon	Aye
Mr. Mark Beffort	Absent

Officers adopted

The Chairman introduced the following resolutions:

JFK PROJECT AREA

Resolution No. 5802 entitled:

“Approving a Redevelopment Agreement with Monarch Property Group LLC for the Development of Single-Family Residences on: (1) Lots Seven through Nine in Block Twenty-

OCURA Board of Commissioners, Wednesday, July 19, 2017

Six, (2) Lot Ten and the East Half of Lot Eleven in Block Twenty-Six, (3) Lots Thirty-Two and Thirty-Three in Block Twenty-Six, and (4) Lots Twenty-Five through Twenty-Six in Block Fifteen, all in Oak Park Amended Addition, John F. Kennedy Urban Renewal Plan”

Commissioner Mélon moved the adoption of the resolution, and upon second by Commissioner Perry the vote was as follows:

Mr. J. Larry Nichols	Aye
Ms. Mary Mélon	Aye
Mr. Russell M. Perry	Aye
Mr. James R. Tolbert, III	Aye
Mr. Mark Beffort	Absent

Resolution Adopted

Resolution No. 5803 entitled:

“Approving a Redevelopment Agreement with Alana Haynes House for the Construction of a Single-Family Residence on Lots 5–6, Block 26, Oak Park Addition, John F. Kennedy Urban Renewal Plan”

Commissioner Mélon moved the adoption of the resolution, and upon second by Commissioner Perry the vote was as follows:

Mr. J. Larry Nichols	Aye
Ms. Mary Mélon	Aye
Mr. Russell M. Perry	Aye
Mr. James R. Tolbert, III	Aye
Mr. Mark Beffort	Absent

Resolution Adopted

Resolution No. 5804 entitled:

“Approving a Redevelopment Agreement with Arnulfo A. and Marian S. Garcia, for the Construction of a Single-Family Residence on Lots 23–24, Block 2, Jordan Place Amended Addition, John F. Kennedy Urban Renewal Plan”

Commissioner Tolbert moved the adoption of the resolution, and upon second by Commissioner Mélon the vote was as follows:

OCURA Board of Commissioners, Wednesday, July 19, 2017

Mr. J. Larry Nichols	Aye
Ms. Mary Mélon	Aye
Mr. Russell M. Perry	Aye
Mr. James R. Tolbert, III	Aye
Mr. Mark Beffort	Absent

Resolution Adopted

Resolution No. 5805 entitled:

“Approving a Redevelopment Agreement with Timothy W.S. Johnson and Abigail J. Johnson, Husband and Wife, for the Construction of a Single-Family Residence on the North 36.0 feet of Lot 5 and the South 28.0 feet of Lot 6, Block 3, John F. Kennedy Addition, John F. Kennedy Urban Renewal Plan”

Commissioner Perry moved the adoption of the resolution, and upon second by Commissioner Tolbert the vote was as follows:

Mr. J. Larry Nichols	Aye
Ms. Mary Mélon	Aye
Mr. Russell M. Perry	Aye
Mr. James R. Tolbert, III	Aye
Mr. Mark Beffort	Absent

Resolution Adopted

Resolution No. 5806 entitled:

“Authorizing an Invitation for Proposals for Redevelopment of Certain Property Located at the Southwest Corner of Northeast 16th Street and North Martin Luther King Avenue, John F. Kennedy Urban Renewal Plan”

Commissioner Perry moved the adoption of the resolution, and upon second by Commissioner Mélon the vote was as follows:

Mr. J. Larry Nichols	Aye
Ms. Mary Mélon	Aye
Mr. Russell M. Perry	Aye
Mr. James R. Tolbert, III	Aye
Mr. Mark Beffort	Absent

Resolution Adopted

OCURA Board of Commissioners, Wednesday, July 19, 2017

Resolution No. 5807 entitled:

“Authorizing an Invitation for Proposals for General Contractor Services for Certain Property Located in the 1700 Block of East Euclid Street, John F. Kennedy Urban Renewal Plan”

Commissioner Mélon moved the adoption of the resolution, and upon second by Commissioner Tolbert the vote was as follows:

Mr. J. Larry Nichols	Aye
Ms. Mary Mélon	Aye
Mr. Russell M. Perry	Aye
Mr. James R. Tolbert, III	Aye
Mr. Mark Beffort	Absent

Resolution Adopted

**PRESENTATION ON PALOMAR OKLAHOMA CITY’S FAMILY JUSTICE CENTER
Was Given By Tricia Everest**

GENERAL MATTERS

Resolution No. 5808 entitled:

“Approving Annual Agreement between the Oklahoma City Urban Renewal Authority and the Alliance for Economic Development of Oklahoma City, Inc., an Oklahoma Not-For-Profit Corporation, as to Scope of Services and Fee for those Services for Fiscal Year Beginning July 1, 2017 and Ending June 30, 2018”

Commissioner Perry moved the adoption of the resolution, and upon second by Commissioner Mélon the vote was as follows:

Mr. J. Larry Nichols	Aye
Ms. Mary Mélon	Aye
Mr. Russell M. Perry	Aye
Mr. James R. Tolbert, III	Aye
Mr. Mark Beffort	Absent

Resolution Adopted

OCURA Board of Commissioners, Wednesday, July 19, 2017

Resolution No. 5809 entitled:

“Approving an Amendment to the Community Development Block Grant Services Agreement between the Oklahoma City Urban Renewal Authority and The Alliance for Economic Development of Oklahoma City, Inc., for the Management of the CDBG Program in Accordance with the CDBG Operating Agreement between the Oklahoma City Urban Renewal Authority and the City Of Oklahoma City for Fiscal Year 2016–2017, as Amended”

Commissioner Tolbert moved the adoption of the resolution, and upon second by Commissioner Perry the vote was as follows:

Mr. J. Larry Nichols	Aye
Ms. Mary Mélon	Aye
Mr. Russell M. Perry	Aye
Mr. James R. Tolbert, III	Aye
Mr. Mark Beffort	Absent

Resolution Adopted

Resolution No. 5810 entitled:

“Approving Annual Budget for Legal Services between the Oklahoma City Urban Renewal Authority and the Center for Economic Development Law for Fiscal Year Beginning July 1, 2017 and Ending June 30, 2018”

Commissioner Perry moved the adoption of the resolution, and upon second by Commissioner Mélon the vote was as follows:

Mr. J. Larry Nichols	Aye
Ms. Mary Mélon	Aye
Mr. Russell M. Perry	Aye
Mr. James R. Tolbert, III	Aye
Mr. Mark Beffort	Absent

Resolution Adopted

Resolution No. 5811 entitled:

“Approving an Amendment to the Community Development Block Grant Services Agreement between the Oklahoma City Urban Renewal Authority and the Center For Economic Development Law, PLLC, for the Provision of General Counsel Services Needed in Connection with The Authority’s CDBG Program in Accordance with the CDBG Operating Agreement

OCURA Board of Commissioners, Wednesday, July 19, 2017

between the Oklahoma City Urban Renewal Authority and the City Of Oklahoma City for Fiscal Year 2016–2017, as Amended”

Commissioner Tolbert moved the adoption of the resolution, and upon second by Commissioner Perry the vote was as follows:

Mr. J. Larry Nichols	Aye
Ms. Mary Mélon	Aye
Mr. Russell M. Perry	Aye
Mr. James R. Tolbert, III	Aye
Mr. Mark Beffort	Absent

Resolution Adopted

Resolution No. 5812 entitled:

“Authorizing Signatories for the Payment and Investment of Money on Behalf of the Oklahoma City Urban Renewal Authority”

Commissioner Tolbert moved the adoption of the resolution, and upon second by Commissioner Perry the vote was as follows:

Mr. J. Larry Nichols	Aye
Ms. Mary Mélon	Aye
Mr. Russell M. Perry	Aye
Mr. James R. Tolbert, III	Aye
Mr. Mark Beffort	Absent

Resolution Adopted

Financial Report

Ms. Kenfield-Harlan presented the financial reports through May 31, 2017

Commissioner Perry moved to receive the financials, and upon second by Commissioner Mélon, the vote was as follows:

Mr. J. Larry Nichols	Aye
Ms. Mary Mélon	Aye
Mr. Russell M. Perry	Aye
Mr. James R. Tolbert, III	Aye
Mr. Mark Beffort	Absent

Financials Received

OCURA Board of Commissioners, Wednesday, July 19, 2017

Staff Report

There being no further business to come before the Board, the meeting was adjourned at 10:54 a.m.

Secretary

OCURA Board of Commissioners, Wednesday, July 19, 2017

OKLAHOMA CITY

URBAN RENEWAL AUTHORITY

To: Board of Commissioners
From: Catherine O'Connor, Executive Director
Date: July 28, 2017
Ref: Resolution approving a Redevelopment Agreement with Omni OKC, LLC, for the redevelopment of the property bounded by Southwest 3rd Street, South Broadway Avenue, Southwest 4th Street and South Robinson Avenue, as the Convention Center Hotel, and supporting the Hotel Funding Plan for the Convention Center Hotel, Core to Shore Urban Renewal Plan

Background:

On January 20, 2015, the City authorized the solicitation of proposals for the development of a hotel within the Core to Shore Urban Renewal Area. Multiple proposals were received, including one from Omni OKC, LLC. The City selected the new site for the MAPS 3 Convention Center and designated the property bounded by Southwest 3rd Street, South Broadway Avenue, Southwest 4th Street, and South Robinson Avenue as the site for the convention center hotel.

On September 27, 2016, the City authorized the Executive Director to negotiate the terms of a satisfactory agreement, detailing the terms of the purchase of the property from OCURA and the development of the Property into a convention center hotel. The Executive Director and Omni OKC, LLC have negotiated the terms of a proposed Redevelopment Agreement for the development of the convention center hotel on the property.

Based on information provided by consultants engaged by the City, the City has provided a funding plan for the development of the convention center hotel that includes many funding sources, including but not limited to the purchase of the property from OCURA.

On July 18, 2017, the City approved the Hotel Funding Plan in principle, subject to any necessary amendments to the Downtown/MAPS Economic Development Project Plan or the Core to Shore Reinvestment Area Project Plan, and requested that OCURA take all actions necessary to support the Hotel Funding Plan and the development and construction of the convention center hotel by the Redeveloper.

Purpose of Agenda Item:

1. Approve the proposed Redevelopment Agreement with the Redeveloper
2. Acknowledge that the purchase price contained in the Redevelopment Agreement is determined to be not less than the fair value of the Property for uses in accordance with the Core to Shore Urban Renewal Plan and the Redevelopment Agreement.

3. Express the support of the Hotel Funding Plan, subject to any necessary amendments to the Downtown/MAPS Economic Development Project Plan or the Core to Shore Reinvestment Area Project Plan, and support the development and construction of the convention center hotel by the Redeveloper.
4. Approve an Early Entry Agreement with the Redeveloper
5. Authorize the Executive Director to finalize and execute or caused to be executed the Redevelopment Agreement, the Hotel Funding Plan, the Early Entry Agreement, and other related documents.
6. Authorize the Executive Director to take such actions as may be necessary or appropriate to support and implement the Redevelopment Agreement, the Hotel Funding Plan, and the Early Entry Agreement, including approval of amendments, corrections, and clarifications thereof, and to incur costs and approve contracts for surveys, approvals, market studies, title, and financing related expenses, and other related contracts which are appropriate to performing the terms of the Redevelopment Agreement, the Hotel Funding Plan, or the Early Entry Agreement.

Staff Recommendation: Approval of Resolution

Attachments: Redevelopment Agreement, Hotel Funding Plan

RESOLUTION NO. _____

RESOLUTION APPROVING A REDEVELOPMENT AGREEMENT WITH OMNI OKC, LLC, FOR THE REDEVELOPMENT OF THE PROPERTY BOUNDED BY SOUTHWEST 3RD STREET, SOUTH BROADWAY AVENUE, SOUTHWEST 4TH STREET, AND SOUTH ROBINSON AVENUE, AS THE CONVENTION CENTER HOTEL, AND SUPPORTING THE HOTEL FUNDING PLAN FOR THE CONVENTION CENTER HOTEL, CORE TO SHORE URBAN RENEWAL PLAN

WHEREAS, the Oklahoma City Urban Renewal Authority (“Authority”) is engaged in carrying out the Core to Shore Urban Renewal Plan, as amended, pursuant to the approval and direction of The City of Oklahoma City (“City”) in accordance with the Oklahoma Urban Redevelopment Law, 11 O.S. §38-101, *et seq.*; and

WHEREAS, on January 20, 2015, the City authorized the solicitation of proposals for the development of a hotel within the Core to Shore Urban Renewal Area; and

WHEREAS, pursuant to such public invitation for proposals, multiple proposals were received, including one from OMNI OKC, LLC; and

WHEREAS, on October 13, 2015, the City selected the new site for the MAPS 3 Convention Center and designated the property bounded by Southwest 3rd Street, South Broadway Avenue, Southwest 4th Street, and South Robinson Avenue (“Property”) as the site for the convention center hotel; and

WHEREAS, taking into account the selection of the Property as the site for the convention center hotel, the City solicited additional information from the respondents to the public invitation for proposals; and

WHEREAS, based on the responses and the deliberations of the City’s selection Committee, the City selected OMNI OKC, LLC was to be the lead developer of the convention center hotel; and

WHEREAS, on September 27, 2016, the City authorized the Executive Director of the Authority to negotiate the terms of a satisfactory agreement, detailing the terms of the purchase of the Property from the Authority and the development of the Property into a convention center hotel, by and among the Authority, the City of Oklahoma City, the Oklahoma City Economic Development Trust, and OMNI OKC, LLC (“Redevelopment Agreement”); and

WHEREAS, the Executive Director, along with legal counsel for the Alliance for Economic Development of Oklahoma City, and OMNI OKC, LLC (“Redeveloper”) have negotiated the terms of a proposed Redevelopment Agreement for the development of the convention center hotel on the Property, adjacent to the MAPS 3 Convention Center; and

WHEREAS, the proposed purchase price contained in the Redevelopment Agreement is determined to be not less than the fair value of the Property for uses in accordance with the Core to Shore Urban Renewal Plan, and the restrictions upon, and the covenants, conditions, and objectives assumed by the Redeveloper; and

WHEREAS, based on information provided by consultants engaged by the City, the City has provided a funding plan for the development of the convention center hotel that includes many funding sources, including but not limited to the purchase of the Property from the Authority and the use of the lease payments to the Authority from the Bass Pro Shops (“Hotel Funding Plan”); and

WHEREAS, on July 18, 2017, the City approved the Hotel Funding Plan in principle, subject to any necessary amendments to the Downtown/MAPS Economic Development Project Plan or the Core to Shore Reinvestment Area Project Plan, in accordance with the Oklahoma Local Development Act, 62 O.S. §850, *et seq.*, and requested that the Authority and the Executive Director of the Authority to take all actions necessary to support the Hotel Funding Plan and the development and construction of the convention center hotel by the Redeveloper; and

WHEREAS, the Board of Commissioners of the Authority deems it appropriate and desirable to approve the proposed Redevelopment Agreement with the Redeveloper, to authorize the Executive Director to finalize and execute or cause to be executed the Redevelopment Agreement, and to take such actions as necessary and appropriate to implement the Redevelopment Agreement; and

WHEREAS, the Board of Commissioners of the Authority deems it appropriate and desirable to support the Hotel Funding Plan, subject to any necessary amendments to the Downtown/MAPS Economic Development Project Plan or the Core to Shore Reinvestment Area Project Plan, and to support the development and construction of the convention center hotel by the Redeveloper; and

WHEREAS, so that the Redeveloper may have access to the Property pursuant to the Redevelopment Agreement for the purpose of commencing site preparation and development activities in accordance with the terms of the Redevelopment Agreement, the Board of Commissioners of the Authority deems it appropriate and desirable to approve an Early Entry Agreement with the Redeveloper.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Oklahoma City Urban Renewal Authority as follows:

1. The proposed Redevelopment Agreement with the Redeveloper is hereby approved.
2. The purchase price contained in the Redevelopment Agreement is determined to be not less than the fair value of the Property for uses in accordance with the Core to Shore Urban Renewal Plan and the Redevelopment Agreement.

3. The Authority hereby supports the Hotel Funding Plan, subject to any necessary amendments to the Downtown/MAPS Economic Development Project Plan or the Core to Shore Reinvestment Area Project Plan, and supports the development and construction of the convention center hotel by the Redeveloper.
4. An Early Entry Agreement with the Redeveloper is hereby approved.
5. The Executive Director of the Authority is authorized to finalize and execute or caused to be executed the Redevelopment Agreement, the Hotel Funding Plan, the Early Entry Agreement, and other related documents.
6. The Executive Director of the Authority is further authorized to take such actions as may be necessary or appropriate to support and implement the Redevelopment Agreement, the Hotel Funding Plan, and the Early Entry Agreement, including approval of amendments, corrections, and clarifications thereof, and to incur costs and approve contracts for surveys, approvals, market studies, title, and financing related expenses, and other related contracts which are appropriate to performing the terms of the Redevelopment Agreement, the Hotel Funding Plan, or the Early Entry Agreement.

I, _____, Secretary of the Board of Commissioners of the Oklahoma City Urban Renewal Authority, certify that the foregoing Resolution No. _____ was duly adopted at a **special** meeting of the Board of Commissioners of the Oklahoma City Urban Renewal Authority, held at its offices at 105 North Hudson, Suite 101, Oklahoma City, Oklahoma 73102, on the **28th** day of **July, 2017**; that said meeting was held in accordance with the By-Laws of the Authority and the Oklahoma Open Meetings Act; that any notice required to be given of such meeting was properly given; that a quorum was present at all times during said meeting; and that the Resolution was duly adopted by a majority of the Commissioners present.

SECRETARY

(SEAL)

Redevelopment Agreement

between

Omni OKC, LLC,

The City of Oklahoma City,

The Oklahoma City Urban Renewal Authority, and

The Oklahoma City Economic Development Trust

Table of Contents

Section 1 – Defined Terms	2
Section 2 – Scope of Redevelopment	9
Section 3 – Closing; Sale of the Land; Delivery of the Guaranty	12
Section 4 – Pre-Development Activities and Conditions Precedent to Closing	13
Section 5 – Commencement and Completion of the Hotel.....	18
Section 6 – Construction of the Hotel.....	19
Section 7 – Completion and Performance Guaranty.....	22
Section 8 – The Public Entities' and The City's Support and Contribution Obligations	23
Section 9 – Operation of the Hotel	26
Section 10 – The Public Entities' and The City's Rights of Access to the Property	27
Section 11 – Representations and Warranties	28
Section 12 – Covenants Restricting Use of the Property	30
Section 13 – Force Majeure Events	31
Section 14 – Assignment and Binding Effect.....	31
Section 15 – Indemnity	33
Section 16 – Insurance; Reconstruction	33
Section 17 – Default; Remedies; Termination.....	34
Section 18 – Notices	38
Section 19 – Applicable Land Use Provisions.....	40
Section 20 – Rights Established.....	40
Section 21 – Miscellaneous Provisions.....	41
Signature Page	45

Exhibits:

Exhibit A – Description of the Land

Exhibit A-1 – Depiction of the Land

Exhibit B – Form of Special Warranty Deed

Exhibit C-1 – Preliminary Project Development Schedule

Exhibit C-2 – City Projects Preliminary Development Schedule

Exhibit D – Preliminary Project Budget

Exhibit E – Approval Items

Exhibit F – Redeveloper's Insurance Policies

Exhibit G – Form of Guaranty

Exhibit H – Depiction of the Streetcar System

Exhibit I – Description of the Park

Exhibit J – No Subsidy Zone

Exhibit K – Cox Center Restrictive Covenant Agreement

Schedule 1 – Permitted Title Exceptions

Redevelopment Agreement

This Redevelopment Agreement ("this Agreement") is between Omni OKC, LLC, a Delaware limited liability company, ("Redeveloper"); The City of Oklahoma City, a municipal corporation, ("The City"); the Oklahoma City Urban Renewal Authority, a local government entity ("the Renewal Authority"); and the Oklahoma City Economic Development Trust ("the Trust"), a public trust, effective as of the Effective Date. The Renewal Authority and the Trust are collectively referred to as "the Public Entities."

Recitals

A. The City and the Public Entities are engaged in implementation of the Core to Shore Urban Renewal Plan, as amended, and the Core to Shore Reinvestment Area Project Plan.

B. The Renewal Authority owns the Land (defined below) in The City of Oklahoma City, Oklahoma adjacent to the site for the new Oklahoma City Convention Center.

C. In furtherance of the Project (defined below) and in addition to this Agreement, the following agreements will be entered into: (1) the Parking Easement Agreement as described in this Agreement pursuant to which The City (or a public trust whose sole beneficiary is The City), will provide Redeveloper parking for the Hotel; and (2) the Economic Development Agreement as described in this Agreement, pursuant to which The City and/or the Public Entities will provide certain financial incentives to Redeveloper.

D. In furtherance of the Project, the Oklahoma City Convention and Visitors Bureau and SMG, the operator of the new Oklahoma City Convention Center, (collectively, "the Room Block Entities") and Redeveloper (as "Owner") will enter into the Room Block Agreement that will set out the rights of the Room Block Entities and the obligations of Redeveloper (as "Owner") to ensure that, on a continuing basis, a certain number of guest rooms are available to support citywide events in Oklahoma City.

E. The Parties acknowledge that the primary purpose of the Project is to create economic and public benefits for Oklahoma City and to enhance the new Convention Center by facilitating the development of a premier convention center hotel and related facilities adjacent to the Convention Center for public purposes including: (1) attracting additional convention, tradeshow, public exposition, and other such events that require large quantities of hotel room bookings and stays; (2) generating increased tourism to Oklahoma City; (3) providing increased employment opportunities for the citizens of Oklahoma City and surrounding areas; and (4) fostering greater utilization of the Convention Center, it and the Hotel (defined below) being intended to serve as instruments of economic development and job creation in Oklahoma City.

F. In furtherance of those purposes and the Project, the Parties desire to enter into this Agreement.

Agreement

1. Defined Terms. The following terms have the following meanings:

- A. Affected Party.** See Section 13 titled *Force Majeure Events*.
- B. Affiliate.** Affiliate of any Person means any other Person directly or indirectly controlling, directly or indirectly controlled by, or under direct or indirect common control with such Person. "Control," "controlling," and "controlled" mean the possession, directly or indirectly, of the power either to: (1) vote fifty percent (50%) or more of the securities or interests having ordinary voting power for the election of directors (or other comparable controlling body) of such Person; or (2) direct or cause the direction of management or policies of such Person, whether through the ownership of voting securities or interests, by contract or otherwise, excluding in each case, any lender of such Person or any Affiliate of such lender.
- C. Agreement.** Agreement means this Redevelopment Agreement and all modifications and amendments to it bearing the written approval of all Parties.
- D. Approval Items.** Approval Items means those items identified on Exhibit E.
- E. Approved Title Exceptions.** Approved Title Exceptions mean the exceptions to fee simple title in the Title Commitment, as approved or waived as a Title Objection by Redeveloper.
- F. Business Day and Calendar Day.** "Business Day" means a business day that is not Saturday, Sunday, or a national holiday. "Calendar Day" means all days, including Business Days.
- G. City.** City means The City of Oklahoma City, a municipal corporation.
- H. City Projects.** City Projects mean the Convention Center, the Streetcar System, and the Park.
- I. City Projects Conceptual Plans.** See Subsection 4.5 titled *City Projects Conceptual Plans*.
- J. City Projects Preliminary Development Schedule.** See Subsection 4.1B titled *City Projects Preliminary Development Schedule*.
- K. City Projects Target Completion Dates.** See Subsection 4.1.B titled *City Projects Preliminary Development Schedule*.
- L. Claims.** See Section 15 titled *Indemnity*.
- M. Closing.** Closing means the actions taken on a certain date by the Renewal Authority, Redeveloper, the Title Company, and all other persons designated by the Renewal Authority, Redeveloper, or the Title Company, to consummate the sale of the Land by the

Renewal Authority to Redeveloper and delivery of the Guaranty to The City and the Public Entities in accordance with this Agreement pursuant to Section 3 titled *Closing; Sale of the Land; Delivery of the Guaranty*.

N. Closing Statement. Closing Statement means the document prepared by the Renewal Authority, to be executed by Redeveloper and the Renewal Authority at Closing to record the proration of receipts and disbursements relating to sale of the Land, if any, and the payment of the costs of performing this Agreement.

O. Conceptual Plans. See Subsection 4.3 titled *Conceptual Plans*.

P. Conditions Precedent. See Section 4 titled *Pre-Development Activities and Conditions Precedent to Closing*.

Q. Conditions Precedent Outside Date. See Subsection 4.14 titled *Reimbursement of Costs*.

R. Consumer Price Index. Consumer Price Index means the Consumer Price Index for all Urban Consumers, South, Subgroup "All Items" (1982-83=100), as published by the U.S. Department of Labor, Bureau of Labor Statistics, to be calculated as of January of the applicable calendar year.

S. Convention Center. Convention Center means the new Oklahoma City Convention Center.

T. Convention Center Operating Standard. See Subsection 8.4 titled *Operation of the Convention Center*.

U. Covenants. See Section 12 titled *Covenants Restricting Use of the Property*.

V. Deed. See Subsection 3.1 titled *Form of Deed; Other Closing Deliveries*.

W. Default. Default means the occurrence of an event described in Subsection 17.3 titled *No Termination by the Public Entities and The City After Closing*.

X. Development Approvals. Development Approvals mean all zoning, building, and construction permits, licenses, easements, and other approvals necessary to obtain, establish, or construct the Hotel, which include the following: subdivision entitlements and associated documentation; preliminary site plan approval from The City and related entities; architectural approval and demolition approval (to the extent applicable) from The City and related entities; final site plan approval; entitlements pertaining to on-site and off-site utilities necessary for the Project, including roads, transportation, and other facilities or physical improvements contemplated by the Plans.

Y. Development Costs. Development Costs mean the hard and soft costs to construct the Hotel and develop the Project in accordance with the Development Approvals and

the Plans.

Z. Differing Site Conditions. Differing Site Conditions mean concealed or latent physical conditions or subsurface conditions at the Land that: (1) materially differ from the conditions evidenced by or reasonably anticipated based on the property inspections performed by Redeveloper prior to Closing (provided Redeveloper has performed those property inspections with respect to the Property as are normal and customary for development of projects similar to the Project); or (2) are of an unusual nature, differing materially from the conditions ordinarily encountered and generally recognized as inherent in the construction work.

AA. Early Entry and Contingent Reimbursement Agreement. Early Entry and Contingent Reimbursement Agreement means a mutually agreeable Early Entry and Contingent Reimbursement Agreement to be entered into by the Renewal Authority and Redeveloper to facilitate Redeveloper's inspection of the Land as set out in this Agreement.

BB. Economic Development Agreement. Economic Development Agreement means a mutually agreeable agreement to be entered into by Redeveloper, The City, and/or the Public Entities pursuant to which certain financial incentives will be provided to Redeveloper.

CC. Effective Date. See Subsection 21.19 titled *Effective Date*.

DD. Event of Default. Event of Default means a Default not cured within any time permitted for cure of the Default under Subsection 17.3 titled *No Termination by the Public Entities and The City After Closing*.

EE. Exception Documents. Exception Documents means the documents that create exceptions to the coverage provided by or the requirements for issuance of the Title Policy.

FF. Final Completion. See Subsection 5.1 titled *Commencement and Completion of the Hotel*.

GG. Fixed Land Payments. See Subsection 2.3 titled *Sale; Purchase Price*.

HH. Force Majeure Event. Force Majeure Event means an unforeseen occurrence that: (1) occurs after the Effective Date; (2) is not within the reasonable control of the Affected Party; (3) is not caused by the negligence or fault of the Affected Party; (4) is not the result of any failure of the Affected Party to perform any of its obligations under this Agreement; and (5) could not have been prevented, overcome, or mitigated by the Affected Party's exercise of due care or foresight. Force Majeure Events include natural disasters, significant damage caused by fire or other casualty, national or regional strikes by Persons other than the Affected Party's personnel, and weather conditions that actually prevent the Affected Party's performance under this Agreement for more time than could have been reasonably anticipated.

II. Garage. See Subsection 2.5 titled *Parking*.

JJ. Guarantor. See Section 7 titled *Completion and Performance Guaranty*.

KK. Guaranty. See Section 7 titled *Completion and Performance Guaranty*.

LL. Hotel. Hotel means the hotel and related facilities to be developed by Redeveloper after the Effective Date and located on the Land, including all drives, landscaping, utility lines, and other improvements of whatever character and all other fixtures, equipment, and other items of tangible property now or hereafter installed or constructed by Redeveloper or used in connection with the hotel and related facilities and located on the Land.

MM. Hotel Percentage Payment. See Subsection 9.5 titled *Hotel Percentage Payments*.

NN. Hotel Percentage Payment Cap. See Subsection 9.5 titled *Hotel Percentage Payments*.

OO. Indemnified Parties. Indemnified Parties (and each an Indemnified Party) means: (1) The City and each of the Public Entities; (2) the Alliance for Economic Development of Oklahoma City; (3) the respective beneficiaries and affiliates of (1) and (2); (4) the successors and assigns of (1) through (3); and (5) the officers, directors, employees, agents, contractors, consultants, vendors, and insurers of (1) through (4) (excluding members of Redeveloper Group).

PP. Land. Land means the real property to be sold to Redeveloper pursuant to this Agreement in Oklahoma City, Oklahoma and bounded on the north by the Oklahoma City Boulevard, on the east by South Broadway Avenue, on the south by S.W. 4th Street, and on the west by South Robinson Avenue and adjacent to the Convention Center and more particularly described on Exhibit A and depicted on Exhibit A-1.

QQ. Legal Requirements. Legal Requirements (and each a Legal Requirement) means all laws, statutes, codes, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions, and requirements of and agreements with all federal, state, and local governments, agencies, and officials, foreseen and unforeseen, ordinary or extraordinary, that now or at any time hereafter may be applicable to all or any part of the Property or to any use or condition of all or any part of the Property or to the Public Entities or Redeveloper, as well as any covenants and restrictions now or hereafter burdening the Property.

RR. Minimum Operating Standards. Minimum Operating Standards means those operating criteria for management, operation, and maintenance of the Property at a level consistent with the current operating criteria for the American Automobile Association's designation for Four-Diamond hotels in effect as of the Effective Date which are incorporated in this Agreement by reference and also in accordance with the Omni brand standards. In the event of a conflict between those guidelines and the Omni brand standards, the higher standard will be applicable for determining the Minimum Operating Standards.

SS. Municipal Approvals. See Subsection 4.9 titled *Municipal Approvals*;

Reimbursement of Costs.

TT. Net Operating Income. Net Operating Income, with respect to the applicable period (on an accrual basis and consistent with Generally Accepted Accounting Principles), means the gross annual income realized from operations of the Hotel after subtracting all necessary and ordinary operating expenses (both fixed and variable) for the applicable period, including utilities, administrative expenses, payroll, benefits, cleaning, operating supplies and equipment, landscaping, security, repairs and maintenance, lease payments, management fees, real estate and other taxes (or any payments in lieu of such taxes), assessments, insurance, and a reserve for replacement of furniture, fixtures, and equipment equal to 5% of the gross annual hotel revenue. In calculating Net Operating Income, there will be no deduction for federal, state, or local income taxes, debt service expense, depreciation, or amortization expense.

UU. No Discrimination Covenant. See Section 12 titled *Covenants Restricting Use of the Property*.

VV. NOI Hurdle. See Subsection 9.5 titled *Hotel Percentage Payments*.

WW. Notices, Notice, Notify, Notifying. See Section 18 titled *Notices*.

XX. Park. Park means the section of the MAPS 3 downtown public park that is north of Interstate 40, more particularly described in Exhibit I.

YY. Parking Easement. See Subsection 2.5 titled *Parking*.

ZZ. Parties. Parties (and each a Party) means Redeveloper, The City, and the Public Entities.

AAA. Permits. See Subsection 6.5 titled *Permits*.

BBB. Permitted Title Exceptions. Permitted Title Exceptions means the exceptions to fee simple title to the Land that are listed as exceptions in the Title Commitment, as approved or waived as a Title Objection by Redeveloper.

CCC. Person(s). Persons (and each a Person) means any individual, corporation, association, trust, partnership, joint venture, or any government or agency or political subdivision of it. Persons do not include the Parties.

DDD. Plans. See Subsection 4.4 titled *Hotel Plans*.

EEE. Preliminary Project Development Schedule. See Subsection 4.1A titled *Preliminary Project Development Schedule*.

FFF. Preliminary Project Budget. See Subsection 4.7 titled *Preliminary Project Budget*.

GGG. Project. Project means the construction, development, financing, and operation of the Hotel pursuant to this Agreement.

HHH. Property. Property means the Land and the Hotel.

III. Public Contribution. See Subsection 8.1 titled *The Public Contribution*.

JJJ. Public Contribution Fund. See Section 8.10 titled *Deposit and Disbursements of the Public Contribution*.

KKK. Public Entities. Public Entities means the Renewal Authority and the Trust, collectively.

LLL. Public Representatives, Public Entities, and The City's Consent. See Subsection 21.5 titled *Consent by the Public Representatives, the Public Entities, and The City*.

MMM. Public Representatives. See Subsection 2.7 titled *Representatives*.

NNN. Reciprocal Easement Agreement. See Subsection 2.6 titled *Reciprocal Easement Agreement*.

OOO. Reconstruction Work. See Subsection 16.3 titled *Reconstruction*.

PPP. Redeveloper. Redeveloper means Omni OKC, LLC.

QQQ. Redeveloper Group. "Redeveloper Group" means: (1) Redeveloper; (2) its parents, subsidiaries, and affiliates; (3) the heirs and devisees (if applicable), successors, and assigns of (1) and (2); and (4) the officers, directors, employees, agents, invitees, contractors, consultants, vendors, insurers, subcontractors, and all other Persons acting under the control of or on behalf of either (1), (2), or (3).

RRR. Redeveloper's Policies. See Subsection 16.1 titled *Insurance; Reconstruction*.

SSS. Reimbursement Payments. See Subsection 4.14 titled *Reimbursement of Costs*.

TTT. Renewal Authority. Renewal Authority means the Oklahoma City Urban Renewal Authority, a local government entity.

UUU. Room Block Agreement. Room Block Agreement means the Room Block Agreement between the Room Block Entities and Redeveloper (as "Owner") and relating to the rights of the Room Block Entities and the obligations of Redeveloper (as "Owner") to ensure that, on a continuing basis, a certain number of guest rooms are available in the Hotel to support Citywide Events, as defined in the Room Block Agreement.

VVV. Room Block Entities. Room Block Entities means the Oklahoma City Convention and Visitors Bureau and SMG, the operator of the new Oklahoma City Convention

Center (or any successor operator).

WWW. Streetcar System. Streetcar System means a new streetcar system connecting the Hotel and the Convention Center to the Oklahoma City central business district, the St. Anthony's hospital campus, the Automobile Alley District, and the historic Bricktown district, as further depicted on Exhibit H.

XXX. Substantial Completion. Substantial Completion means: (1) the completion of all work contemplated by the Plans, subject only to minor "punchlist" items that must be completed within 30 Calendar Days, as evidenced by the issuance of an AIA Form Certificate of Substantial Completion by the architect-of-record; (2) the issuance of an unconditional certificate of occupancy by The City authorizing use and occupancy of the Property; and (3) the issuance of all material Permits required for operation of the Property.

YYY. Survey. Survey means the ALTA survey(s) of the Land prepared by a registered land surveyor mutually selected and agreed upon by the Parties showing, at a minimum, the boundaries and exact legal description of the Land, the north direction, the location of all improvements, existing easements, the location and extent of any encroachments upon or by the Land, all utility service lines shown at the perimeter of the Land, and the total gross acreage of the Land computed to the nearest one-ten thousandth (1/10,000th) of an acre, which computation will include the sum of the total acreage of real property lying within and under, computed to the center line thereof, all public and private roadways, easements, and rights-of-way, opened or proposed, located upon or appurtenant to the Land. The legal description of the Land prepared by such surveyor will be used to describe the Land in the instruments prepared and used at Closing.

ZZZ. Target Substantial Completion Date. Target Substantial Completion Date means the date that is 28 months from commencement of construction.

AAAA. Target Final Completion Date. Target Final Completion Date means the date that is 60 days from Substantial Completion.

BBBB. Term. The Term means the term of this Agreement which commences on the Effective Date and continues until 45 years after issuance of the certificate of occupancy for the Hotel.

CCCC. Third Party Delay. Third Party Delay(s) means any delay encountered by Redeveloper in obtaining any required third party approvals, including any required approvals by the Public Representatives and any required Development Approvals, provided that in each case Redeveloper has proceeded with due diligence to seek such approvals in a timely and efficient manner and in accordance with all procedural requirements imposed by the third party from whom such approvals are sought, it being expressly acknowledged and agreed by Redeveloper that no delay in Redeveloper's obtaining any required third party approvals due to Redeveloper's failure to comply with any procedural requirements imposed by the third party from whom such approvals are sought will constitute a Third Party Delay(s).

DDDD. Title Commitment. Title Commitment means a written commitment

obligating the Title Insurer to issue the Title Policy on satisfaction of the requirements set forth in the commitment.

EEEE. Title Company. Title Company means a title company selected by Redeveloper and approved by the Renewal Authority.

FFFF. Title Insurer. Title Insurer means a title company selected by Redeveloper and approved by the Renewal Authority.

GGGG. Title Objections. Title Objections means Redeveloper's objections, if any, to the status of title to the Land.

HHHH. Title Policy. Title Policy means the ALTA Owner's Policy of Title Insurance to be issued by the Title Insurer to Redeveloper at Closing pursuant to the Title Commitment.

IIII. Trust. The Trust means the Oklahoma City Economic Development Trust, a public trust.

JJJJ. Use Covenant. See Section 12 titled *Covenants Restricting Use of the Property*.

2. Scope of Redevelopment.

2.1 Project Scope. The Project consists of the development of a full-service convention center hotel and related improvements on the Land with the following features:

- Minimum of 600 guest rooms
- Minimum of "Upper Upscale" designation as defined by STR Global, generally consistent in construction quality with Redeveloper's most recent owned convention center hotels in Nashville, Tennessee and Fort Worth, Texas.
- Minimum of 50,000 square feet of gross meeting/ballroom space
- Dining and related amenities
- Meeting all standards of the Omni Hotels and Resorts brand
- Ground level retail
- Pool and pool deck
- Design and construction such that a skybridge connecting the Hotel to the Convention Center could be added at a later date if the Parties mutually agree that a skybridge is necessary or desirable

Redeveloper will develop the Project in accordance with the Core to Shore Urban Renewal Plan, the Core to Shore Reinvestment Area Project Plan, The City's ordinances and policies, all applicable Legal Requirements, and the Plans as more particularly described in this Agreement.

2.2 Property Subject to Redevelopment. Redeveloper has the exclusive rights to take title to and develop the Land in accordance with this Agreement. The Land will be provided to Redeveloper graded to level site pad. The legal description of the Land is subject to adjustment as to exact boundaries, dimensions, and interests and final determination by mutual

approval based on the Survey, description of exceptions and reservations, requirements of related agreements, and establishment or confirmation of appurtenant easements necessary or appropriate to serve the proposed development. The Property will be subject to the obligations of this Agreement.

2.3 Sale; Purchase Price. Subject to the terms, covenants, and conditions of this Agreement, the Renewal Authority will sell the Land to Redeveloper, and Redeveloper will purchase the Land from the Renewal Authority and pay for it as follows. For a period of 25 years commencing the first day of the fifth calendar year after issuance of the Hotel's Certificate of Completion pursuant to this Agreement and ending year 30, Redeveloper will make annual payments ("the Fixed Land Payments") to the Renewal Authority in the amount of Two Hundred Thousand Dollars (\$200,000.00) (increased by the growth in the Consumer Price Index commencing with the second such payment). Redeveloper shall also pay to the Trust any Hotel Percentage Payments payable to the Trust pursuant to Subsection 9.5 titled Hotel Percentage Payments.

2.4 Relationship of the Parties; Rights of the Public Entities. The undertaking of this Agreement is a complex process involving a redevelopment project that will require the mutual cooperation of the Parties and their timely actions on matters that are appropriate or necessary to implement this Agreement, obtain the necessary financing, and construct the Hotel and the City Projects. The Parties will use commercially reasonable efforts in good faith to perform and assist each other in performing their respective obligations in accordance with this Agreement. This Agreement does not render any Party liable for any of the debts or obligations of any other Party.

2.5 Parking.

A. Construction and Maintenance of the Garage; the Parking Easement. The City will be responsible for securing funding for and causing the construction and operation of a parking garage ("the Garage") adjacent to the Hotel in a location and configuration to be agreed upon by The City and Redeveloper (the "Garage Land"). Redeveloper will have input on the design and layout of the Garage to ensure the Garage operates with peak efficiencies for all parties. After construction, the Garage will be maintained at all times in a first class manner, in good repair and condition, comparable to or better than the other parking facilities owned and/or operated by or on behalf of The City, and further in a manner that allows for the operation of the Hotel consistent with the Minimum Operating Standard ("the Garage Operating Standard"), all as will be more particularly set forth in the Parking Easement. At Closing, The City will enter into an easement and operating agreement ("the Parking Easement") with Redeveloper, which will allow for an easement benefiting the Hotel and burdening the Garage Land allowing the utilization of 450 dedicated parking spaces for the Hotel ("the Spaces"), at market rates set by the owner of the Garage (which rates must be reasonable and generally consistent with market rates in the City set by the Central Oklahoma Transportation Parking Authority), for self-park or valet, at Redeveloper's election within the Garage. The Parking Easement will be transferable and run with the Hotel and will remain in effect for so long as the Hotel is operated as a hotel; otherwise, the Parking Easement cannot be terminated. The City shall be obligated to provide the Spaces to Redeveloper at all times during the term of the Parking Easement, regardless of whether The City utilizes a private party to own and/or operate the Garage. The Parking Easement will

provide, among other things, that upon a casualty with respect to the Garage, The City will have the obligation to reconstruct the garage within a reasonable period of time. In addition, the Parking Easement shall require The City to carry property and liability insurance mutually acceptable to The City and Redeveloper. Redeveloper will operate and retain all parking revenue profit related to the Spaces for the Hotel. The Parking Easement will address in detail operational and revenue control matters agreed to by Redeveloper and The City, including the right of ingress and egress for the valet operation in such a manner as to not impede or delay such operation. If The City retains a third party to construct and own the Garage, The City will secure the obligations of that third party to comply with the requirements in this paragraph; provided, however, that the assignment of the City's obligations hereunder to that third party shall not relieve the City from compliance with such obligations. For purposes of this Subsection, "The City" means either The City or a public trust whose sole beneficiary is The City.

B. Substitute Parking. In the event the Garage is not completed on or before the opening of the Hotel, or if the Spaces in the Garage become unavailable for any reason during the Term, then in addition to any other remedies available to Redeveloper pursuant to this Agreement, at law or in equity, The City shall be obligated to provide substitute parking arrangements reasonably acceptable to Redeveloper for spaces in close proximity to the Hotel until the Spaces can be completed or restored. The City will use diligent efforts to complete or restore the Spaces as soon as possible but in any event not more than six (6) months from the date of unavailability.

C. Overflow Parking for Events. In the event that the parking demand exceeds the supply during an event at the Hotel, The City will use reasonable efforts to make additional parking available at nearby City garages or parking lots to handle the overflow at market rates. In the event that the parking demand exceeds the supply during an event at the Convention Center, Redeveloper will use reasonable efforts to make its dedicated parking spaces available to handle the overflow, Redeveloper to be compensated for such spaces at a mutually-agreeable decrease in the market rates for those spaces for the time period used.

2.6 Reciprocal Easement Agreement. Redeveloper acknowledges that part of the Renewal Authority's consideration for consummating the transaction contemplated by this Agreement is Redeveloper's agreement to purchase the Land subject to a reciprocal easement agreement ("the Reciprocal Easement Agreement") to be imposed against all or a portion of the Property as mutually agreed to by Redeveloper and the Renewal Authority in order to facilitate the development of the Property as a convention center hotel and to provide mutual cross-access between the Hotel and the Convention Center. Accordingly, prior to Closing, and as a condition precedent to Redeveloper's and the Renewal Authority's obligations to consummate the Closing with respect to the Land, Redeveloper and the Renewal Authority will enter into a mutually agreeable reciprocal easement agreement.

2.7 Representatives. The Parties will each designate a representative(s) to facilitate communication and cooperation between them regarding the Project. The representative(s) for the Public Entities and The City ("the Public Representatives") will be informed of and entitled to attend all meetings with Redeveloper's architects, engineers, Construction Contractor, construction manager, and other contractors and suppliers. The City and the Public Entities will

provide contact information to Redeveloper for purposes of notices to the Public Representatives.

3. Closing; Sale of the Land; Delivery of the Guaranty.

3.1 Form of Deed; Other Closing Deliveries. Upon the later to occur of: (i) satisfaction of the Conditions Precedent; and (ii) the date that is 12 months after the Effective Date, the Renewal Authority will convey to Redeveloper marketable title in fee simple of the Land by special warranty deed ("the Deed") in substantially the form of Exhibit B, and Redeveloper will cause the Guarantor to deliver the Guaranty to the Public Entities and The City ("Closing"). The Deed will be subject to the Covenants and any Approved Title Exceptions. At or before Closing, Redeveloper and the Renewal Authority will take such actions and deliver to the other such other instruments, items, and documents as are necessary to carry out the purposes of this Agreement, including such affidavits, certificates, or other documents as may be reasonably required by the Title Company to close the transaction contemplated by this Agreement and issue a Title Policy to Redeveloper.

3.2 Time and Place for Closing. Provided that the Conditions Precedent have been satisfied, Closing will occur at a mutually agreeable time and place.

3.3 Apportionment of Property Taxes; Other Prorations. Because the Renewal Authority is a tax-exempt entity, there is no requirement to apportion ad valorem taxes at Closing. The portion of the current taxes, if any, on the Land that is a lien on the date the Deed is delivered to Redeveloper will be borne by the Renewal Authority. Redeveloper will pay all ad valorem taxes accruing to the Land after construction and after the Property is returned to the tax rolls as a result of this conveyance.

3.4 Title Evidence. Redeveloper may purchase title insurance at Redeveloper's option and expense. If Redeveloper Notifies the Renewal Authority that it chooses to purchase title insurance, the Renewal Authority will cause a Title Policy to be issued for the Land. Redeveloper will have 30 Calendar Days after the receipt from the Renewal Authority of the last of the Title Commitment, Exception Documents, and the Survey within which to Notify the Renewal Authority in writing of any objections Redeveloper has to any matters appearing or referred to in the Title Commitments or the Survey. Any exceptions or other matters in the Title Commitments or the Survey to which Redeveloper does not object in writing during such 30-Calendar Day period will be deemed to be Permitted Title Exceptions and will be listed in Schedule 1 to this Agreement after the title review process is completed. With regard to items to which Redeveloper does so object during such 30-Calendar Day period, the Renewal Authority will have until Closing within which to cure such objections. The Renewal Authority will exercise its best efforts to cure such objections, but the Renewal Authority will not be required to incur other than de minimus expenses in connection with such efforts. If the Renewal Authority is unable to cure such objections without incurring more than de minimus expenses and is unwilling to otherwise cure such objections, the Renewal Authority will so Notify Redeveloper in writing at least three Business Days prior to Closing, in which event Redeveloper, at its option, and as its exclusive remedy, may: (1) waive its objections and purchase the Land; or (2) terminate this Agreement. Thereafter the Parties will not have any further rights against or liability to the other under this Agreement except those rights and obligations that by their nature

are intended to survive termination of it.

3.5 Property Inspections. Prior to Closing, the Renewal Authority will permit Redeveloper and its representatives access to the Land at all reasonable times to conduct physical and environmental inspections of it pursuant to the Early Entry and Contingent Reimbursement Agreement.

3.6 Existing Survey and Environmental Reports. At no cost to Redeveloper, the Renewal Authority will provide Redeveloper with a copy of any survey or environmental report on the Land that is in the Renewal Authority's possession on the Effective Date.

3.7 Closing Costs. Redeveloper will pay the costs of: (1) obtaining Title Commitments, including all title examination costs of the Title Company; (2) the premium for the Title Policy; (3) the cost of the Survey; (4) the Title Company's fees for closing the transactions contemplated by this Agreement; and (5) Redeveloper's accounting, legal, and other expenses associated with the transaction contemplated by this Agreement, whether or not such transaction is consummated. The Renewal Authority will pay the costs of obtaining all environmental reports or tests on the Land.

4. Pre-Development Activities and Conditions Precedent to Closing. Before the Renewal Authority has any obligation to sell the Land to Redeveloper and Redeveloper has any obligation to develop the Hotel, the Parties will enter into the following pre-development activities as set out in each Subsection of this Section. Each of the following pre-development activities are conditions precedent ("the Conditions Precedent") to the Renewal Authority's obligation to sell the Land to Redeveloper and to Redeveloper's obligation to develop the Hotel and must be performed substantially within the time frames stated below.

4.1 Preliminary Development Schedules.

A. Preliminary Project Development Schedule. A preliminary development schedule for the Project setting forth certain currently anticipated pre-development and development activities for the Project ("the Preliminary Project Development Schedule") is attached as Exhibit C-1. After the Effective Date, the Parties will hold regularly scheduled meetings, and the Parties will agree in advance on all meeting dates and times. Redeveloper will provide periodic updates to the Public Representatives regarding the Preliminary Project Development Schedule or such other updates as otherwise reasonably requested. The Target Substantial Completion Date may not be modified without the Public Representatives' consent. However, Redeveloper has the right, from time to time, to make reasonable modifications in and to the Preliminary Project Development Schedule to the extent that such modifications may be necessary or desirable in connection with Redeveloper's efforts to obtain the Development Approvals and/or in connection with field adjustments or conditions, long-lead time items, and other matters that affect Redeveloper's development and construction of the Project. Notwithstanding the foregoing, except as otherwise provided in this Agreement, in the event any such modifications would result in an extension of the Target Substantial Completion Date, then Redeveloper must obtain the Public Representatives' consent. Notwithstanding the foregoing or anything to the contrary in this Agreement, to the extent any proposed modifications to the Preliminary Project Development Schedule (including the Target Substantial Completion Date or

the Target Final Completion Date) are necessitated by: (1) the occurrence or discovery of Differing Site Conditions; (2) Force Majeure Events; or (3) Third Party Delay(s), such modifications may be implemented by Redeveloper and the Public Representatives' prior written consent will not be required so long as such modifications are reasonable in light of the circumstances giving rise to the necessity for such modifications and Redeveloper so Notifies the Public Representatives. The dates in the Preliminary Project Development Schedule, including the Target Substantial Completion Date and Target Final Completion Date, may be extended for the length of any such delay. In the event of any Force Majeure Events or Third Party Delays, Redeveloper must cooperate in good faith with the Public Representatives to minimize and mitigate the impact of such delays.

B. City Projects Preliminary Development Schedule. A Preliminary Development Schedule for each of the City Projects setting forth currently anticipated pre-development and development activities for each of the City Projects, including construction commencement dates, significant milestone dates, and the City Projects Target Completion Dates (herein so called) is attached as Exhibit C-2 ("the City Projects Preliminary Development Schedule"). The Public Representatives will provide periodic updates to Redeveloper regarding the City Projects Preliminary Development Schedule or such other updates as are otherwise reasonably requested by Redeveloper.

C. Obligation to Open Hotel. Redeveloper will have no obligation to open and operate the Hotel until the Garage (subject to Omni's option to open if substitute parking is available as set out in Subsection 2.5(B)) and the Convention Center are operational for their intended purposes; provided, however, Redeveloper's opening of the Hotel prior to completion of any of the City Projects shall not waive any of Redeveloper's rights against the Public Entities for failure to timely complete the City Projects.

D. Redeveloper Contingency. Notwithstanding anything to the contrary set forth in this Agreement, Redeveloper's obligations with respect to the Preliminary Project Development Schedule, the Target Substantial Completion Date, and the Target Final Completion Date are contingent upon the Public Entities remaining substantially in compliance with the schedule for the Convention Center construction pursuant to the City Projects Preliminary Development Schedule.

4.2 Development Approvals. At its sole cost and expense, Redeveloper is responsible for identifying and obtaining (or causing its agents, contractors, or subcontractors to identify and obtain on Redeveloper's behalf) any and all Development Approvals required in connection with the Project in accordance with the Plans and applicable Legal Requirements. The Public Entities and The City will reasonably cooperate with Redeveloper in obtaining the Development Approvals.

4.3 Conceptual Plans. In accordance with the Preliminary Project Development Schedule, Redeveloper will, at its sole cost and expense and in consultation with the Public Representatives, prepare or cause to be prepared preliminary drawings and conceptual designs (collectively, "the Conceptual Plans") for the Project and submit the Conceptual Plans to the Public Representatives for the Public Representatives' review and consent of the Approval Items only. The Public Representatives will have 15 Business Days to review and consent to or reject

the Approval Items in the Conceptual Plans. If the Public Representatives fail to respond to the Approval Items in the Conceptual Plans within such 15 Business Day period, the Public Representatives will be deemed to have approved the Approval Items in the Conceptual Plans. If the Public Representatives reject the Approval Items in the Conceptual Plans or any part of them within such 15 Business Day period, they must so Notify Redeveloper within such 15 Business Day period and must provide to Redeveloper a detailed written basis for the objection and suggested edits or modifications to the Approval Items in the Conceptual Plans, which Redeveloper will review and consider. Thereafter, Redeveloper will diligently work to resolve the Public Representatives' concerns and objections. If Redeveloper and the Public Representatives are unable to resolve any such concerns within ten Business Days, they will resolve the dispute by submitting it to an independent design consultant that is mutually-agreeable to the Public Representatives and Redeveloper, with each party to share the fees and expenses of the consultant equally. The duration of the consultant review will be five Business Days. The consultant's decision will be binding on the Public Representatives and Redeveloper. Once approved by the Public Representatives, the Approval Items as set forth in the approved Conceptual Plans may not be modified or amended "in any material respect by Redeveloper without the Public Representatives' consent, which consent will not be unreasonably withheld. Each day that the Conceptual Plans are not approved beyond 30 days after the initial submission of the Conceptual Plans to the Public Representatives shall constitute a Third Party Delay for all purposes under this Agreement.

Redeveloper has the right, from time to time, to make reasonable changes in and to the Conceptual Plans to the extent that such changes are reasonably necessary or are required in order to cause the Property to comply with any applicable Legal Requirement. Notwithstanding the foregoing, if any requested change to the Conceptual Plans materially and adversely deviates from the approved Conceptual Plans or modifies or amends the Approval Items, then Redeveloper will be required to obtain the Public Representatives' consent. Within five Business Days after Redeveloper requests in writing a change in the Conceptual Plans that requires the Public Representatives' consent, the Public Representatives will Notify Redeveloper as to whether the Public Representatives' consent to or disapprove the changes proposed by Redeveloper. If the Public Representatives disapprove such requested changes, they must so Notify Redeveloper within such five Business Day period and must provide Redeveloper a detailed written basis for such disapproval. Thereafter, Redeveloper will diligently work to resolve the Public Representatives' concerns and objections. If the Public Representatives and Redeveloper are unable to resolve any such concerns within ten Business Days, they will resolve the dispute by submitting it to an independent design consultant that is mutually-agreeable to the Public Representatives and Redeveloper, with each party to share the fees and expenses of the consultant equally. The duration of the consultant review will be five Business Days. The consultant's decision will be binding on the Parties. If the Public Representatives do not respond within the five Business Day Period or if the Public Representatives' consent to such changes, the Conceptual Plans will be deemed to be changed as set forth in Redeveloper's request. In addition, the Conceptual Plans will be deemed to be changed by any changes made by Redeveloper that do not require the Public Representatives' consent.

4.4 Hotel Plans. Based on the approved Conceptual Plans, as such plans may be modified in accordance with Subsection 4.3, Redeveloper will, at its sole cost and expense and in

consultation with the Public Representatives, prepare or cause to be prepared: (1) schematic design documents; (2) preliminary specifications, design development, and construction documents; and (3) final and complete specifications, design development, and construction documents (collectively, "the Plans"). Redeveloper will submit a copy of each component of the Plans to the Public Representatives. If the Plans materially deviate from the Conceptual Plans, they must be approved in writing by the Public Representatives. If the Plans do not materially deviate from the Conceptual Plans, such approval will not be required. Redeveloper has the right, from time to time, to make changes in and to the Plans to the extent that such changes are reasonably necessary: (1) in connection with field conditions or other minor revisions to the Plans as reasonably determined to be necessary or appropriate to Redeveloper with respect to the Project; (2) due to Differing Site Conditions or Force Majeure Events; (3) in order to cause the Project to comply with any applicable Legal Requirements; and/or (4) to the extent such changes do not affect any Approval Items. Notwithstanding the foregoing, if any requested change to the Plans materially and adversely deviates from the Approval Items as shown on the approved Conceptual Plans, then Redeveloper will be required to obtain the Public Representatives' consent. Within 15 Business Days after Redeveloper requests in writing a change in the Plans that requires the Public Representatives' consent, the Public Representatives will Notify Redeveloper as to whether the Public Representatives approve or disapprove the changes proposed by Redeveloper. If the Public Representatives disapprove such requested changes, they must so Notify Redeveloper within such 15 Business Day period. Thereafter, Redeveloper will diligently work to resolve the Public Representatives' concerns and objections. If the Public Representatives and Redeveloper are unable to resolve any such concerns within ten Business Days, they will resolve the dispute by submitting it to an independent design consultant that is mutually-agreeable to the Public Representatives and Redeveloper, with each party to share the fees and expenses of the consultant equally. The duration of the consultant review will be 15 Business Days. The consultant's decision will be binding on the Parties. If the Public Representatives do not so Notify Redeveloper or, if the Public Representatives consent to such changes, then the Plans will be deemed to be changed as set forth in Redeveloper's request. In addition, the Plans will be deemed to be changed by any changes made by Redeveloper that do not require the Public Representatives' consent.

4.5 City Projects Conceptual Plans. The City and the Public Entities have provided the conceptual plans for each of the City Projects ("the City Projects Conceptual Plans") to Redeveloper for its information. The City agrees that the City Projects as developed will not materially deviate from the City Projects Conceptual Plans provided to Redeveloper. Redeveloper will be entitled to attend meetings regarding the City Projects.

4.6 Evidence of Commitment to Fund the City Projects and Ownership of Land for Garage. The City must provide to Redeveloper: (i) evidence reasonably satisfactory to Redeveloper that the requirements of Subsection 8.3 titled *Construction of the City Projects* have been fully satisfied (ii) certified copies of the fully executed construction contracts for each of the City Projects reflecting no material changes to the scope of the work, budget or construction schedule previously presented to Redeveloper and reflected in this Agreement; and (iii) evidence reasonably satisfactory to Redeveloper that either The City, either of the Public Entities, or a public trust of which The City is the beneficiary, owns the land upon which the Garage will be

built. The City's compliance with the foregoing covenant is a condition precedent to the effectiveness of the Guaranty.

4.7 Preliminary Project Budget. A preliminary project budget for the Project setting forth in reasonable detail the estimated Development Costs as of the Effective Date ("the Preliminary Project Budget") is attached as Exhibit D. To the extent Redeveloper determines that any modifications to the Development Costs are necessary after the Effective Date, Redeveloper will so Notify the Public Representatives. The Public Representatives will have no review or approval right over any changes to the Development Costs for any reason, provided no changes to the Development Costs result in any changes to the Hotel Percentage Payments or the Public Contribution set forth in the Economic Development Agreement.

4.8 Cooperation Among the Parties. Prior to and after Closing, the Parties will cooperate with each other in good faith to review documents and materials that require approval by one or more of the Parties, in order to commence and complete the development of the Project. Such cooperation will include good faith efforts by the Parties to respond to one another as expeditiously as possible with regard to requests for information or approvals required by this Agreement. Further, Redeveloper acknowledges and agrees that in the case of any documents and materials requiring the Public Representatives' approval, Redeveloper must obtain such approval in writing and Redeveloper must provide the Public Representatives with the time periods set forth in this Agreement for review and approvals. If no time period is expressly set forth in this Agreement, then a minimum of five Business Days to review and approve any such documents and materials will be provided. If materials or documents are not approved as initially submitted, then the Parties will engage in such communications as are necessary under the circumstances to resolve the issues resulting in such disapproval so as not to impede or delay Redeveloper's ability to obtain all Development Approvals and to commence and complete construction of the Project in accordance with the Preliminary Project Development Schedule. A spirit of good faith and a mutual desire to meet the target dates in the Preliminary Project Development Schedule for the success of the Project will govern the Parties' relationship under this Agreement. All comments provided by any Party on documents for which approval is required will be detailed and sufficient in order to enable the other Party to address such comments and to move the process forward in a timely manner in accordance with the Preliminary Project Development Schedule. This Section will survive the Closing.

4.9 Municipal Approvals. The Project will require approvals from municipal entities, including The City's City Council, to fund the Public Contribution ("the Municipal Approvals"). The Public Entities and The City will work in good faith to obtain the Municipal Approvals. If the Municipal Approvals are not properly obtained within 12 months of the Effective Date, then Redeveloper may terminate its obligations under this Agreement.

4.10 Submission of Evidence of Project Financing. Redeveloper will submit evidence, satisfactory to the Public Representatives, that Redeveloper has the equity capital and commitments for financing necessary for construction of the Hotel. Such submittals will be made no later than five Business Days before Closing.

4.11 Economic Development Agreement and Room Block Agreement. On or before Closing, the Economic Development Agreement and the Room Block Agreement, each in a form mutually acceptable to the Parties, must be executed.

4.12 Reciprocal Easement Agreement. The Reciprocal Easement Agreement must be fully negotiated and executed pursuant to Section 2.6 titled *Reciprocal Easement Agreement*.

4.13. Parking Easement. The City must have acquired the Garage Land and the Parking Easement must be fully negotiated and executed, all pursuant to Section 2.5 titled *Parking*.

4.14 Reimbursement of Costs. The City and the Public Entities acknowledge that Redeveloper is spending significant Development Costs in connection with the Project prior to the Conditions Precedent being satisfied. In that regard, if any of the Conditions Precedent that are within the Public Entities' and/or The City's control are not satisfied on or before the day that is one year from the Effective Date ("the Conditions Precedent Outside Date"), Redeveloper shall have the right, but not the obligation, to terminate this Agreement and upon such termination pursuant to this Section, the Public Entities will reimburse Redeveloper its out-of-pocket costs related to due diligence, design, legal, development, and documentation of the Project, capped at One Million Two Hundred Fifty Thousand Dollars (\$1,250,000.00) ("the Reimbursement Payment"). The Reimbursement Payment will be made to Redeveloper within 60 Calendar Days after written request therefor.

5. Commencement and Completion of the Hotel.

5.1 Commencement and Completion of the Hotel. Provided Closing occurs and subject to all terms and conditions of this Agreement, construction of the Hotel will be commenced no later than the date provided in the Preliminary Project Development Schedule. At its sole cost and expense and subject to any changes in the Preliminary Project Development Schedule pursuant to Subsection 4.1 titled *Preliminary Project Development Schedule* and subject to the obligations at the Public Entities pursuant to this Agreement *Development Schedules*, Redeveloper must use commercially reasonable efforts to achieve Substantial Completion by the Target Substantial Completion Date. Redeveloper must thereafter diligently and continuously pursue completion of any punch-list items until all such punch-list items have been completed ("Final Completion"). Redeveloper must use commercially reasonable efforts to achieve Final Completion by the Target Final Completion Date. In no event will Redeveloper be obligated to commence construction activities on the Land prior to Closing. However, Redeveloper may commence construction activities on the Land prior to Closing as consented to in writing by the Renewal Authority, such consent to be given or withheld in its sole discretion. Any such activities must be conducted subject to the Early Entry and Contingent Reimbursement Agreement. The Parties intend for completion of the Hotel to coincide with the opening of the Convention Center and the Garage. Redeveloper's obligations under this Section are subject to all terms and conditions of this Agreement and to the obligations of The City and the Public Entities pursuant to this Agreement.

5.2 Redeveloper Right to Delay Construction. If, in the reasonable judgment of Redeveloper, the development of the Garage falls behind its schedule or the Convention Center falls behind the schedule in the City Projects Preliminary Development Schedule, Redeveloper

will have the right to delay construction of the Hotel until the later to occur of (i) such time as the Garage and/or the Convention Center construction is back on schedule or (ii) such time as Redeveloper must restart construction of the Hotel in order to allow the opening of the Hotel to coincide with the opening of the Convention Center and the Garage.

6. Construction of the Hotel.

6.1 Redeveloper's General Obligations. Redeveloper will: (1) develop the Hotel in accordance with the Development Approvals; (2) construct or cause the construction of the Hotel in accordance with the Development Approvals, the Plans (as such Plans may be modified as set forth in this Agreement), and all applicable Legal Requirements; and (3) supervise, direct, and coordinate the construction of the Hotel using the standard of care required of it under this Agreement, all in accordance with the high quality, attention, and judgment in the construction industry for contractors providing construction services for projects similar to the Project. All materials used in the construction of the Hotel must be new unless otherwise expressly authorized by the Public Representatives prior to the incorporation of such materials into the Project.

6.2 Public Entities and The City Not Responsible for Construction. The Public Entities and The City will not be responsible for any development work or construction with respect to the Project or any part of it, except for the Public Entities' and The City's compliance with their obligations as set forth in this Agreement. Redeveloper acknowledges and agrees that, as between the Public Entities, The City, and Redeveloper, Redeveloper is solely responsible for all construction methods, techniques, and procedures employed by Redeveloper, its agents, contractors, and subcontractors in connection with the Project.

6.3 Contracts with Construction Contractor and Architect. Each contract that Redeveloper enters into with any contractor, architect or engineer relating to the construction of the Project shall be on commercially reasonable terms and consistent with the contracts it has executed on the other Omni Convention Center hotel projects. A copy of each such contract will be provided to the Public Representatives prior to Closing.

6.4 Progress Reports. After Closing and until Final Completion, Redeveloper must submit monthly progress reports to the Public Representatives, to be submitted on the first Business Day of each month. Such progress reports must at a minimum include: (1) a concise statement of the outlook for meeting scheduled dates; (2) an indication of any change in the outlook from the previous progress report and reasons for the change; (3) a concise statement of significant progress on major items of work since the previous progress report; (4) a description of any problem areas; (5) current and anticipated delaying factors and their impact; (6) an explanation of any corrective action taken or proposed, if reasonably required; and (7) additional remarks as necessary to further clarify the report. Redeveloper must also submit a marked copy of the then current project schedule and an updated version of the project schedule with each progress report. Each progress report must include such further detail as may reasonably be requested by the Public Representatives from time to time as to Redeveloper's progress with respect to the construction.

6.5 Permits. Redeveloper must obtain and maintain all permits, licenses, registrations,

approvals, certificates, or other governmental authorizations (collectively "Permits" and each a "Permit") necessary or appropriate for redevelopment of the Property and construction of the Hotel and any renewals, extensions, or continuances of those Permits. Redeveloper must take all actions necessary to renew, maintain, and protect such Permits, and may not take any action that could in any way interfere with or jeopardize any Permit, the loss or suspension of which would have a material adverse effect on redevelopment of the Property. At Redeveloper's expense, the Renewal Authority will join in the application for such Permits whenever such action is reasonably necessary and requested by Redeveloper.

6.6 Project Meetings with Construction Contractor, Architects, Engineers, and Other Contractors and Suppliers. Redeveloper will hold regular project meetings regarding the Project and construction of the Hotel with Construction Contractor and its architects, engineers, and other contractors and suppliers as deemed reasonably necessary but no less often than at each major milestone in the Project. Redeveloper will Notify the Public Representatives of each such meeting, and the Public Representatives will be entitled to attend such meetings.

6.7 Safety Precautions and Safety Program. Redeveloper must initiate, supervise, and maintain all safety precautions and programs in connection with development of the Property, including safety of all persons and property during performance of work. Redeveloper is responsible (and must require Construction Contractor to be responsible) for the safety of all person(s) at or near the Project site, the Project site itself, and all equipment used in the work. Redeveloper must also take all reasonable steps necessary to keep safe and protect all adjacent property. As part of the redevelopment, Redeveloper must maintain and enforce (and ensure that Construction Contractor maintains and enforces) environmental, health, and safety standards, practices, and procedures that comply with applicable laws and regulatory requirements, establishing a "zero-harm safety culture." Redeveloper's (and Construction Contractor's) responsibility to initiate, maintain, and supervise all safety precautions and programs in connection with the redevelopment will apply continuously throughout the course of the redevelopment and will not be limited by normal working hours. Redeveloper's requirements (to which Redeveloper must hold Construction Contractor) include the following:

A. Compliance with and Giving Notices. Redeveloper must comply, at Redeveloper's expense, with and give notices required by applicable Legal Requirements bearing on safety of persons or property or their protection from damage, injury, or loss.

B. Erection and Maintenance of Safeguards. Redeveloper must erect and maintain, as required by existing conditions and progress of the work, all reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations. Redeveloper must at all times conduct the work to ensure the protection of persons and property and to minimize inconvenience to the general public.

C. Explosives and Hazardous Materials. When use or storage of explosives or other hazardous materials or equipment, or utilization of unusual methods is necessary for execution of the work, Redeveloper must exercise utmost care and carry on such activities under supervision of properly qualified personnel.

D. Remedy of Damage and Loss to Property. Redeveloper must promptly remedy damage and loss caused, in whole or in part, by Redeveloper, any of Redeveloper's personnel, or anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable and for which Redeveloper is responsible.

E. Designated Safety Personnel. Redeveloper must designate a responsible member of Redeveloper's organization at the Project site whose duty will be the prevention of accidents and the enforcement of applicable Legal Requirements regarding safety.

F. Prohibition against Unsafe Conditions. Redeveloper must not permit to exist a hazardous, unsafe, unhealthy, or environmentally unsound condition or activity over which Redeveloper has control at any location where work is to be performed. If Redeveloper becomes aware of such condition or activity, Redeveloper must promptly Notify the Public Representatives and immediately take whatever steps necessary to eliminate, terminate, abate, and rectify such condition or activity.

G. Loading. Redeveloper will not permit any part of the Project site to be loaded so as to cause damage or create an unsafe condition.

H. Project Site Security. Redeveloper must secure the Project site both by day and at night against theft, mischief, damage, and destruction, including keeping gates closed at all times during the performance of the work and erecting and maintaining necessary fencing to prevent persons from accessing the Project site.

6.8 Licensing and Insurance. Construction Contractor and its architects, engineers, and subcontractors for mechanical, electrical, plumbing, and engineering, including civil and structural engineering with respect to the Project must be licensed and properly insured.

6.9 Construction Sites. Redeveloper must keep, or cause Construction Contractor to keep, the construction site reasonably clean, in good order and free of trash and unreasonable or unusual construction debris.

6.10 Differing Site Conditions. If Redeveloper encounters Differing Site Conditions on the Land, Redeveloper must promptly so Notify the Public Representatives. The Public Representatives and Redeveloper will promptly meet and cooperate in good faith to develop a solution to such issue to enable the construction of the Project to continue as promptly as possible. To the extent the existence of such Differing Site Conditions on the Land actually adversely impacts the Preliminary Project Development Schedule or the progress of work, Redeveloper will be entitled to an extension of the Target Substantial Completion Date to account for such impact.

6.11 Interference. The Parties acknowledge and agree that construction of the Project will take place in an urban setting in The City of Oklahoma City and adjacent to the site for construction of the Convention Center. The Parties agree to use commercially reasonable efforts to prevent its construction activities from unreasonably interfering with construction of the other Party and from unreasonably disturbing the residents and businesses in surrounding neighborhoods.

6.12 Construction Restrictions. The following restrictions will be placed upon construction activities on the Property, and Redeveloper must provide for the incorporation of these restrictions in the Construction Contract: (1) access to the Property and the construction site will be limited to those involved with the Project; (2) construction activities will not unreasonably interfere with the use of any pedestrian circulation paths or walks or parking areas or drives adjacent to the Property; (3) Construction Contractor will provide at least a six foot high chain link security fence (which may not contain razor or barbed wire) with lockable gates at the perimeter of the construction site and staging areas on the Land; (4) Construction Contractor will be responsible for the enforcement of discipline and good order among the workers on the site; (5) Construction Contractor will provide and maintain signage, which signage will be subject to the Public Representatives' prior approval, at all entrances to the Property to direct deliveries, construction personnel, and the like to the construction site; and (6) Construction Contractor will notify business operators and/or residents in the surrounding neighborhoods in writing at least 72 hours in advance before any utility shutdown that would affect such building operators and/or residents.

6.13 Certificate of Completion. Promptly after Substantial Completion, Redeveloper shall provide the Public Representatives with an AIA Form Certificate of Substantial Completion for the Hotel, certified by the architect-of-record that the Hotel conforms to the Plans. Such certification by the architect-of-record will be a conclusive determination of satisfaction and termination of Redeveloper's construction obligations under this Agreement.

6.14 Warranty. Redeveloper must require Construction Contractor to perform the construction of the Hotel in a good and workmanlike manner and to warrant all work against defects in material or workmanship for a period of one year from Final Completion. If any manufacturer or supplier of any equipment or material furnishes a warranty for period in excess of one year from Final Completion, Construction Contractor's warranty must be deemed to extend for a like period as to that equipment or material. If, within one year after Final Completion or after the date of commencement of warranties established under the Plans or by terms of an applicable special warranty required by the Plans, any of the work is found to be defective or not in accordance with the Plans, Redeveloper will require Construction Contractor to correct it promptly. The obligations under this Section will survive acceptance of the work under the Plans and termination of the Construction Contract.

6.15 Commissioning of Hotel. Upon Substantial Completion, Redeveloper and the Public Representatives will jointly participate in the commissioning of all aspects of the Project, including all building mechanical, electrical, plumbing, heating, ventilation and air conditioning systems, fire and life safety systems and equipment, and security systems and equipment.

7. Completion and Performance Guaranty. Provided that The City and the Public Entities fulfill their obligations under this Agreement, Omni Hotels Corporation, ("Guarantor") will agree, at no cost to the Public Entities or The City, to cause the timely completion and payment of all of Redeveloper's costs associated with construction of the Hotel pursuant to a Completion and Performance Guaranty ("the Guaranty") in the form attached as Exhibit G, to be provided to the Public Entities and the City at Closing. Throughout the term of the Completion and Payment Guaranty, Guarantor must maintain a net worth (as reflect on its statement of shareholders' equity) reasonably acceptable to the Public Entities and The City, as determined in

accordance with generally accepted accounting principles, consistently applied. Notwithstanding anything to the contrary in this Agreement, the Guaranty will terminate and Guarantor will be released from its liability under it upon Substantial Completion and opening of the Hotel. Further, if Redeveloper does not provide the Guaranty as required, this Agreement will terminate and be of no force and effect.

8. The Public Entities' and The City's Support and Contribution Obligations.

8.1 The Public Contribution. The estimated cost of construction of the Hotel (exclusive of the cost of the Land and the Garage), consistent with the Project scope, is approximately Two Hundred Thirty Five Million Five Hundred Thousand Dollars (\$235,500,000.00) consisting of private capital of approximately One Hundred Fifty Million One Hundred Thousand Dollars (\$150,100,000.00) and a public contribution having a net present value of Eighty Five Million Four Hundred Thousand Dollars (\$85,400,000.00) at a discount rate of 13.5% ("the Public Contribution"), which will be utilized solely for the construction of the Hotel, including public infrastructure directly related thereto. The Parties will work to coordinate funding of the Public Contribution, the terms of which will be set forth in the Economic Development Agreement. The Public Contribution may take the form of economic development incentives of all types applicable to the Hotel, including incentives that may be enacted in the future by the State of Oklahoma, the proceeds of tax-increment financings, municipal bonds, notes, and other debt instruments, and other public funding sources available to advance the Hotel. Further, the Public Contribution will be satisfied by proceeds received by Redeveloper in connection with the Hotel as a result of existing or future tax credits, if any. Redeveloper must obtain the Public Representatives' consent before applying for any tax credit that could negatively impact revenues to be received by The City and/or the Public Entities related to the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act. The Economic Development Agreement will set forth the nature and timing of the incentives. The Parties acknowledge their mutual intent to have the tax treatment of the Public Contribution pursuant to Section 118 of the Internal Revenue Code result in a reduction of Redeveloper's basis in the Property by an amount equal to the Public Contribution. No portion of the Public Contribution will be secured by a security interest in the Hotel. The terms of any economic development agreement or other agreements will be subject to Redeveloper's review and approval. The Public Entities and The City will ensure availability of the Public Contribution and the funds necessary to construct the Garage pursuant to Subsection 2.5 titled *Parking*. Redeveloper will be responsible for all of the design expenses and the remaining capital over and above the Public Contribution that are necessary to complete the Hotel. Redeveloper will be solely responsible for cost overruns. The Public Entities and The City will provide reasonable assurances that the Public Contribution will be fully funded to Redeveloper at agreed-to times.

8.2 Minimum Tax Payment. The Parties intend for Redeveloper to enter into an Economic Development Agreement with the Public Entities and the City detailing the terms and conditions under which assistance in development financing pursuant to the Oklahoma Local Development Act, 60 O.S. 850, et seq., will be provided. The Parties acknowledge that tax-increment financing may be used to fund the Public Contribution. In such case, Redeveloper agrees to pay ad valorem taxes (or to make a payment in lieu of taxes) on the Land and the Hotel in a minimum amount of \$1,400,000.00 commencing on a date certain and terminating

with the later to occur of: (1) 30 years from the Hotel opening; or (2) termination of the tax-increment financing district, the details of which will be set out in the Economic Development Agreement. Redeveloper's obligation to make such minimum annual payment will be a covenant running with the Land, will be stated in the Deed, and will be secured by a lien on the Land and the Hotel in favor of Oklahoma County for the benefit of the apportionment fund to be created by the tax increment financing district.

8.3 Construction of the City Projects. As a condition to the execution of the Guaranty by the Guarantor, The City shall provide evidence reasonably satisfactory to Redeveloper that the City Projects are fully funded, designed, and are subject to executed, fully bonded construction contracts with completion dates and terms, copies of which shall be provided to Redeveloper. Further, The City will provide evidence that the funds for the City Projects, as required by the Oklahoma City Municipal Code, are held in a separate segregated MAPS 3 Project account, dedicated solely for the purposes of funding the City Projects.

8.4 Operation of the Convention Center. To the fullest extent of the law, The City will cause the Convention Center to be continuously operated at all times during the Term as the City's primary convention center and maintained to the same standard it is built to and to a standard of quality consistent with comparable convention centers of a similar size, configuration, and age, ordinary wear and tear and damages from casualty events excepted (the "Convention Center Operating Standard"). Notwithstanding anything to the contrary set forth in this Agreement, Redeveloper's obligations under this Agreement shall be conditioned upon the continuous operation of the Convention Center at all times during the Term in accordance with the Convention Center Operating Standard.

8.5 Cox Convention Center Site. The City and Redeveloper will mutually agree to a restriction on the land that is the existing Cox Convention Center site such that the appropriate authority will agree to: (1) cease using the Cox Convention Center as the main convention center facility for The City effective one year of after the issuance of the certificate of occupancy for the Hotel; (2) not permit a hotel to be constructed or operated on the Cox Convention Center land for at least ten years after the issuance of the certificate of occupancy for the Hotel; (3) not permit a hotel with more than 200 guest rooms to be constructed or operated on the Cox Convention Center land for at least 20 years after the issuance of a certificate of occupancy for the Hotel; (4) not designate another hotel as Oklahoma City's "convention center hotel" for the Oklahoma City Convention Center and the Room Block Agreement for 45 years after issuance of the certificate of occupancy for the Hotel; and (5) grant Redeveloper a non-assignable right of first negotiation to develop a hotel on a portion of that site for an agreed-to period of time on mutually agreeable terms, including a mutually-agreeable price for such right. At Closing, The City will place of record a restrictive covenant agreement in the form attached hereto as Exhibit K evidencing the foregoing restrictions.

8.6 Convention Center Hotel Designation. During the Term, The City and the Public Entities will designate the Hotel as Oklahoma City's "convention center hotel" for the Oklahoma City Convention Center and the Room Block Agreement.

8.7 Marketing of Convention Center Events. The City and the Public Entities expect the Room Block Entities to use diligent efforts (or cause the use of diligent efforts by the

applicable booking entity for the Convention Center) to book events at the Convention Center that are consistent with the character and quality of the operations at the Hotel required by this Agreement.

8.8 Radius Restriction. For a period of 15 years after the issuance of a certificate of occupancy for the Hotel, the Public Entities shall not subsidize or provide any public contribution to another hotel within the area identified on Exhibit J attached hereto and labeled "No Subsidy Zone," with the exception of the hotel to be located within the First National Bank property in downtown Oklahoma City. The foregoing restriction will be memorialized in the appropriate public records at Closing pursuant to a document reasonably acceptable to the Public Entities and Redeveloper.

8.9 Park Connectivity. The City understands that S. Harvey Avenue between Reno Avenue and S.W. 3rd Street (the future Oklahoma City Boulevard extension) provides critical pedestrian access between the existing Myriad Botanical Gardens and the Park. As such, The City commits to Redeveloper to the extent allowed by law and for the benefit of the citizens of Oklahoma City to preserve pedestrian access on a public right-of-way between the existing Myriad Botanical Gardens and the Park at all times during the Term of this Agreement.

8.10 Deposit and Disbursements of the Public Contribution.

A. The Public Contribution Fund. As the funds that make up the Public Contribution (other than the proceeds of tax credits received by Redeveloper) are available for and committed to the Project, those funds will be held by a trustee bank(s) for The Public Entities and The City in a segregated construction fund(s) ("the Public Contribution Fund") established by The Public Entities, The City, and their trustee(s) for the purpose of compliance by The City and the Public Entities with their obligations under this Agreement. The City and the Public Entities will retain any interest earned on funds held in the Public Contribution Fund.

B. Obligation of the Public Contribution. The Parties agree that the Public Contribution will be the first dollars to be actually paid in connection with the construction of the Hotel after Closing. Once the Public Contribution has been fully paid in connection with the construction of the Hotel, Redeveloper will commence with obligation and payment of its portion of the construction costs.

C. Disbursement of the Public Contribution. Obligated funds that make up the Public Contribution will be disbursed from the Public Contribution Fund by the trustee bank(s) as authorized by the Public Representatives to Omni from time to time pursuant to a draw schedule to be mutually-agreed to by Redeveloper and the Public Representatives. Prior to each disbursement, Redeveloper must provide the Public Representatives with copies of the AIA G-702, *Application and Certificate for Payment*, forms applicable to such disbursement establishing that the funds are properly payable. The Public Representatives have the right to refuse authorization of any disbursement if Redeveloper is in default (after the expiration of any applicable notice and/or cure period) of any material obligation under this Agreement.

9. Operation of the Hotel.

9.1 Continuous Operations. Following Substantial Completion and at all times during the Term, Redeveloper has the responsibility to keep the Property open and operating 24 hours per Calendar Day, seven Calendar Days per week, subject to closures due to any of the following: (1) a Force Majeure Event (and then subject to Section 13 titled *Force Majeure Events*); (2) a taking of the Property by eminent domain or purchase in lieu of it; (3) any environmental release requiring remediation; (4) a requirement by any Legal Requirement for any reason; or (5) any partial or complete renovation of the Hotel as reasonably necessary. In the event of any such closure, Redeveloper may close only that portion of the Property that is affected by the causative event and must use all commercially reasonable efforts to re-open the Property (or closed portion of it) as soon as reasonably possible.

9.2 Standard for Operations. By entering into this Agreement, the City and the Public Entities are relying on the experience and reputation of Redeveloper as the owner and operator of first-class convention center hotels. Redeveloper must operate and maintain the Property using the standards of care, skill, and diligence ordinarily provided by competent and similarly credential professional in the performance of services similar to those contemplated by this Agreement, including using commercially reasonable efforts, skill, judgment, and ability to meet the Minimum Operating Standards. Redeveloper must operate and maintain the Property in a safe, skillful, diligent, and workmanlike manner, in substantial conformity with this Agreement and applicable Legal Requirements.

9.3 Condition, Maintenance, and Repair. After Substantial Completion and at all times during the Term, Redeveloper must maintain the Property in good and clean order and condition, ordinary wear and tear excepted, in conformance with the Minimum Operating Standards and must promptly make all necessary or appropriate repairs, renewals, and replacements, whether interior or exterior, structural or nonstructural, ordinary or extraordinary, foreseen or unforeseen. All repairs, replacements, and renewals must be reasonably equal in quality to the original Hotel. Redeveloper's obligations for maintenance include replacement of components of the Hotel at such time as further repair would be impractical and include any modification, improvement, or alteration required in order that the component of the Hotel in question remains in full compliance with Legal Requirements. The obligations under this Section will be performed at Redeveloper's expense. The City and the Public Entities will not be required to maintain, alter, repair, rebuild, or replace all or any part of the Property in any way.

9.4 Consultation with The City and the Public Entities. Redeveloper must keep the City and the Public Entities reasonably informed of all material matters affecting the Property, including any matter that deviates in any way from normal operations. Likewise, The City and the Public Entities must keep Redeveloper reasonably informed of all material matters affecting the City Projects, including any matter that deviates in any way from normal operations.

9.5 Hotel Percentage Payments. For a period of 25 years commencing the first day of the fifth calendar year after issuance of the Hotel Certificate of Completion and ending year 30, Redeveloper will agree to pay to the Trust a percentage payment equal to ten percent (10%) of the Hotel's Net Operating Income each year ("the Hotel Percentage Payment") in excess of

\$20,000,000 ("the NOI Hurdle"); provided, however, that the Hotel Percentage Payment will be subject to a cap of \$15,000,000 in the aggregate ("the Hotel Percentage Payment Cap"). After the first year that the Hotel Percentage Payment is payable, the NOI Hurdle will increase each year by the growth in the Consumer Price Index.

9.6 Redeveloper's Retention of an Operator.

A. Operator Selection Process. Redeveloper may enter into a contract with an Affiliate to operate all or a substantial portion of the Property (such party being "the Operator") without the City's and the Public Entities' consent. In the event Redeveloper elects to hire an unaffiliated third party operator, Redeveloper must obtain The City's and the Public Entities' consent. Before selecting an unaffiliated third party operator, Redeveloper must furnish the names of the party proposed. The City and the Public Entities will promptly Notify Redeveloper stating whether or not they, after due investigation, have any reasonable objection to such proposed third party as Operator. The City's and the Public Entities' failure to reply within 14 Calendar Days will constitute Notice of no reasonable objection. Redeveloper may not contract with a proposed third party to whom The City and the Public Entities have made reasonable and timely objection.

B. The Operator's Contract. Redeveloper must enter into a legally binding written and properly executed contract with the Operator binding the Operator, to the extent applicable, to the terms of this Agreement and the Room Block Agreement and assuming toward The City and the Public Entities all of the obligations and responsibilities that Redeveloper assumes toward them. Such contract must clearly state that Operator will have recourse only against Redeveloper and not against The City or the Public Entities. A copy of Redeveloper's proposed contract with Operator must be submitted to The City and the Public Entities for review and approval prior to it being executed, such approval not to be unreasonably withheld, conditioned, or delayed. Such review does not relieve Redeveloper of its duty of due diligence in selecting the Operator or any liability on The City or the Public Entities arising from such contract.

9.7 Room Block Agreement. Redeveloper will operate the Property (or cause it to be operated by Operator) in material compliance with the Room Block Agreement between Redeveloper and the Room Block Entities, including the Booking Policies and Procedures of the Oklahoma City Convention and Visitors Bureau for the Oklahoma Convention Center, as such may be amended from time to time.

10. The Public Entities' and The City's Rights of Access to the Property.

10.1 Right of Entry for Utility Service. The Public Entities and The City reserve for themselves and any public utility company, as may be appropriate, the unqualified right to enter upon the Property at all reasonable times for the purpose of reconstructing, maintaining, repairing, or servicing the public utilities located within the Land's boundary lines. Such entrance or performance of work by the Public Entities and The City may not unreasonably interfere with the operations on the Property.

10.2 Construction over Utility Easements. Redeveloper will not construct any building or other structure or improvements on, over, or within the boundary lines of any easement for public utilities, unless such construction is provided for in such easement or has been approved by The City.

10.3 Entry and Inspection by the Public Entities. After Closing, the Renewal Authority (and their agents, consultants, and representatives) may enter and inspect the Property at any time in case of an emergency and otherwise at all reasonable times with prior reasonable Notice for purposes of inspecting the condition of the Property, verifying Redeveloper's compliance with this Agreement. The Renewal Authority does not have a duty to make any such inspection, and the Renewal Authority will not incur any liability or obligation with respect to any state of facts that is or might have been discovered by reason of any such inspection. The costs of any such inspection will be paid by the Renewal Authority unless a violation of applicable Legal Requirements is found to exist or be imminent or the inspection is ordered by a governmental authority. In such case, Redeveloper will reimburse the Renewal Authority for the reasonable costs of such inspections.

11. Representations and Warranties.

11.1 The City's and the Public Entities' Representations and Warranties. As an inducement to Redeveloper to enter into this Agreement, The City and the Public Entities represent and warrant to Redeveloper as follows:

A. Due Organization; Power and Authority. The City is a municipal corporation established pursuant to 11 Okla. Stat. 4-101, *et seq.* The Renewal Authority is an Oklahoma public body corporate established pursuant to the Urban Renewal Act of the State of Oklahoma, 11 Okla. Stat. 38-101, *et seq.* The Trust is a public trust established pursuant to 60 Okla. Stat. 176, *et seq.* Such entities are validly existing and in good standing under the laws of the State of Oklahoma and have full and requisite power and authority to execute and deliver this Agreement and to carry out their obligations under it.

B. Authority Relative to this Agreement. The execution, delivery, and performance of this Agreement by The City and the Public Entities have been duly and effectively authorized in accordance with The City's and the Public Entities' organizational documentation.

C. Enforceability of this Agreement. This Agreement is valid, binding, and enforceable against The City and the Public Entities in accordance with its respective terms, subject to applicable bankruptcy, reorganization, insolvency, or other similar laws affecting the enforcement of creditors' rights generally.

D. No Third Party Approval Required. No approval of any third party is required for The City's and the Public Entities' execution and performance of this Agreement that has not been obtained prior to execution of this Agreement.

E. No Conflicts. The execution, delivery, and performance of this Agreement by The City and the Public Entities does not: (1) violate any judicial or governmental decree, order, or judgment; (2) violate any applicable Legal Requirement; (3) conflict with the organizational

documentation of The City and the Public Entities; or (4) result in a breach of, or constitute a default under, any agreement or instrument to which either The City or the Public Entities is a party or by which The City, the Public Entities, or the Property is bound.

11.2 Redeveloper's Representations and Warranties. In addition to any other representation and warranty contained elsewhere in this Agreement and as an inducement to The City and the Public Entities to enter into this Agreement, Redeveloper represents and warrants to The City and the Public Entities as follows:

A. Due Organization; Power and Authority. Redeveloper is a Delaware limited liability company, validly existing and in good standing under the laws of the State of Oklahoma, and has full and requisite power and authority to execute and deliver this Agreement and to carry out its obligations under it.

B. Authority Relative to this Agreement. The execution, delivery, and performance of this Agreement by Redeveloper has been duly and effectively authorized in accordance with Redeveloper's organizational documentation.

C. Enforceability of this Agreement. This Agreement is valid, binding, and enforceable against Redeveloper in accordance with its respective terms, subject to applicable bankruptcy, reorganization, insolvency, or other similar laws affecting the enforcement of creditors' rights generally.

D. No Third Party Approval Required. No approval of any third party is required for Redeveloper's execution and performance of this Agreement that has not been obtained prior to execution of this Agreement.

E. No Conflicts. The execution, delivery, and performance of this Agreement by Redeveloper does not: (1) violate any judicial or governmental decree, order, or judgment; (2) violate any applicable Legal Requirement; (3) conflict with the organizational documentation of Redeveloper; (4) result in a breach of, or constitute a default under, any agreement or instrument to which Redeveloper is a party or by which Redeveloper is bound; or (5) result in the creation of any Lien on the Property.

F. Experience and Expertise. Redeveloper possesses a high level of experience and expertise in the management and operation of properties of similar or like size, complexity, and nature of the Project.

G. Solvency. Redeveloper is financially solvent, able to pay its debts as they mature, and possesses sufficient working capital to complete its obligations under this Agreement.

H. Licenses. To the extent required by applicable Legal Requirements, Redeveloper is authorized to do business in Oklahoma City, Oklahoma County, Oklahoma and is properly licensed by all necessary governmental, public and quasi-public authorities having jurisdiction over it and over the work to be provided by Redeveloper and will maintain all such authorizations and licenses.

I. No Violations or Defaults. Redeveloper is not in violation of its organizational documents. To Redeveloper's knowledge, there exists no condition that constitutes, and no condition that could reasonably be expected to constitute or would constitute, an event of default or event of acceleration under any material agreement to which Redeveloper is a party, or that could reasonably be expected to have a material adverse impact on the Project, Redeveloper, or Redeveloper's ability to perform its obligations under this Agreement. Redeveloper is not in default under any term of any material agreement or instrument to which it is a party or by which it is bound, or any order, judgment, decree, or ruling of any court, arbitrator, or governmental authority, and is not in violation of any applicable Legal Requirement of any governmental authority that could reasonably be expected to have a material adverse impact on the Project, Redeveloper, or Redeveloper's ability to perform its obligations under this Agreement.

J. No Actions, Suits, or Proceedings. There are no actions, suits, or proceedings pending or, to Redeveloper's knowledge, threatened against or affecting Redeveloper or Redeveloper Group in any court or before any arbitrator of any kind or before or by any governmental authority that individually or in the aggregate could reasonably be expected to have a material adverse impact on the Project, Redeveloper, or Redeveloper's ability to perform its obligations under this Agreement.

12. Covenants Restricting Use of the Property.

12.1 The Covenants. In addition to any covenant required by the Economic Development Agreement, Redeveloper covenants and agrees for itself, its successors and assigns, and every successor in interest to this Agreement or the Property (or any part of it) that Redeveloper and its successors and assigns will: (1) devote the Property to use only as a hotel as contemplated by this Agreement for the first to occur of: (a) 45 years after the issuance of the certificate of occupancy for the Hotel; or (b) the date that the new Convention Center is no longer used as The City's main convention center and operated to the Convention Center Operating Standard ("the Use Covenant"); and (2) not discriminate upon the basis of race, color, creed, or national origin in the sale, lease, rental, use, or occupancy of the Property (or any part of it) ("the No Discrimination Covenant"). Covenants in the Economic Development Agreement, the Use Covenant, and the No Discrimination Covenant are collectively referred to as "the Covenants" and each a "Covenant." The Deed will contain the Covenants.

12.2 Parties Bound by the Covenants; Period of Duration. The Covenants will be covenants running with the land, binding on Redeveloper and every party in possession or occupancy of the Property (or any part of it). The Renewal Authority, its successors and assigns, and the United States is also a beneficiary of the No Discrimination Covenant, both for and in their or its own right and also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit the Covenants have been provided. The Use Covenant will remain in effect until the first to occur of: (a) 45 years after the issuance of the certificate of occupancy for the Hotel; or (b) the date that the new Convention Center is no longer used as The City's main convention center. The No Discrimination Covenant will remain in effect without limitation as to time.

12.3 Enforcement of the Covenants. To the fullest extent permitted by law and equity, the Covenants will be enforceable by the Renewal Authority, its successors and assigns, and any successor in interest to the Land (or any part of it) and by the United States as to the No Discrimination Covenant against Redeveloper, its successors and assigns. In the event of any breach of any Covenant, such parties will have the right to exercise all of the rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of the Covenant, to which it or any other beneficiaries of the Covenants may be entitled.

13. Force Majeure Events. If any Party is unable, in whole or in part, to perform its obligations under this Agreement due to a Force Majeure Event, that Party ("the Affected Party") will be excused from its performance, but only to the extent and for the period of time that it is affected by the Force Majeure Event, provided it complies with the requirements in this Section. The Affected Party must Notify the other Party of the Force Majeure Event as soon as reasonably possible, but not later than three Business Days after the commencement of the event, specifying all relevant facts related to the Force Majeure Event including its estimated duration, the probable impact on the Affected Party's performance, and the Affected Party's recovery plan. Further, the Affected Party must: (1) keep the other Party reasonably informed of all recovery efforts; (2) as soon as possible and to the maximum extent possible, remedy the Force Majeure Event and mitigate all consequences of it; and (3) fulfill all its obligations under this Agreement that are not directly affected by the Force Majeure Event. The burden of proof as to whether a Force Majeure Event has occurred and the associated relief will be on the Affected Party. A Force Majeure Event does not excuse the payment of monies when due or the fulfillment of indemnification or insurance obligations under this Agreement. This Section does not require the Affected Party to settle a strike or labor dispute except in accordance with applicable Legal Requirement.

14. Assignment and Binding Effect.

14.1 Redeveloper's Representations as to the Project. Redeveloper represents and agrees that its undertakings pursuant to this Agreement are, and will be used, for the purpose of redevelopment of the Land as a convention center hotel and not for speculation in land holding. Redeveloper further recognizes that, in view of: (1) the importance of the Project to the general welfare of the community; (2) the substantial financing and other public aids that have been made available by law and by the local governments for the purpose of making the Project possible; and (3) the fact that a transfer of the equity interest in Redeveloper (or of a substantial part of it), or any other act or transaction involving or resulting in a significant change in the ownership or distribution of such equity interest or with respect to the identity of the parties in control of Redeveloper or the degree of that control, is of particular concern to the Public Entities and The City.

14.2 Assignment by Redeveloper Prior to Closing. Prior to Closing, Redeveloper may not sell, convey, transfer, or assign all or any portion of Redeveloper's interest in this Agreement, in whole or in part, by assignment or operation of law, and may not assign any of its rights or delegate any of its obligations under this Agreement without the Public Entities' and The City's consent, to be given or withheld in their sole discretion. Notwithstanding the foregoing, Redeveloper may so assign this Agreement to a single-purpose entity that is wholly-

owned and controlled by Redeveloper or to any other entity that is approved by the Public Entities and The City to assume the obligations and covenants of Redeveloper under this Agreement for the purpose of Redeveloper obtaining financing necessary to perform its obligations under this Agreement.

14.3 Assignment by Redeveloper After Closing. After Closing, Redeveloper may not sell, convey, transfer, or assign all or any portion of Redeveloper's interest in this Agreement or the Hotel, in whole or in part, by assignment or operation of law, and may not assign any of its rights or delegate any of its obligations under this Agreement until Substantial Completion. Thereafter, Redeveloper may not sell, convey, transfer, or assign all or any portion of Redeveloper's interest in this Agreement or the Hotel, in whole or in part, by assignment or operation of law, and may not assign any of its rights or delegate any of its obligations under this Agreement without the Public Entities' and The City's consent. Notwithstanding the foregoing, after a period of five years following Substantial Completion, Redeveloper will be free to transfer the Project and the associated agreements without consent provided that the transferee expressly assumes all of Redeveloper's obligations under this Agreement, the Economic Development Agreement, the Parking Easement, and the Room Block Agreement.

14.4 Assignments by Redeveloper in General. An assignment or delegation in violation of this Section will be null, void, and of no effect. Notwithstanding a permitted assignment, Redeveloper will remain liable for its obligations under this Agreement unless otherwise agreed to by the Public Entities and The City in writing. The Public Entities and The City may require as conditions to its consent to any assignment that:

A. any proposed assignee has the qualifications and financial responsibility, as reasonably determined by the Public Entities and The City, necessary and adequate to fulfill Redeveloper's obligations under this Agreement; and

B. any proposed assignee of all or any part of the interest of Redeveloper under this Agreement or all or any portion of Redeveloper's interest in the Hotel delivers to the Public Entities and The City an agreement in writing whereby such assignee assumes the full performance of all of Redeveloper's obligations under this Agreement for so long as such assignee is the holder of all or any portion of Redeveloper's interest under this Agreement.

14.5 Assignment by the Public Entities. The Public Entities and The City may not sell, convey, transfer, pledge, encumber, and assign all or any portion of their interest in this Agreement, in whole or in part, by assignment or operation of law, and may not assign any of its rights or delegate any of its obligations under this Agreement at any time without Redeveloper's consent. Notwithstanding the foregoing, the Public Entities and/or The City may pledge, encumber, or collaterally assign all or any portion of their interest in this Agreement, in whole or in part, by assignment or operation of law, and may assign any of its rights or delegate any of its obligations under this Agreement at any time without Redeveloper's consent for the purposes of financing or to a public entity or public entities. Redeveloper will accept and attorn to such a permitted transferee of the Public Entities' and/or The City's interest under this Agreement as if such transferee had been the party originally named in this Agreement. Notwithstanding the foregoing, any assignment by the Public Entities or The City shall not

relieve the Public Entities and/or The City from liability for its obligations under this Agreement.

14.6 Binding Effect. To the extent that there are successors or assigns permitted under this Section, this Agreement will be binding on and benefit the Parties and their respective successors and assigns. All persons to whom any interest in this Agreement, the Land, or the Hotel might be transferred in accordance with the terms of this Agreement will, by accepting such transfer, be bound by this Agreement to the same extent as if such transferee had been an original party to it.

15. Indemnity. Redeveloper will fully defend, indemnify, release, and completely hold harmless each Indemnified Party from and against any and all any claims, losses, damages, demands, causes of action, suits, judgments, and liabilities of every kind and character, litigation, court costs, expert fees, reasonable attorneys' fees, and any other associated costs of defense or resolution ("Claims" and each a "Claim") incurred by or asserted against such Indemnified Party that arise by reason of: (1) any injury to or death of any person or any damage to property located in or on the Property; (2) any use, condition, or state of repair of all or any part of the Property; (3) any failure by Redeveloper to perform Redeveloper's obligations under this Agreement; or (4) any other occurrence on the Property, unless caused by The City and the Public Entities' sole negligence or willful misconduct. In the event of concurrent negligence of any member of Redeveloper Group, The City, and the Public Entities, such negligence will be apportioned comparatively in accordance with applicable law. If any action, suit, or proceeding is brought against any Indemnified Party by reason of any such occurrence, Redeveloper will promptly, after the Indemnified Party's written request, defend such action, suit, or proceeding at Redeveloper's expense with legal counsel reasonably acceptable to the Indemnified Party.

16. Insurance; Reconstruction.

16.1 Required Policies. Redeveloper must obtain and at all times during the Term maintain insurance policies ("Redeveloper's Policies") of the types and with the minimum limits set out on Exhibit F, Redeveloper's Insurance Requirements. Redeveloper's Policies must:

A. be issued by solvent and reputable insurance companies that are authorized or eligible to do business in the State of Oklahoma and that have at least an AM Best Rating of A-;

B. to the extent allowed by applicable Legal Requirement, name the Public Entities and The City as additional insureds (except for workers' compensation and employer's liability);

C. to the extent allowed by applicable Legal Requirement, waive all rights of subrogation by Redeveloper and its insurers, against the Public Entities, The City, and their insurers;

D. be primary to and receive no contribution from any other insurance or self-insurance program maintained by, on behalf of, or benefitting Redeveloper; and

E. require 30 Business Days' prior Notice to the Public Entities and The City before Redeveloper's Policies are cancelled, allowed to lapse, or materially changed.

Redeveloper must provide copies of Redeveloper's Policies to the Public Entities and The City upon request.

16.2 Certificates of Insurance. On or before the Effective Date, Redeveloper must deliver to the Public Entities and The City an industry-standard certificate(s) of insurance evidencing the insurance in effect at that time. Further, annually on the anniversary date of the Effective Date, at each renewal in Redeveloper's Policies, and whenever otherwise requested by the Public Entities or The City, Redeveloper must deliver to the Public Entities and The City certificates of insurance stating that Redeveloper's Policies are in effect.

16.3 Reconstruction of Hotel. If at any time during the Term, the Hotel or any part of it is damaged or destroyed by fire or other casualty, of any kind or nature, ordinary or extraordinary, Redeveloper must so Notify The City and the Public Entities within two Calendar Days. Redeveloper must commence work to repair, restore, or replace the damage or destruction ("the Reconstruction Work") as soon as reasonably possible but in no event later than three months after the applicable insurance proceeds under Redeveloper's Policies have been received. Redeveloper must thereafter fully complete the Reconstruction Work as expeditiously as reasonably possible consistent with the nature and extent of the damage in full compliance with this Agreement. If Redeveloper fails to properly perform the Reconstruction Work in accordance with this Subsection, The City and the Public Entities will have the right to terminate this Agreement upon 30 Calendar Days' Notice if within such 30-Calendar Day period the Reconstruction Work is not complete or Redeveloper has not provided reasonable assurance that it is proceeding in good faith and using commercially reasonable efforts to complete such Reconstruction Work.

16.4 Inadequacy of Insurance Proceeds. Redeveloper's liability under this Section to timely commence and complete the Reconstruction Work will be absolute, irrespective of whether insurance proceeds under Redeveloper's Policies received, if any, are adequate to pay for such restoration.

17. Default; Remedies; Termination.

17.1 Termination by Redeveloper Prior to Closing. In the event that prior to Closing:

A. all of the Conditions Precedent within The City's and/or the Public Entities' control are not satisfied by the Conditions Precedent Outside Date; or

B. the Renewal Authority does not tender the Deed and possession of the Land as required by this Agreement and such failure is not cured within 30 Calendar Days after the date of written demand by Redeveloper;

C. the Public Entities or The City fail to perform any of their respective covenants or obligations to be performed under this Agreement and such failure is not cured within 30 Calendar Days after the date of written demand by Redeveloper; or

D. Redeveloper reasonably determines that the Project is not economically feasible;

then, at Redeveloper's option, Redeveloper has the right, but not the obligation, to terminate this Agreement by so Notifying the Public Entities and The City. Upon any such termination pursuant to this Section under paragraphs A, B, or C above only, the Public Entities must make the Reimbursement Payment as required by Subsection 4.14 titled *Reimbursement of Costs*. Thereafter the Parties will not have any further rights against or liability to the other under this Agreement except those rights and obligations that by their nature are intended to survive termination of it.

17.2 Termination by the Public Entities and The City Prior to Closing. In the event that prior to Closing:

A. Redeveloper assigns or attempts to assign this Agreement or any rights in this Agreement in a manner not permitted by this Agreement; or

B. there is any change in the ownership or distribution of the equity interests of Redeveloper in a manner not permitted by this Agreement; or

C. Redeveloper defaults in its performance of any of the Conditions Precedent requiring performance by Redeveloper in accordance with this Agreement; or

D. Redeveloper fails to perform any of the material covenants or obligations required of Redeveloper under this Agreement;

and, if any such default or failure is not cured within 30 Calendar Days after the date of Notice by the Public Entities or The City then, at the Public Entities' and/or The City's option, the Public Entities and/or The City may terminate this Agreement by so Notifying Redeveloper. However, if any such default or failure is one not reasonably susceptible of being cured within 30 Calendar Days and Redeveloper is diligently pursuing the cure of such default or failure, the time for curing the default will be extended accordingly. Thereafter the Parties will not have any further rights against or liability to the other under this Agreement except those rights and obligations that by their nature are intended to survive termination of it.

17.3 Redeveloper's Right to Delay Closing. Prior to Closing, Redeveloper will have the right to review the status of the then-current funding, project scopes, and scheduled completion dates for the City Projects and the Garage to determine if a situation exists that is fatal to any of the City Projects and/or the Garage. Specifically, if Redeveloper reasonably determines that any of the following situations exist:

(1) the construction of the City Projects or the Garage are then no longer fully funded, with evidence of funding to be provided as set out in Subsection 8.3 titled *Construction of the*

City Projects;

(2) the project scopes for the City Projects then materially deviate from the City Projects Conceptual Plans and Redeveloper was not Notified of such deviation prior to Closing;

(3) construction of the City Projects is then materially behind schedule such that it could reasonably be anticipated that such projects will not be completed; or

(4) construction of the Garage is then materially behind schedule such that it could reasonably be anticipated that it will not be completed within a reasonable time and alternate parking reasonably acceptable to Redeveloper at nearby City garages or parking lots is not available to provide parking for the Hotel until the Garage is complete as set out in Section 2.5 titled *Parking*; provided, however, that The City shall be responsible for all costs associated with providing such alternate parking (including, without limitation, additional valet runners and the like);

and in each such case, Redeveloper reasonably believes in good faith, that such occurrence is such that the Hotel will be materially and adversely impacted, then Redeveloper may so Notify The City and the Public Entities. The Closing will thereafter be delayed until such time as the situation warranting the postponement is rectified to Redeveloper's reasonable satisfaction.

17.4 No Termination by the Public Entities and The City after Closing. After Closing, the Public Entities and The City will have no rights to terminate this Agreement as a remedy for an Event of Default by Redeveloper. Rather, the Public Entities and The City will have the rights set out in this Subsection.

A. Events of Default by Redeveloper. The following events will be deemed to be a "Default" by Redeveloper under this Agreement:

1. Redeveloper's failure to comply in any material respect with any term of this Agreement, the Economic Development Agreement, the Parking Easement, or the Room Block Agreement to be observed by Redeveloper (as Redeveloper or Owner, as the case may be); or

2. abandonment of any material portion of the Property; or

3. the filing by or against Redeveloper of any proceeding under the Federal Bankruptcy Act or any similar Legal Requirement; or

4. the adjudication of Redeveloper as bankrupt or insolvent in proceedings filed under the Federal Bankruptcy Act or any similar Legal Requirement; or

5. the making by Redeveloper of an assignment for the benefit of creditors;
or

6. the appointment of a receiver or trustee for Redeveloper or any of Redevelopers assets.

B. Notice; Opportunity to Cure. On the occurrence of any Default, the Public Entities and The City will, prior to exercising any remedies set forth in this Section, provide Notice of such Default to Redeveloper. If Redeveloper, to the Public Entities' and The City's reasonable satisfaction, (1) cures a Default arising from the events specified in Subsection A of this Section, items 1 through 3, within 30 Calendar Days after receipt of Notice of such Default from the Public Entities or The City, or, if such Default is one not reasonably susceptible of being cured within 30 Calendar Days, within such additional time as is reasonably required, provided Redeveloper promptly commences action reasonably designed to cure such Default and pursues such action to completion; or (2) cures a Default arising from the events specified in Subsection A of this Section, items 4 through 7, within 60 Calendar Days after receipt of such Notice, the Public Entities, The City, and Redeveloper will be restored to their respective rights and obligations under this Agreement as if no Default had occurred. If any such Default is not so cured within the applicable time, such Default will constitute an "Event of Default."

C. Enforcement of Guaranty; Damages. Upon any Event of Default, the Public Entities and The City will have the right to enforce the Guaranty against Guarantor and, to the extent that the enforcement of the Guaranty does not fully compensate the Public Entities and/or The City for their damages in connection with such Event of Default, the Public Entities and/or The City will have the right to bring an action against Redeveloper for the actual (but not punitive) damages incurred by the Public Entities and/or The City in connection with the Event of Default.

D. Assignment of Contracts in Event of Termination Prior to Substantial Completion. In addition to the foregoing rights, if this Agreement is terminated prior to Substantial Completion, the Renewal Authority will have the right to cause Redeveloper to assign to the Renewal Authority all of its rights under contracts executed in connection with the Project and to entitle the Renewal Authority to all of the rights and benefits of Redeveloper and to provide that the Renewal Authority, upon assignment of such contracts, will only be responsible for amounts due under such contracts for work performed or services rendered with the Renewal Authority's consent after such assignment; provided that the other party to any such contract will continue to have the rights and remedies provided in such contract for any defaults occurring prior to the assignment to the Renewal Authority.

17.5 The Public Entities' and The City's Other Rights and Remedies; No Waiver by Delay. The Public Entities and/or The City may institute such actions or proceedings as they may deem desirable for effectuating the purposes of this Section. Any delay by any Party in instituting or prosecuting any such actions or proceedings or otherwise asserting their rights under this Section will not operate as a waiver of such rights so as to deprive that Party of or limit such rights in any way (it being the intent of this provision that the Parties should not be constrained so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided in this Section because of concepts of waiver, laches, or otherwise to exercise such remedy at a time when it may still hope otherwise to resolve the problems created by the default involved). Any waiver in fact made by any Party with respect to any specific default by Redeveloper under this Section will not be considered or treated as a waiver of the non-defaulting Party's rights with respect to any other defaults by the defaulting Party under this Section or with respect to the particular default except to the extent specifically waived in writing.

17.6 Rights and Remedies Cumulative. The rights and remedies granted to Parties in this Agreement are cumulative of every other right or remedy that such Party might otherwise have at law or in equity, and the exercise of one or more rights or remedies will not prejudice the concurrent or subsequent exercise of other rights or remedies.

17.7 Party in Position of Surety with Respect to Obligations. Redeveloper for itself, its successors and assigns, and all other persons who are or who become, whether by express or implied assumption or otherwise, liable upon or subject to any obligation or burden under this Agreement, waives, to the fullest extent permitted by law and equity, any and all claims or defenses otherwise available on the ground of its (or their) being or having become a person in the position of a surety, whether real, personal, or otherwise or whether by agreement or operation of law, including any and all claims and defenses based upon extension of time, indulgence, or modification of terms of contract.

18. Notices. All notices and other communications required, permitted, or contemplated by this Agreement ("Notices" and each a "Notice") must be in writing, signed by the Party giving the Notice, and sent using the contact information below. "Notify" and "Notifying" means to give Notice as required by this Section. Notices must be sent by: (1) hand-delivery in return for a receipt; (2) United States mail with postage prepaid; (3) nationally recognized overnight courier service; or (4) email, so long as the intended recipient acknowledges by email or other writing as having received the Notice (with an automatic "read receipt" not constituting acknowledgment). A Notice is effective on the earlier of: (1) the date of actual delivery; or (2) for mailed Notices (without a return receipt), three Business Days after the date of mailing. However, if the receipt of Notice is refused, the Notice is effective upon attempted delivery. Either Party may change its contact information by Notifying the other Party as required by this Section. Notwithstanding the foregoing, Notices advising the other Party of a breach of this Agreement must be sent by: (1) hand-delivery in return for a receipt; (2) certified United States mail, return receipt requested with postage prepaid; or (3) nationally recognized overnight courier service. Such Notices are effective on the date of actual delivery. However, if receipt of the Notice is refused, the Notice is effective upon attempted delivery.

Notices to Redeveloper will be addressed as follows:

Omni OKC, LLC
Attn: Mike Smith
4001 Maple Avenue, Suite 400
Dallas, TX 75219
Phone Number: 214-283-8619
Email Address: msmith@trtholdings.com

with a copy to:

Omni OKC, LLC
Attn: Paul Jorge
4001 Maple Avenue, Suite 400
Dallas, TX 75219

Phone Number: 214-283-8586
Email Address: pjorge@trtholdings.com

with a copy to its attorney:

Winstead PC
Attn: T. Andrew Dow
2728 N. Harwood Street, Suite 500
Dallas, TX 75201
Phone Number: 214-745-5387
Email Address: adow@winstead.com

Notices to The City will be addressed as follows:

City of Oklahoma City
Attn: Attn: James D. Couch, City Manager
200 North Walker Avenue, 3rd Floor
Oklahoma City, OK 73102
Phone Number: 405-297-2345
Email Address: citymanager@okc.gov

with a copy to:

City of Oklahoma City
Attn: City Clerk
200 North Walker Avenue, 2nd Floor
Oklahoma City, OK 73102
Phone Number: 405-297-2391
Email Address: cityclerk@okc.gov

with a copy to its attorney:

Wiley "Butch" Williams
Deputy Municipal Counselor
200 North Walker Avenue, 4th Floor
Oklahoma City, Oklahoma 73102
Phone Number: 405-297-2685

Notices to the Renewal Authority will be addressed as follows:

Oklahoma City Urban Renewal Authority
Attn: Catherine O'Connor, Executive Director
105 North Hudson Avenue, Suite 101
Oklahoma City, Oklahoma 73102
Phone Number: 405-604-6780
Email Address: cathy.oconnor@theallianceokc.org

with a copy to its attorney:

Leslie V. Batchelor
Center for Economic Development Law
301 North Harvey Avenue, Suite 100
Oklahoma City, Oklahoma 73102
Phone Number: 405-232-4606
Email Address: lesliebatchelor@econlaw.com

Notices to the Trust will be addressed as follows:

Oklahoma City Economic Development Trust
Attn: James D. Couch, City Manager
200 North Walker Avenue, 3rd Floor
Oklahoma City, OK 73102
Phone Number: 405-297-2345
Email Address: citymanager@okc.gov

with a copy to:

Oklahoma City Economic Development Trust
Attn: Secretary
200 North Walker Avenue, 2nd Floor
Oklahoma City, OK 73102
Phone Number: 405-297-2391
Email Address: cityclerk@okc.gov

with a copy to its attorney:

Wiley "Butch" Williams
Deputy Municipal Counselor
200 North Walker Avenue, 4th Floor
Oklahoma City, Oklahoma 73102
Phone Number: 405-297-2685
Email Address: wiley.williams@okc.gov

19. Applicable Land Use Provisions. Pursuant to the Core to Shore Urban Renewal Plan, as amended, the general land use category for the Land includes retail, office, residential, institutional, and public, including the designation of a site for a new downtown Convention Center and a Convention Center hotel. Consistent with the Core to Shore Urban Renewal Plan, as amended, the land use provisions will be implemented and supplemented by City zoning ordinances.

20. Rights Established. The contractual rights established by this Agreement and the approvals issued by the Public Entities and/or The City pursuant to this Agreement, including rights of land use and development, may be enlarged (but will not be diminished) without Redeveloper's consent with amendments to the Core to Shore Urban Renewal Plan regardless of the inclusive nature of references to the Urban Renewal Plans, wherever the references appear in

this Agreement; provided, however, this provision will not preclude amendments to the Core to Shore Urban Renewal Plan extending its duration or require Redeveloper's consent for such extensions.

21. Miscellaneous Provisions.

21.1 Conflict of Interests; Public Representatives Not Individually Liable. No member, official, or employee of the Public Entities or The City will have any personal interest, direct or indirect, in this Agreement, nor will any such member, official, or employee participate in any decision relating to this Agreement that affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is interested, directly or indirectly. No member, official, or employee of the Public Entities or The City will be personally liable to Redeveloper, or any successor in interest, in the event of any default or breach by the Public Entities or for any amount that may become due to Redeveloper or its successor on any obligations under this Agreement.

21.2 Equal Employment Opportunity. Redeveloper, for itself and its successors and assigns, agrees that during the construction and operation of the Hotel:

A. Redeveloper will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. Redeveloper will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action will include the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Redeveloper agrees to post notices setting forth the provisions of this nondiscrimination clause in conspicuous places available to employees and applicants for employment. Such notices will be provided by the Public Entities and The City.

B. In all solicitations or advertisements for employees placed by or on behalf of Redeveloper, Redeveloper will state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

C. Redeveloper will send to each labor union or representative of workers with which Redeveloper has a collective bargaining agreement or other contract or understanding, a notice advising the labor union or workers' representative of Redeveloper's commitments under Section 202 of Executive Order 11246 of September 24, 1965. Redeveloper will post copies of such notice in conspicuous places available to employees and applicants for employment.

D. Redeveloper will comply with all provisions of Executive Order 11246 of September 24, 1965 and the Secretary of Labor's rules, regulations, and relevant orders.

E. Redeveloper will furnish all information and reports required by Executive Order 11246 of September 24, 1965 and the Secretary of Labor's and the Secretary of Housing and Urban Development's rules, regulations, and orders and will permit access to Redeveloper's books, records, and accounts by the Public Entities and The City, the Secretary of Labor, and the Secretary of Housing and Urban Development for purposes of investigation to ascertain

compliance with such rules, regulations, and orders.

F. In the event of Redeveloper's noncompliance with requirements set out in this Subsection, the Public Entities and The City may terminate or suspend this Agreement, in whole or in part, and Redeveloper may be declared ineligible for further government contracts or federally-assisted construction contracts in accordance with the procedures authorized in Executive Order 11246 of September 24, 1965. Further, such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965 or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

G. Redeveloper will include the provisions of this Subsection in every contract or purchase order dealing with the construction of the Hotel and will require the inclusion of these provisions in every subcontract entered into by any of its contractors so that such provisions will be binding upon each such contractor, subcontractor, or vendor, as the case may be, unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965. Redeveloper will take such action with respect to any construction contract, subcontract, or purchase order as the Public Entities, The City, or the Department of Housing and Urban Development may direct as a means of enforcing such provisions, including sanctions for noncompliance. However, if Redeveloper becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Public Entities, The City, or the Department of Housing and Urban Development, Redeveloper may request the United States to enter into such litigation to protect the interests of the United States.

21.3 Other Federal Requirements. With respect to any redevelopment and construction obligation imposed on Redeveloper by this Agreement and to the extent funds or resources are provided for the Project utilizing federal programs, the Parties agree that they will comply with all of the requirements applicable to such programs.

21.4 Interpretation. The Parties intend for this Agreement to be read as a whole such that the requirements in one part and not mentioned in another will be executed to the same extent and purpose as though required by all. The misplacement, addition, or omission of a word or character will not change the intent of any part from that set out in this Agreement as a whole. The titles and headings in this Agreement are for convenience of reference only and do not constitute a part of it or affect its interpretation. The Exhibits attached to this Agreement will be construed with and as an integral part of this Agreement to the same extent as if they had been set out in this Agreement. The use of the words "including," "include," and "included" is intended to imply that the list or words following it are illustrative and not exclusive.

21.5 Consent by the Public Representatives, the Public Entities, and The City. Except where expressly stated otherwise, when this Agreement requires the Public Entities' and/or The City's consent, the Public Entities' and/or The City's prior written consent is required, as the case may be, and that consent will not be unreasonably withheld, conditioned or delayed. Except where expressly stated otherwise, when this Agreement requires the Public Representatives' consent, the Public Representatives' prior written consent is required, and that consent will not be unreasonably withheld, conditioned or delayed. Any action taken by

Redeveloper without the appropriate party's consent when consent is required is null, void, and of no effect.

21.6 Independent Contractor. Redeveloper is and will remain an independent contractor in all respects and not an agent, representative, or employee of the City or the Public Entities. Redeveloper has the exclusive authority and right to direct, supervise, and control performance of the work contemplated by this Agreement and is solely responsible for the acts and omissions of Redeveloper Group. Redeveloper acknowledges that the doctrine of *respondeat superior* will not apply as between The City, the Public Entities, and Redeveloper Group.

21.7 Relationship of the Parties; Third-Party Beneficiaries; Rights of the Public Entities. This Agreement does not create and will not be construed as creating an agency, partnership, joint venture, or employment relationship between the Parties. This Agreement is for the benefit only of the Parties and their respective successors and permitted assigns. No other Person is entitled to rely on this Agreement, receive any benefit from it, or enforce any provision of it against any Party to it. Rights accruing to the Public Entities and The City may be exercised and enforced jointly or severally.

21.8 Choice of Law; Jurisdiction and Venue. The laws of the State of Oklahoma (excluding its conflict of laws rules that would apply the laws of another jurisdiction) exclusively apply to this Agreement. Any Claim arising directly or indirectly from or relating to this Agreement must be filed and maintained exclusively in a court of competent jurisdiction in the state or federal courts located in Oklahoma County, Oklahoma. The Parties submit to that jurisdiction and venue for all purposes.

21.9 Entire Agreement; Modification. This Agreement, including its Exhibits and documents delivered by its terms and incorporated in it, constitutes the entire agreement between the Parties pertaining to its subject matter. All prior and contemporaneous written or oral agreements and communications between the Parties are superseded by this Agreement. This Agreement may not be supplemented or modified except in a written agreement properly executed by the Parties. All Exhibits and documents referenced in this Agreement are incorporated into this Agreement by reference and are an integral part of this Agreement.

21.10 Waiver. The terms of this Agreement may be waived only by a written document executed and delivered by the waiving Party to the other Party. No course of dealing between the Parties, delay in the exercise of any rights under this Agreement, or failure to object to any action or omission constitutes a waiver of any terms of this Agreement. A waiver of any term of this Agreement will not constitute a continuing waiver of that term.

21.11 Severability. If any provision of this Agreement is determined to be to any extent invalid, illegal, or unenforceable, it will be deemed stricken from this Agreement. All other provisions of this Agreement will remain in full force and effect. The stricken provision will then be deemed replaced with one that is valid and enforceable and that comes closest to expressing the Parties' original intent.

21.12 No Brokers. Redeveloper will be responsible for and will fully defend, indemnify, release, and completely hold harmless The City and the Public Entities with respect to the payment of any commission claimed by or owed to any real estate broker or other person retained by Redeveloper and who is entitled to a commission as a result of the execution and delivery of this Agreement.

21.13 No Presumption as to Drafter. In the construction and interpretation of this Agreement, the rule that a document is to be construed most strictly against the Party who prepared it does not apply because both Parties participated in its preparation.

21.14 Attorneys' Fees. In the event either Party to this Agreement is compelled to file suit to enforce the terms of this Agreement, the Party prevailing in such litigation, in addition to all other relief granted by the court, will be entitled to the payment by the losing Party of all expenses, court costs, and reasonable attorneys' fees incurred by the prevailing Party in such litigation.

21.15 Counterparts. This Agreement may be signed in counterparts, each one of which is considered an original, but all of which constitute one and the same instrument.

21.16 Further Assurances. The Parties agree to perform such further acts and to execute and deliver such additional documents and instruments as may be reasonably required in order to carry out the provisions of this Agreement and their intentions.

21.17 Survival. The following Sections of this Agreement will survive termination of it: Section titled *Representations and Warranties*; Section titled *Indemnity*; Section titled *Independent Contractor*, and any other Section that by its nature is intended to survive termination.

21.18 Authority. Each Party represents and warrants to the other that: (1) it has full authority and power to enter into and perform its obligations under this Agreement; (2) the person executing this Agreement is fully empowered to do so; and (3) no consent or authorization is necessary from any third party.

21.19 Effective Date. This Agreement will be effective on _____, 2017 ("the Effective Date").

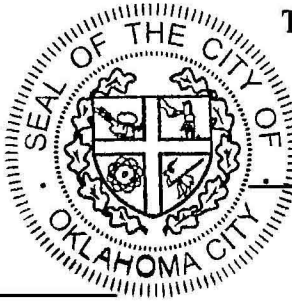
[Balance of Page Intentionally Left Blank – Signature Page and Exhibits follow]

Signature Pages to Redevelopment Agreement

ATTEST:



City Clerk



THE CITY OF OKLAHOMA CITY



MAYOR

Date Executed: July 18, 2017

REVIEWED for form and legality.



Assistant Municipal Counselor

**OKLAHOMA CITY ECONOMIC
DEVELOPMENT TRUST**

ATTEST:

Secretary

CHAIRMAN

Date Executed: _____

REVIEWED for form and legality.




Assistant Municipal Counselor

THE OKLAHOMA CITY URBAN RENEWAL AUTHORITY

By: _____
Printed Name: _____
Title: _____

Date Executed: _____

OMNI OKC, LLC

By:  _____
Printed Name: Michael G. Smith
Title: Vice President

Date Executed: _____

Exhibit A
Description of the Land

All of Lots 1 through 32 inclusive, Block 12, of South Oklahoma Addition, Oklahoma City, Oklahoma County, Oklahoma, according to the recorded plat thereof

Exhibit A-1
Depiction of the Land

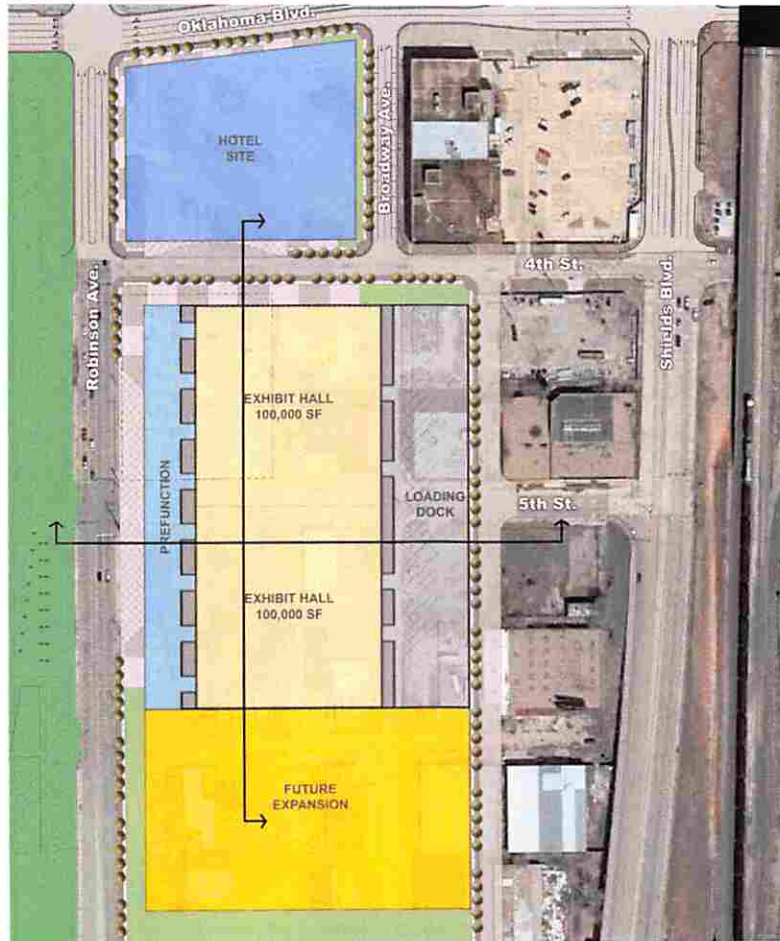


Exhibit B
Form of Special Warranty Deed

**RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:**

EXEMPT DOCUMENTARY STAMP TAX
O.S. Title 68, Article 32, Section 3202, Paragraph
11

(SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY)

Special Warranty Deed

Recitals

A. The Core to Shore Urban Renewal Plan (as amended) and the Core to Shore Reinvestment Area Project Plan (collectively, and including modifications of each properly made after the date of this Deed, referred to as "the Plans") have been adopted and approved by the City Council of the City of Oklahoma City and recorded with the Oklahoma City Clerk; and

B. The City of Oklahoma City ("The City") has authorized the Oklahoma City Urban Renewal Authority (sometimes referred to as "the Renewal Authority") to administer and implement certain activities pursuant to the Plans; and

C. Pursuant to the Core to Shore Urban Renewal Plan and Oklahoma Urban Renewal Law, Title 11, Oklahoma Statutes, Section 38-101, *et seq.*, the Renewal Authority is authorized to transfer land in the urban renewal project area to carry out the objectives of the Plans; and

D. The Renewal Authority owns the Land (defined below) which is in the urban renewal project area and adjacent to the site of the new Oklahoma City Convention Center ("the Convention Center"); and

E. The City, the Renewal Authority, the Oklahoma City Economic Development Trust ("OCEDT"), and Omni OKC, LLC ("Omni") have entered into a Redevelopment Agreement ("the Redevelopment Agreement") whereby Omni has agreed to undertake the construction, development, financing, ownership, and operation of a convention center hotel ("the Hotel"), such undertaking referred to as "the Project"; and

F. Pursuant to the Redevelopment Agreement, Omni agreed to undertake the Project in accordance with the public purposes which The City has adopted and undertaken in the Plans and the provisions and requirements of applicable state and local laws; and

G. The parties acknowledge that one of the primary purpose of the Project is to create economic and public benefits for Oklahoma City and to enhance the Convention Center by facilitating the development of a premier convention center hotel and related facilities adjacent to the Convention Center for public purposes including: (1) attracting additional convention, tradeshow, public exposition, and other such events that require large quantities of hotel room bookings and stays; (2) generating increased tourism to Oklahoma City; (3) providing increased employment opportunities for the citizens of Oklahoma City and surrounding areas; and (4) fostering greater utilization of the Convention Center, it and the Hotel being intended to serve as instruments of economic development and job creation in Oklahoma City.

Conveyance and Covenants

This Special Warranty Deed ("this Deed") is made this __ day of _____, 2017, by and between the Oklahoma City Urban Renewal Authority, a public body corporate, ("Grantor") and Omni OKC, LLC, an Oklahoma limited liability company ("Grantee").

For and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby grants, bargains, sells, and conveys to Grantee the property in Oklahoma City, Oklahoma County, Oklahoma that is described on Exhibit A, together with all the improvements and appurtenances thereon and thereto (collectively, "the Property"); and warrants the title to the Property to be free, clear, and discharged of and from all former grants, claims, charges, taxes, judgments, mortgages, and other liens and encumbrances of whatsoever nature created by, through or under Grantor, but not otherwise, and further subject to, and excepting and excluding from such warranty, all interests in oil, gas, casinghead gas, distillate, coal, metallic ores, and other minerals therein, thereon or thereunder previously reserved or conveyed of record and those matters set forth on Exhibit B (the "Permitted Exceptions").

To have and hold the Property to Grantee, its successors and assigns forever.

In addition to the Permitted Exceptions, this Deed is subject to, and Grantee hereby binds itself and its successors and assigns to, the following conditions and covenants ("the Covenants") as to the Property, including, without limitation, the Hotel:

1. Grantee covenants and agrees for itself, its successors and assigns, and every successor in interest to the Property (or any part of it) that the Property will be used only as a hotel until the first to occur of: (a) 45 years after the issuance of the certificate of occupancy for the Hotel; or (b) the date that the new Convention Center is no longer used as The City's main convention center. This Covenant will likewise terminate on the first to occur of: (a) 45 years after the issuance of the certificate of occupancy for the Hotel; or (b) the date that the new Convention Center is no longer used as The City's main convention center.
2. Grantee may not sell, convey, transfer, or assign all or any portion of its interest in the Property or assign or delegate any of its obligations under the Redevelopment

Agreement until issuance of a Certificate of Completion as set out in the Redevelopment Agreement. Thereafter, Grantee may sell, convey, transfer, or assign all or any portion of its interest in the Property and may assign or delegate any of its obligations under the Redevelopment Agreement with the City's, the Renewal Authority's, and OCEDT's consent, which consent will not be unreasonably withheld. Notwithstanding the foregoing, after a period of five years following the date of the issuance of the Certificate of Completion, Grantee will be free to transfer the Property and the associated agreements without consent provided that the transferee expressly assumes all of Grantee's obligations under all of the agreements related to the Project and that Grantee will remain liable for its obligations under the Redevelopment Agreement unless otherwise agreed to by The City, the Renewal Authority, and OCEDT in writing. This Covenant will terminate only if the Convention Center is no longer used as a convention center.

3. Grantee covenants and agrees for itself, its successors and assigns, and every successor in interest to the Property (or any part of it) that Grantee and its successors and assigns will not discriminate upon the basis of race, color, creed, or national origin in the sale, lease, rental, use, or occupancy of the Property (or any part of it). This Covenant will remain in effect without any limitation as to time.
4. If the Property is within a tax-increment financing district established pursuant to 62 Okla. Stat. §850 *et. seq.*, Grantee will pay ad valorem taxes (or make a payment in lieu of taxes) on the Property in a minimum amount of \$1,400,000.00 ("the Minimum Annual Payment") commencing on a date certain (such date to be established by written agreement of Grantor and Grantee) and terminating with the later to occur of: (1) 30 years from the Hotel opening; or (2) termination of the tax-increment financing district ("the Minimum Annual Payment Period"). During the Minimum Annual Payment Period, if the county assessment ratios, levy rates, or taxable assessed values in effect for any subsequent fiscal year result in an ad valorem tax liability that is less than the Minimum Annual Payment, Grantee shall, in addition to paying ad valorem taxes on the property based on the county assessment ratios, levy rates, and taxable assessed values then in effect, make a payment in lieu of ad valorem taxes in the amount of the difference between the ad valorem tax calculation then in effect and the Minimum Annual Payment amount.

During the Minimum Annual Payment Period, if all or a portion of the Property is exempt from ad valorem taxes (whether resulting from ownership of such real or personal property by a public or private tax-exempt entity or a lease or sublease of such property to a public or private tax-exempt entity), Grantee shall make (or cause to be made) payments in lieu of ad valorem taxes with respect to the real property and/or personal property to which such exemption applies, commencing in any year in which an ad valorem tax exemption on the Property is in effect and terminating upon the first to occur of termination of such ad valorem tax exemption or termination of the Minimum Annual Payment Period.

Grantee's obligations to make the Minimum Annual Payment will be secured by a lien (or liens) on the Property in favor of the apportionment fund of the tax-increment financing district arising annually at the same time, in the same manner, having the same priority, and subject to the same enforcement and remedies as liens to secure the annual payments of other ad valorem taxes, which lien or liens may also be evidenced by written notice executed by or on behalf of Oklahoma County, Grantor, or the duly authorized designee of either and filed in the records of the County Clerk of Oklahoma County, and which lien or liens may also be enforced by the County, Grantor, or on behalf of either by its authorized designee by foreclosure in the same manner as foreclosure of a mortgage.

In no event do the covenants set forth in this section constitute a personal liability of Grantee (or its successors and assigns), nor will the Grantee (or its successors and assigns) be prevented from disputing any proposed increased ad valorem taxes that may be in excess of the Minimum Annual Payment. In the event of a default in payment of the Minimum Annual Payment, the beneficiaries of the Minimum Annual Payment pursuant to this Deed will look exclusively to the Property for satisfaction thereof and may not seek or obtain a personal judgment against Grantee or its successors or assigns.

The City, the Renewal Authority, and OCEDT are beneficiaries of the Covenants stated in paragraphs 1 – 4 above. The United States of America is a beneficiary of the Covenant stated in paragraph 3 above. Oklahoma County is a beneficiary of the Covenant stated in paragraph 4 above. The Covenants are part of the consideration for the Property and are covenants running with the land. In the event of any breach of a Covenant, the beneficiaries thereof will each have the right to exercise all the rights and remedies and to maintain any actions at law or suits in equity or other proper proceedings to enforce curing of such breach.

The parties each separately certify that all conditions precedent to the valid execution and delivery of this Deed on their respective parts have been complied with; that all things necessary to constitute this Deed as the valid, binding, and legal agreement of each on the terms and conditions and for the purposes set forth in this Deed have been done and performed and have happened; and that the execution and delivery of this Deed has been and is in all respects authorized by each in accordance with law.

Signed and delivered this __ day of _____, 2017.

[Balance of Page Left Blank – Signature Page follows]

Oklahoma City Urban Renewal Authority, a public body corporate ("Grantor")

By: _____
Chairman

Omni OKC, LLC, an Oklahoma limited liability company ("Grantee")

By: _____
[Name and Title]

Acknowledgement

State of Oklahoma)
) ss.
County of Oklahoma)

This instrument was acknowledged before me on _____, 201_, by _____ as
Chairman of the Oklahoma City Urban Renewal Authority, a public body corporate.

Notary Public
My commission expires:
My commission number:
[Seal]

Acknowledgement

State of Oklahoma)
) ss.
County of Oklahoma)

This instrument was acknowledged before me on _____, 201_, by _____ as _____
of Omni OKC, LLC, an Oklahoma limited liability company.

Notary Public
My commission expires:
My commission number:
[Seal]

Exhibit C-1
Preliminary Project Development Schedule

Milestone:

Date:

Final Approval of Conceptual Plans

180 days from Effective Date

Closing

12 months from Effective Date

Commencement of Construction

6 months from Closing

Target Substantial Completion Date

28 months from Commencement of
Construction

Target Final Completion Date

60 days from Substantial Completion

Exhibit C-2
City Projects Preliminary Development Schedule

Current		Streetcar under construction
Current		Park under construction
June	2017	Convention Center 60% Design Review
November	2017	Convention Center Construction Docs Complete
Nov '17 through Jan '18		Convention Center Bidding
February	2018	Convention Center Award Bid
March	2018	Convention Center scheduled to begin construction
March	2018	Streetcar begins testing
November	2018	Streetcar scheduled to open
April	2019	Park scheduled to open
July	2020	Convention Center scheduled to complete construction

Exhibit D
Preliminary Project Budget

Omni Oklahoma City Detailed Budget

OMNI Budget	Omni Oklahoma City Budget	Additional Notes
	600 OKC	Room Count
<u>Pre-Acquisition & Land</u>		
Subtotal Pre-Acquisition/Land	\$ 33,225	
<u>General and Administration</u>		
Subtotal G & A	\$ 2,705,209	
<u>Consultants</u>		
Subtotal Consultants	\$ 8,371,384	
<u>General Construction</u>		
Subtotal GC Construction	\$ 179,971,273	
<u>Owner Construction</u>		
Subtotal Owner Construction	\$ 474,624	
<u>FF&E</u>		
Subtotal FF&E	\$ 16,451,192	
<u>OS&E</u>		
Subtotal OS&E	\$ 5,859,469	
<u>IT, Telephone, & Security Equipment</u>		
Subtotal IT, Telephone, & Security	\$ 2,411,998	
<u>Freight/Installation/Warehousing/Sales Tax</u>		
Subtotal Freight/Install./Ware./Sales Tax	\$ 3,390,038	
<u>Miscellaneous</u>		
Subtotal Miscellaneous	\$ 5,000,000	
<u>Owner Contingency</u>		
Subtotal Owner Contingency	\$ 10,848,460	
TOTAL BUDGET	\$ 235,516,872	

Exhibit E
Approval Items

- Exterior elevations
- Site Plans (including vehicular and pedestrian circulation)
- Floor plans
- Sections
- Streetscape plans
- Landscape plans
- Building cladding materials (mock-up panels)
- Fire alarm and security system that interface with the City's existing systems to report incidents to the central control center
- Exterior lighting plan
- Quality of interior finishes not consistent with the quality of interior finishes in other Omni convention center hotel projects, including Nashville, Tennessee, Fort Worth Texas, and Louisville, Kentucky

Exhibit F
Redeveloper's Policies

Redeveloper must keep the Hotel continually insured against loss by fire and risks incident to extended coverage applicable under standard fire and casualty insurance contracts. In case of loss or damage, the proceeds of such insurance contracts will be deemed to be held in trust in the name of Redeveloper to be used for the purpose of restoring or reconstructing the Hotel or part of it that is damaged or destroyed, as near as may be done within the actual insurance proceeds received, to conform to the condition of the original building or structure prior to such loss or damage, unless changed or revised with the City's and the Public Entities' consent.

At all times during the Term, Redeveloper must also obtain, provide, and pay for other insurance coverage as provided below. The minimum amounts of such insurance policy and continuing coverage will be:

Workers' Compensation with statutory limits; Employers Liability with minimum limits for bodily injury: a) by accident, \$1,000,000, per accident b) by disease, \$1,000,000 per employee with a per policy aggregate of \$1,000,000. As an alternative, coverage may be provided through a responsible non-subscriber program as allowed by the State of Oklahoma.

Commercial General Liability with minimum combined bodily injury and property damages of \$1,000,000 per occurrence.

Automobile Liability Insurance covering owned, hired, and non-owned vehicles used by Redeveloper, with minimum combined limit of liability no less than \$1,000,000 per occurrence for injury, death, and property damage.

During the Term, all Commercial General Liability Policies and all Automotive Liability policies shall name The City of Oklahoma City, the Oklahoma City Economic Development Trust, and the Oklahoma City Urban Renewal Authority as additional insureds.

Exhibit G
Form of Guaranty

COMPLETION AND PERFORMANCE GUARANTY

In consideration of entering into that certain Redevelopment Agreement (as same may be amended from time to time, the "Agreement") dated as of _____, 2017, by and among The City of Oklahoma City (the "City"), The Oklahoma City Urban Renewal Authority (the "Authority"), The Oklahoma City Economic Development Trust (the "Trust") (the City, the Authority and the Trust being hereinafter referred to as the "Public Entities") and Omni OKC, LLC, a Delaware limited liability company ("Omni"), relating to the development of a convention center hotel project (the "Project") located in Oklahoma City, Oklahoma and more specifically described in the Agreement, Omni Hotels Corporation, a Delaware Corporation (the "Guarantor") hereby unconditionally guarantees to the Public Entities the timely completion of Omni's construction obligations under the Agreement and relative to the hotel and payment of all of Omni's costs and monetary obligations associated with construction of the hotel at no cost to the Public Entities, except as otherwise provided in the Agreement (collectively, the "Guaranteed Obligations" and each a "Guaranteed Obligation"). Guarantor further promises to pay all of the Public Entities' costs and expenses (including reasonable attorneys' fees) incurred in endeavoring to enforce the Guaranteed Obligations or incurred in enforcing this Guaranty, which costs and expenses are included in the term "Guaranteed Obligations".

1. If the Public Entities enforce this Completion and Performance Guaranty (this "Guaranty") against Guarantor for any Guaranteed Obligation and Guarantor is timely performing such Guaranteed Obligation hereunder, then, notwithstanding any provision of the Agreement to the contrary, the Public Entities may not terminate the Agreement and may not reduce the amount of any payments under the Agreement on account of Omni's failure to timely complete or pay all costs associated with construction of the Project.

2. The Public Entities may at any time and from time to time, without notice to or consent by Guarantor, take any or all of the following actions without affecting or impairing the liability and obligations of Guarantor under this Guaranty:

- (a) grant an extension or extensions of time for performance of any Guaranteed Obligation or otherwise amend or modify the Agreement or the Project;
- (b) grant an indulgence or indulgences in the performance of any Guarantee Obligation;
- (c) accept other guarantees or guarantors; and/or
- (d) release any person primarily or secondarily liable hereunder or under the Agreement or under any other guaranty.

The liability of Guarantor under this Guaranty will not be affected or impaired by any failure or delay by the Public Entities in enforcing the Guaranteed Obligation or this Guaranty or any security therefor or in exercising any right or power in respect thereto, or by any

compromise, waiver, settlement, change, subordination, modification or disposition of the Guaranteed Obligation or of any security therefore, or by any bankruptcy, liquidation, reorganization, winding-up, or similar proceeding with respect to Omni. In order to hold Guarantor liable hereunder, there will be no obligation on the part of the Public Entities at any time, to resort to Omni or to any other guaranty or to any security or other rights and remedies for performance, and the Public Entities will have the right to enforce this Guaranty irrespective of whether or not other proceedings or actions are pending or being taken seeking resort to or realization upon or from any of the foregoing. Omni's and Guarantor's liability for the Guaranteed Obligations is joint and several.

3. This Guaranty is a guaranty of performance and payment, not collection. Guarantor waives all diligence in collection or in protection of any security, presentment, protest, demand, notice of dishonor or default, notice of acceleration or intent to accelerate, notice of acceptance of this Guaranty, notice of any extensions granted or other action taken in reliance hereon and all demands and notices of any kind in connection with this Guaranty or any Guaranteed Obligation.

4. Guarantor hereby acknowledges full and complete notice and knowledge of all the terms, conditions, covenants, obligations and agreements relating to the construction of the Project set forth in the Agreement.

5. This Guaranty will be continuing, absolute and unconditional and will remain in full force and effect until all Guaranteed Obligations are performed and all obligations under this Guaranty are fulfilled and shall extend to any assignment or other transfer of Omni's interest under the Agreement, whether or not Guarantor consented thereto.

6. This Guaranty will be governed by and construed according to the laws of the State of Oklahoma. The situs for the resolution (including any judicial proceedings) of any disputes arising under or relating to this Guaranty will be the jurisdiction where the Project is located.

7. The parties intend and believe that each provision of this Guaranty comports with all applicable law. However, if any provision of this Guaranty is found by a court to be invalid for any reason, the remainder of this Guaranty will continue in full force and effect and the invalid provision will be construed as if it were not contained herein, and if such a finding reduces or eliminates any benefit to the Public Entities hereunder, the Public Entities and Guarantor will mutually work together in good faith to amend this Guaranty promptly so that the full intended benefit to the Public Entities provided hereunder is restored.

8. This Guaranty and Guarantor's liability hereunder is only related to the Guaranteed Obligations of Omni and nothing set forth herein shall be deemed to impose on Guarantor any liability or obligation to guaranty the performance of any other obligations or covenants of Omni under the Agreement or under any other agreement entered into between the Public Entities and Omni.

9. This Guaranty will terminate, and Guarantor will be released from all liability hereunder relating thereto, when the Project's hotel is open for business (including the renting of

rooms) to the public and all Guaranteed Obligations have been completed, paid in full, or otherwise extinguished and released.

10. Guarantor acknowledges that its undertakings hereunder are given in consideration of the Public Entities' execution and delivery of the Agreement and that the Public Entities would not have executed the Agreement without the concurrent execution and delivery of this Guaranty.

11. This Guaranty contains the entire agreement of Guarantor with respect to the subject matter hereof and all prior oral and written discussions and all contemporaneous oral discussions and agreements with respect to the subject matter hereof are hereby superseded and replaced by this Guaranty, and this Guaranty may not be changed, modified, discharged or terminated orally or in any manner other than by an agreement in writing signed by Guarantor and the Public Entities.

[Signature page follows.]

IN WITNESS WHEREOF, Guarantor has executed and delivered this Guaranty this
_____ day of _____, 2017.

GUARANTOR:

OMNI HOTELS CORPORATION,
a Delaware corporation

By: _____
Name: _____
Title: _____

GUARANTOR'S ADDRESS:

c/o TRT Holdings, Inc.
4001 Maple Avenue
Suite 600
Dallas, Texas 75219
Attn: President

Exhibit H Depiction of the Streetcar System

A rail-based streetcar system will serve the downtown vicinity, connecting the Hotel and the Convention Center to the Oklahoma City central business district, the St. Anthony's hospital campus, the Automobile Alley District, and the historic Bricktown district.

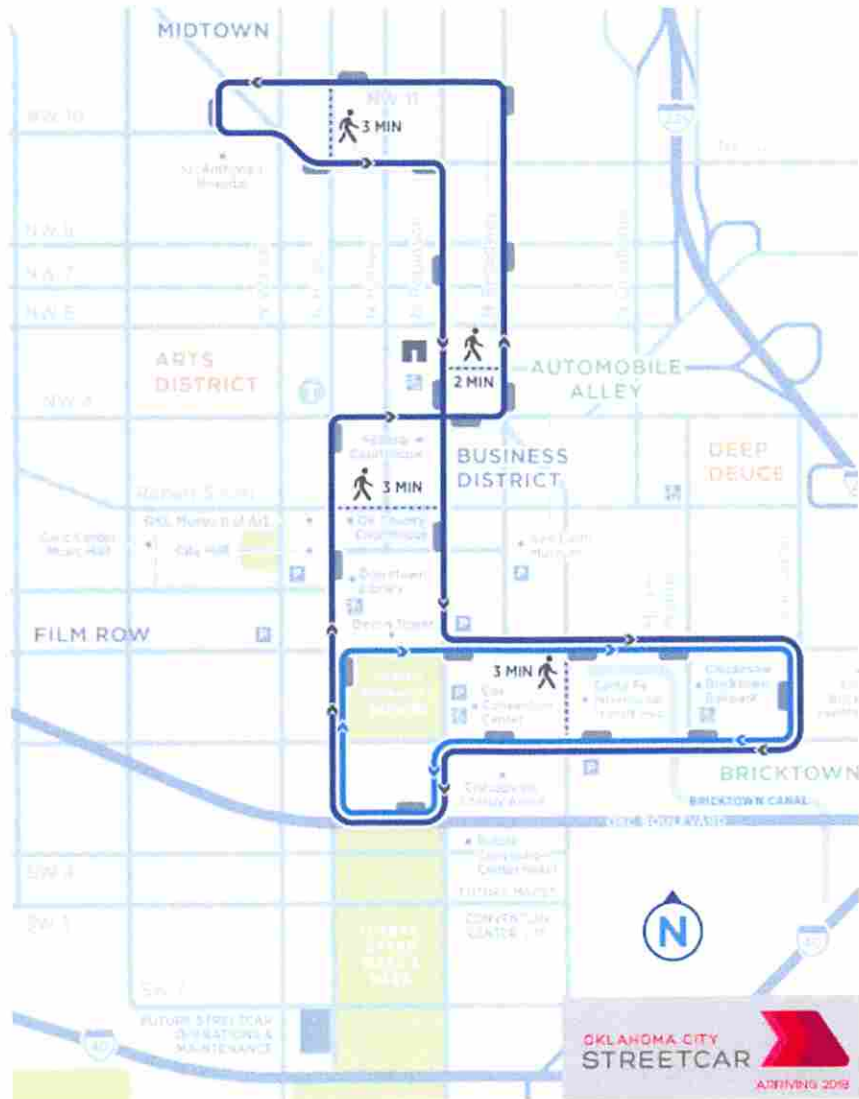


Exhibit I Description of the Park

The north section of the MAPS 3 Downtown Public Park, which extends from the new Oklahoma City Boulevard south to Interstate 40, and from S Hudson Avenue east to S Robinson Avenue.



page.

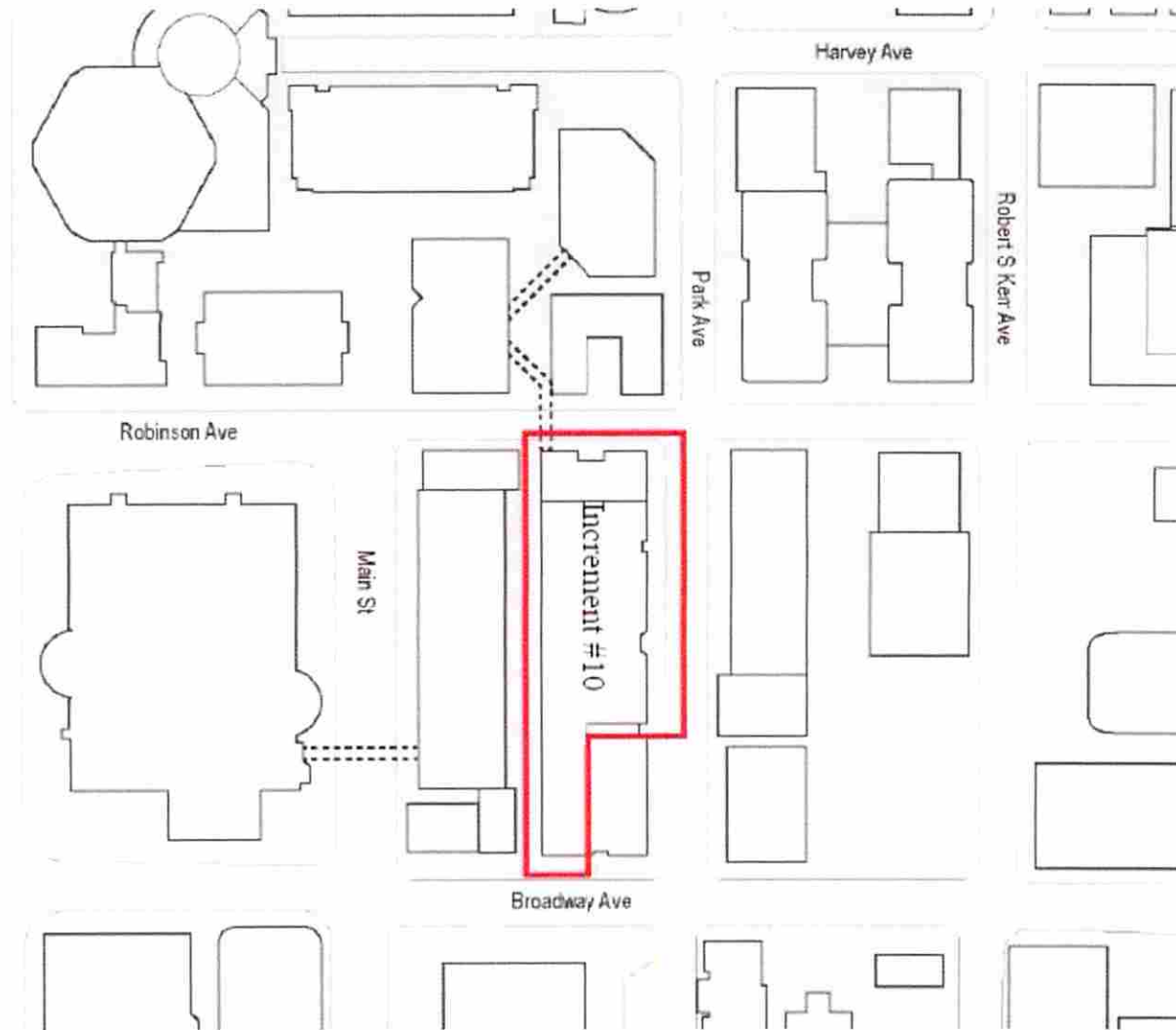


Exhibit K
Cox Center Restrictive Covenant Agreement

AFTER RECORDING RETURN TO:

Winstead PC
500 Winstead Bldg.
2728 N. Harwood Street
Dallas, Texas 75201
Attention: T. Andrew Dow

RESTRICTIVE COVENANT AGREEMENT

THIS RESTRICTIVE COVENANT AGREEMENT ("Agreement") is made and entered into effective as of the ____ day of _____, 2017 (the "Effective Date"), by and between OMNI OKC, LLC, a Delaware limited liability company ("Redeveloper") and THE CITY OF OKLAHOMA CITY, a municipal corporation (the "City").
WITNESSETH:

WHEREAS, the City and THE OKLAHOMA CITY URBAN RENEWAL AUTHORITY, a local government entity (the "Renewal Authority"), and THE OKLAHOMA CITY ECONOMIC DEVELOPMENT TRUST, a public trust (the "Trust") and together with the Renewal Authority, the "Public Entities") are engaged in the implementation of the Core to Shore Urban Renewal Plan, as amended, and the Core to Shore Reinvestment Area Project Plan (collectively, the "Plans"), and pursuant to these Plans, the City and the Public Entities intend to cease convention center operations at the Cox Convention Center located on the property (the "Cox Convention Center Property"), more particularly described on Exhibit A attached hereto and incorporated by reference herein, as the main convention center for the City and construct a new Oklahoma City convention center (the "New Convention Center") on the parcel of land adjacent to the Hotel Property (as hereinafter defined); and

WHEREAS, Redeveloper has purchased or will purchase the fee simple estate in and to that certain parcel of land (the "Hotel Property") lying and being situated in the City of Oklahoma City, Oklahoma County, Oklahoma, which the Hotel Property is described more particularly on Exhibit B attached hereto and incorporated by reference herein for all purposes, pursuant to that certain Redevelopment Agreement (the "Redevelopment Agreement") by and between Redeveloper, the City and the Public Entities, dated as of _____, 2017; and

WHEREAS, Redeveloper, the City and the Public Entities desire that an Omni Hotel (the "Hotel") be constructed on the Hotel Property for the provision of hotel and lodging services in further support of the New Convention Center; and

WHEREAS, Redeveloper, the City and the Public Entities accordingly desire, in conjunction with the acquisition and redevelopment of the Hotel Property, to make and enter into this

Agreement providing for certain use restrictions and other agreements, all affecting the Cox Convention Center and the Hotel Property as set forth hereinbelow.

NOW, THEREFORE, for and in consideration of the above and foregoing premises, and the mutual covenants, conditions, restrictions, encumbrances and other agreements contained herein, together with other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Redeveloper, the City and the Public Entities do hereby agree as follows:

ARTICLE I.

DEFINITIONS

In addition to the other terms herein defined, the terms "Prohibited Use" and/or "Prohibited Uses" shall, individually and/or collectively, mean the uses set forth in Exhibit C attached hereto and incorporated by reference herein for all purposes.

ARTICLE II.

RESTRICTIONS

2.1 Restriction on the Cox Convention Center Property: The City hereby declares, establishes, creates, covenants and agrees, for the benefit of Redeveloper and Redeveloper's successors, assigns, mortgagees, tenants and licensees, to abide by and enforce the Prohibited Uses on and about the Cox Convention Center Property, with the result that the City, for itself and for the City's successors and assigns, hereby warrants and agrees that no portion of the Cox Convention Center Property may be used in violation of the Prohibited Uses.

2.2 Protected Use: The City hereby declares, establishes, creates, covenants and agrees, for the benefit of Redeveloper and Redeveloper's successors, assigns, mortgagees, tenants and licensees, to: (i) cease or discontinue using the Cox Convention Center as the main convention center facility for the City, beginning one (1) year after the CO Date (as hereinafter defined) and continuing throughout the term of this Agreement; and (ii) refrain from designating, naming, identifying, or otherwise promoting any other hotel, besides the Hotel, as the "convention center hotel" for the New Convention Center during the term of this Agreement.

2.3 Right of First Negotiation:

2.3.1 At any time after the Effective Date and prior to the termination of this Agreement, if the City or the Public Entities desire to develop or permit the development of a hotel on any portion of the Cox Convention Center Property, prior to entering into such negotiations to develop a hotel with any third parties, the City or the Public Entities, as applicable, will first negotiate with Redeveloper for the development and construction of a hotel on the Cox Convention Center Property by giving a written notice (the "Offer Notice") to Redeveloper, containing all of the material terms and conditions upon which the City or the Public Entities, as applicable, would be willing to allow for the construction of a hotel on the Cox Convention Center Property.

- 2.3.2 Redeveloper will have ninety (90) days from receipt of the Offer Notice (“Offer Period”) to negotiate with the City or the Public Entities, as applicable, such terms upon which Redeveloper would be willing to develop a hotel on the Cox Convention Center Property. If Redeveloper and the City or the Public Entities, as applicable, cannot mutually agree upon the terms for the construction and development of a hotel within the Offer Period, the City or the Public Entities, as applicable, will be free to enter into an agreement upon substantially the same terms and conditions as were stated in the Offer Notice and if an agreement is entered into with a third party within six (6) months after the expiration of the Offer Period, the Right of First Negotiation granted herein will automatically terminate and be of no further force or effect.

ARTICLE III.

TERMINATION AND REMEDIES

3.1 Termination: The term of this Agreement shall commence on the date of issuance of a certificate of occupancy (the “CO Date”) for the Hotel and shall terminate on the date that is forty-five (45) years after the CO Date.

3.2 Remedies:

- 3.2.3 If either party hereto fails to fulfill its obligations under this Agreement and any such failure is continuing sixty (60) days following receipt by such failing party of written notice of such failure, the non-failing party shall have all rights or remedies available under this Agreement or at law or in equity.
- 3.2.4 In addition to the other remedies provided under this Article III, it is agreed that, in the event of any violation or threatened violation of a term or provision of Article II of this Agreement by a third party, then any party hereto shall, at its sole cost and expense, have the right to directly enjoin, or to seek, apply or petition for injunction against, any such violation or threatened violation in a court of competent jurisdiction; and, in connection therewith.
- 3.2.5 Any party hereto shall have the right to enforce this Agreement by any proceeding at law or in equity against any person or persons violating or attempting to violate this Agreement, which enforcement may be either to restrain a violation or to recover damages therefor.
- 3.2.6 The unsuccessful party in any such action solely between the parties hereto shall pay to the prevailing party a reasonable sum for attorneys' fees and costs of court incurred by such prevailing party in connection with any such action.

ARTICLE IV.

MISCELLANEOUS

4.1 Covenants Running with the Land: This Agreement benefits the Hotel Property and burdens the Cox Convention Center Property and runs with the land. It shall be and remain a burden on the Cox Convention Center Property and benefit to the Hotel Property (binding upon all owners, users and occupants thereof) at all times during and for so long as this Agreement remains in effect.

4.2 Time Is of the Essence: Time is of the essence in this Agreement. Unless otherwise specifically set forth herein, the term "days" shall include Saturdays, Sundays and all holidays.

4.3 Recording: This Agreement may be recorded by either party hereto in the official public records and/or applicable real property records of the county where the Property or any portion thereof is located. Upon termination of this Agreement pursuant to the provisions of Section 3.1 hereof, the parties hereto shall (upon request by either party hereto) execute a document for recordation stating that this Agreement is no longer effective.

4.4 Invalid Provisions to Affect No Others: If fulfillment of any provisions hereof, or any transaction related hereto at the time performance of such provisions shall be due, shall involve transcending the limit of validity prescribed by law, then, ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity; and if any clause or provision herein contained is held to be unlawful, such clause or provision shall be stricken, as though not herein contained, and the remainder of this Agreement shall remain operative and in full force and effect.

4.5 Miscellaneous Terms: Any indulgence or departure at any time or by any party hereto from any of the provisions hereof or failure by any party to exercise any of its rights and remedies shall not modify the same or relate to the future, or waive future, compliance therewith by the other party. This Agreement may not be amended or modified except by a written instrument signed by the party against whom such amendment or modification is sought to be enforced. This Agreement, together with any exhibits attached hereto and incorporated herein by reference, contain the entire agreement and understanding between Redeveloper, the City and the Public Entities with respect to the subject matter hereof. There are no oral understandings, terms, or conditions, and neither party hereto has relied upon any representation (express or implied) not contained in this Agreement with respect to the subject matter hereof. All prior understandings, terms or conditions with respect to the subject matter hereof are deemed merged into this Agreement. If there shall be more than one person or party comprising the City or the Public Entities, each person or party comprising the City and the Public Entities, as applicable, agrees that (i) the obligations of each such person or party comprising such City or Public Entity hereunder are joint and several, (ii) a release of any one or more such persons or parties comprising Such City or Public Entity or any limitation of this Agreement in favor of or for the benefit of any one or more such persons or parties comprising the City or the Public Entities, as applicable, shall not in any way be deemed a release of or limitation in favor of or for the benefit of any other person or party comprising either the City or the Public Entities, as applicable, and

(iii) a separate action hereunder may be brought and prosecuted against each such one or more persons or parties comprising the City or the Public Entities. Whenever herein the singular number is used, the same shall include the plural, and vice versa, and words of any gender shall include each other gender.

4.6 Successors and Assigns: This Agreement shall be binding upon and shall inure to the benefit of each of the parties hereto and their respective tenants, successors, successors-in-title and assigns.

4.7 Law Governing: THE LAWS OF THE STATE IN WHICH THE LAND IS LOCATED SHALL GOVERN THE INTERPRETATION, VALIDITY AND ENFORCEABILITY OF THIS AGREEMENT.

4.8 Captions: Titles, headings or captions of articles or paragraphs contained in this Agreement are inserted only as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provisions hereof.

4.9 Notices: Whenever this Agreement requires and/or permits any consent, approval, request, notice or demand from one party to a second party, then (unless otherwise provided herein) such consent, approval, notice, request or demand must be in writing to be effective and shall (unless otherwise provided herein) be deemed given or received only (i) when actually received by the second party at the address set forth below (or such other address as may be hereafter designated by written notice in accordance herewith), or (ii) when the same is refused by the second party following the delivery of same to such address, such refusal to be evidenced upon the applicable form furnished by the United States Postal Service or by a nationally recognized courier service. The initial respective addresses for the parties hereto are as follows:

If to Redeveloper: Omni OKC, LLC
Attention: Mike Smith
4001 Maple Avenue, Suite 400
Dallas, Texas 75219
Phone: (214) 283-8619
Email: msmith@trtholdings.com

with a copy to: Omni OKC, LLC
Attention: Paul Jorge
4001 Maple Avenue, Suite 400
Dallas, Texas 75219
Phone: (214) 283-8586
Email: pjorge@trtholdings.com

with a copy to: Winstead PC
Attention: T. Andrew Dow
500 Winstead Bldg.
2728 N. Harwood Street
Dallas, Texas 75201
Facsimile: 214.745.5390
Email: adow@winstead.com

If to the City: City of Oklahoma City
Attention: James D. Couch, City Manager
200 North Walker Avenue, 3rd Floor
Oklahoma City, OK 73102
Phone: (405) 297-2345
Email: citymanager@okc.gov

with a copy to: Wiley "Butch" Williams
Deputy Municipal Counselor
200 North Walker Avenue, 4th Floor
Oklahoma City, OK 73102
Phone: (405) 297-2685

or to such other address or addresses as Redeveloper or the City, respectively, may from time to time designate by no less than ten (10) days' prior written notice to the other party pursuant hereto.

4.10 Multiple Counterparts: This Agreement may be executed in any number of identical counterparts, each of which for all purposes shall be deemed an original document and all of which together shall constitute but one and the same document; but, in making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the day and year first above written.

REDEVELOPER:

OMNI OKC, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

ATTEST:

THE CITY:

THE CITY OF OKLAHOMA CITY

CITY CLERK

MAYOR

REVIEWD FOR FORM AND LEGALITY:

ASSISTANT MUNICPAL COUNSELOR

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

 This instrument was acknowledged before me on this _____ day of _____,
2017, by _____, _____ of
OMNI OKC, LLC, a Delaware limited liability company, on behalf of said limited liability
company.

My Commission Expires: _____

Notary Public - State of Texas

STATE OF OKLAHOMA §
 §
COUNTY OF _____ §

 This instrument was acknowledged before me on this _____ day of _____,
2017, by _____, _____ of
THE CITY OF OKLAHOMA CITY, a municipal corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public - State of Oklahoma

EXHIBIT A

LEGAL DESCRIPTION OF THE COX CONVENTION CENTER PROPERTY

[To be completed prior to execution]

EXHIBIT B

LEGAL DESCRIPTION OF THE HOTEL PROPERTY

[To be completed prior to execution]

EXHIBIT C

PROHIBITED USES

1. The development, construction, and/or operation of a hotel, inn, motel, or any type of lodging facility for a period of ten (10) years after the CO Date.
2. The development, construction, and/or operation of a hotel, inn, motel, or any type of lodging facility with more than two hundred (200) guest rooms for a period of twenty (20) years after the CO Date.

Schedule 1
Permitted Title Exceptions

RESOLUTION

RESOLUTION OF THE CITY COUNCIL APPROVING IN PRINCIPLE THE OMNI HOTEL FUNDING PLAN FOR THE DEVELOPMENT AND CONSTRUCTION OF AN OMNI HOTEL TO BE CONSTRUCTED BY OMNI OKC, LLC, AN OKLAHOMA LIMITED LIABILITY COMPANY, IN ASSOCIATION WITH THE MAPS 3 CONVENTION CENTER; PROVIDING THAT FULL IMPLEMENTATION OF THE OMNI HOTEL FUNDING PLAN SHALL BE SUBJECT TO ANY NECESSARY AMENDMENTS TO THE DOWNTOWN/MAPS ECONOMIC DEVELOPMENT PROJECT PLAN OR THE CORE TO SHORE REINVESTMENT AREA PROJECT PLAN; DIRECTING THE CITY MANAGER TO TAKE ALL ADMINISTRATIVE AND NECESSARY ACTIONS REQUIRED TO IMPLEMENT THE OMNI HOTEL FUNDING PLAN; REQUESTING THAT THE OKLAHOMA CITY URBAN RENEWAL AUTHORITY TAKE ALL ACTIONS NECESSARY TO SUPPORT THE OMNI HOTEL FUNDING PLAN AND THE DEVELOPMENT AND CONSTRUCTION OF THE OMNI HOTEL; REQUESTING THAT THE OKLAHOMA CITY ECONOMIC DEVELOPMENT TRUST TAKE ALL ACTIONS NECESSARY TO SUPPORT THE OMNI HOTEL FUNDING PLAN AND THE DEVELOPMENT AND CONSTRUCTION OF THE OMNI HOTEL; FURTHER AUTHORIZING THE MAYOR OR VICE-MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY TO IMPLEMENT THE OMNI HOTEL FUNDING PLAN; AND AUTHORIZING ALL OTHER ACTIONS NECESSARY OR APPROPRIATE TO IMPLEMENT THIS RESOLUTION.

WHEREAS, on June 11, 2013, the City Council approved a Resolution authorizing the Executive Director of the Oklahoma City Urban Renewal Authority (“OCURA”) to explore and develop options and opportunities for the development of a convention center hotel in association with the new MAPS 3 funded convention center; and

WHEREAS, on April 1, 2014, the City Council approved an agreement with Public Financial Management (PFM) to provide professional services and perform due diligence regarding financial issues associated with the Hotel; and

WHEREAS, on January 20, 2015, following a presentation from the Executive Director of OCURA in regard to the options and opportunities to engage a developer of convention center hotel and the potential for public financial support needed to attract a developer, the City Council

approved a Request for Proposals (“RFP”) to be advertised for a Downtown Convention Center Hotel Developer and Hotel Management Services, which RFP initiated a process to procure a developer for a convention center hotel to be constructed in association with the new MAPS 3 Convention Center; and

WHEREAS, the process following authorization to issue the RFP included engaging PFM to manage the RFP process and to provide professional and financial advice in regard to selection of hotel developer; a selection committee was established to evaluate proposals, including review of operating pro forma, concept design, project costs, construction schedules and a plan of finance and to make recommendations to the Council related to selection of a convention center hotel developer; and further, staff, in coordination with The Alliance for Economic Development of Oklahoma City and PFM, engaged in development of a funding plan for public financial support; and

WHEREAS, in March 2015, upon review of responses submitted in response to the RFP, the selection committee determined there were four potential developers qualified to construct and develop a convention center hotel based on the developer’s past experience, team, financial capability and general approach to the potential project; and

WHEREAS, due to a delay in selection of a site for the new convention center, the selection committee did not meet with the qualified developers until May 2016, at which time the committee requested that the Executive Director of OCURA solicit additional information from each of the developers; and

WHEREAS, in June 2016, the potential developers were requested to submit confirmation of a hotel brand, concept design, construction and development schedules, plan of finance, an operating pro forma and term sheet comments in addition to their responses to the request for proposals; and

WHEREAS, in August 2016, only two of the four qualified developers submitted a response to the request for additional information, those being 1) Omni Hotels and 2) a team formed by two to the qualified proposers consisting of Mortenson and Marcus Hotels; and

WHEREAS, on September 21, 2016, the selection committee met with the two remaining qualified developers and based on those meetings and interviews, and review of submitted materials, recommended the City Council select Omni Hotels as the potential developer of the convention center hotel; and

WHEREAS, the selection committee recommended Omni Hotels (“Omni”) on the basis that: 1) Omni offered a greater developer contribution and a lower public assistance request; 2) Omni has a substantial balance sheet that eliminates financing contingencies; 3) Omni intends to maintain ownership of the Hotel, making a long-term commitment to Oklahoma City; 4) Omni has significant experience in operating four-diamond and highly successful convention center hotels; and 5) Omni is an entrepreneurial organization with distinctive concepts unlike other hotel companies; and

WHEREAS, on September 27, 2016, the City Council received the recommendation from the selection committee and approved a resolution (Item No. IX.P.) authorizing the City Manager and Executive Director of OCURA to enter into negotiations with Omni Hotels for development and construction of the convention center hotel and to develop a funding plan to support development of the hotel; and

WHEREAS, over the past several months City staff and the Executive Director of OCURA have engaged in negotiations with Omni Hotels for a Redevelopment Agreement for construction and development of the convention center hotel and have been in consultation with PFM in regard to the development of a funding plan necessary to incentivize Omni Hotels to construct and develop an Omni Hotel adjacent to the new MAPS 3 Convention Center; and

WHEREAS, the City Council, as part of the MAPS 3 Program, has obtained the site for and has approved the construction of a new convention center to host a variety of events, including conventions, tradeshow, public/consumer shows, food and beverage functions, meetings and other such events; and

WHEREAS, based on the successful experiences of other communities, it appears that having a hotel directly associated with the MAPS 3 Downtown Convention Center will be vital to the success of the new convention center and according to a report by HVS, a leading consultant in the hotel and convention center operations, the overall economic benefit to the City is significantly greater over the long term with a convention center hotel than a convention center without a designated convention center hotel; and

WHEREAS, based on several market place factors and the pro forma provided by the qualified developers, and based on documented experiences in other similar sized communities, Council finds that it is necessary and in the best interest of the public to provide a reasonable economic development incentive to engage a qualified developer to construct a four star/diamond, full service hotel with a minimum of six hundred rooms; and

WHEREAS, after more than 18 months of work on development of a convention center hotel in consultation with PFM, staff has determined and identified several available sources of revenue that should be made available to fund a reasonable economic development incentive to be provided in the form of public assistance in development financing necessary to incentivize the development and construction of the Omni convention center hotel, which revenue sources include the following, of which more than half will come from the operations of the hotel: 1) Hotel Property tax increment and other new developments in a Tax Increment District to be initiated under the provisions of the Core to Shore Reinvestment Project Plan, including the minimum tax payment required by Omni under the terms of the Redevelopment Agreement; 2) Sales Tax increment generated by operations of the Hotel in the Tax Increment District to be initiated under the provisions of the Core to Shore Reinvestment Project Plan; 3) Hotel Occupancy tax increment generated by operations of the Hotel in the Tax Increment District to be initiated under the provisions of the Core to Shore Reinvestment Project Plan; 4) State matching funds generated from the sales tax and hotel occupancy tax increment available under the Oklahoma Local

Development and Enterprise Zone Incentive Leverage Act, 60 Okla.Stat. 2016 Supp. §§ 840, *et seq.*; 5) the land payments made to OCURA for purchase of the hotel site; 6) Skirvin Hotel Lease and/or mortgage payments; 7) an allocation of tax increment from Increment District Number Two, City of Oklahoma City; 8) an allocation of tax increment from an increment district to be initiated in accordance with the Core to Shore Reinvestment Area Project Plan; 9) an allocation of tax increment from Increment District Number Eight, City of Oklahoma City; and 10) all lease payments received from the Bass Pro Lease or any subsequent lessee of said property, as more specifically reflected in the Estimated Funding Plan, attached hereto as Exhibit No. 1 (Omni Hotel Funding Plan); and

WHEREAS, the Council of the City further desires to authorize and direct the City Manager to take all administrative actions necessary to implement the Omni Hotel Funding Plan; and

WHEREAS, the Council of the City further requests that OCURA take all actions necessary to support the Omni Hotel Funding Plan and to direct and authorize the Executive Director to take all administrative actions necessary to implement the Omni Hotel Funding Plan and to support the development and construction of the convention center hotel; and

WHEREAS, the Council of the City further requests that the Oklahoma City Economic Development Trust (“OCEDT”) take all actions necessary to support the Omni Hotel Funding Plan and to direct and authorize the General Manager to take all administrative actions necessary to implement the Omni Hotel Funding Plan and to support development and construction of the convention center hotel; and

WHEREAS, the Council of the City further desires to authorize the Mayor to execute all documents necessary to implement the Omni Hotel Funding Plan.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council that the Omni Hotel Funding Plan, attached hereto as Exhibit No. 1, a plan for public financial participation in the development and construction of an Omni Hotel to be constructed by Omni OKC, LLC, an Oklahoma limited liability company is hereby approved in principle, provided however, that full implementation of the Omni Hotel Funding Plan shall be subject to any necessary approvals by Council and adoption of amendments to the Downtown/MAPS Economic Development Project Plan or the Core to Shore Reinvestment Area Project Plan needed to carry out the Omni Hotel Funding Plan.

AND BE IT FURTHER RESOLVED that the Mayor and City Council hereby directs the City Manager to take all administrative and necessary actions required to implement the Omni Hotel Funding Plan and to bring forward for Council consideration and approval any actions requiring Council consideration.

AND BE IT FURTHER RESOLVED by the Mayor and City Council that the Oklahoma City Urban Renewal Authority and its Executive Director are hereby requested to take

all actions necessary to support the Omni Hotel Funding Plan and the development and construction of the Omni Hotel by Omni OKC, LLC.

AND BE IT FURTHER RESOLVED by the Mayor and City Council that the Oklahoma City Economic Development Trust is hereby requested to take all actions necessary to support and implement the Omni Hotel Funding Plan and to assist in the development and construction of the Omni Hotel.

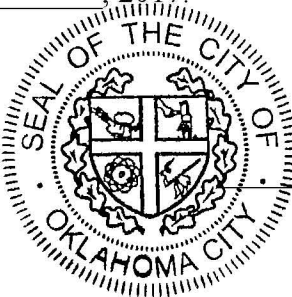
AND BE IT FURTHER RESOLVED by the Mayor and City Council that the Mayor, or Vice-Mayor in the absence of the Mayor, is authorized to execute all documents necessary to implement the Omni Hotel Funding Plan contemplated by this resolution.

AND BE IT FURTHER RESOLVED by the City Council of The City of Oklahoma City that it hereby authorizes all other actions necessary or appropriate to implement this Resolution.

ADOPTED by the Council and signed by the Mayor of The City of Oklahoma City, Oklahoma, this 18th day of July, 2017.

ATTEST


CITY CLERK




MAYOR

REVIEWED for form and legality.


ASSISTANT MUNICIPAL COUNSELOR

Oklahoma City Omni Convention Center Hotel
Funding Plan – July 2017

Introduction

Oklahoma City is poised to begin construction of the new MAPS 3 Convention Center in 2018, slated for opening in 2020. Construction of the adjacent Scissortail Park is already underway. As a compliment to those projects, the Mayor and City Council authorized and directed the City Manager and the Executive Director of the Oklahoma City Urban Renewal Authority (“the Executive Director”) to seek a developer for a convention center hotel (“the Hotel”). Last fall, a Selection Committee chose Omni Hotels and Resorts.

On September 27, 2016, the Mayor and City Council authorized and directed the City Manager and the Executive Director to negotiate an agreement with Omni for development of the Hotel and to formulate a funding plan to support the public contribution requested by Omni. The City Manager and the Executive Director have successfully concluded negotiations with Omni culminating in a proposed Redevelopment Agreement between Omni OKC, LLC, a limited liability company owned by Omni Hotels Corporation, The City of Oklahoma City (“The City”), the Oklahoma City Urban Renewal Authority (“the Renewal Authority”), and the Oklahoma City Economic Development Trust (“the Trust”). Omni has signed that agreement. Under it, Omni would construct, develop, finance, own, and operate the Hotel on land to be sold to it by the Renewal Authority upon satisfaction of specified conditions precedent.

Omni estimates the cost of the Hotel will be \$235,500,000. It is requesting a contribution from The City of \$85,400,000 to aid in construction. The City Manager, the Executive Director, and City Staff have developed this Funding Plan to fund that contribution. Upon the Mayor’s and City Council’s approval in principal of the proposed Redevelopment Agreement and this Funding Plan, the City Manager and the Executive Director will finalize an Economic Development Agreement between Omni and The City, the Renewal Authority, and the Trust and take the other necessary steps described below to implement this plan.

This Funding Plan contains the following:

- A description of the scope of the Hotel and Omni’s proposal to fund construction;
- The projected economic impact of the proposed hotel, as determined by expert consultants;
- The proposed plan to fund the public contribution requested by Omni; and
- The steps necessary to implement this Funding Plan if it is approved.

A. Scope of the proposed Hotel and Omni’s plan to fund its construction

The scope for the proposed project consists of the development of a full-service four-diamond convention center hotel and related improvements with the following features:

- Minimum of 600 guest rooms
- Minimum of “Upper Upscale” designation as defined by STR Global, generally

Exhibit No. 1 – Omni Hotel Funding Plan

consistent in quality with Omni's most recent owned convention center hotels in Nashville, Tennessee and Fort Worth, Texas

- Minimum of 50,000 square feet of gross meeting/ballroom space
- Dining and related amenities
- Meeting all standards of the Omni Hotels and Resorts brand
- Ground level retail
- Pool and pool deck
- Design and construction such that a skybridge connecting the Hotel to the Convention Center could be added if the parties mutually agree that a skybridge is necessary or desirable

The Redevelopment Agreement provides for an estimated cost of construction of the Hotel (exclusive of Omni's cost of the land) consistent with the project scope of approximately \$235,500,000. Of that amount, private capital of approximately \$150,100,000 will be provided by Omni for which Omni Hotels Corporation, the parent corporation, will provide a Completion and Performance Guaranty. Omni is also responsible for all design expenses for the project.

Omni is requesting public capital with a net present value of \$85,400,000 (“the Public Contribution”) which would be utilized solely for construction of the Hotel. Omni would be responsible for all remaining capital over and above the Public Contribution necessary to complete the project. The proposed Redevelopment Agreement specifically provides that Omni would be solely responsible for any cost overruns on the project.

B. The economic impact of the proposed Hotel

The Alliance for Economic Development of Oklahoma City carefully considered the economic impact of the proposed Hotel in relation to the Public Contribution required by Omni. In doing so, it retained two sets of expert consultants to provide economic impact studies of the Hotel.

• The study by Dr. Dean and Dr. Evans

The Alliance first retained Kyle D. Dean, PhD and Russell R. Evans, PhD of the Steven C. Agee Economic Research and Policy Institute of the Meinders School of Business at Oklahoma City University to advise The City, the Renewal Authority, and the Trust regarding the reasonableness of the financial projections for the Hotel, to estimate the economic impact of the Hotel, and to provide general insight regarding the development of the Hotel and the hotel market in Oklahoma City. They finalized their report in December 2013 and updated it in September 2016, including updates using the now proposed development costs.

Dr. Dean and Dr. Evans believe that Oklahoma is “poised for expansive growth over the next 20 to 30 years” and that Oklahoma City in particular has “already changed the slope of its growth curve.” Noting the success of the MAPS program and downtown's redevelopment “as a business and cultural destination,” they believe that “the proposed convention center and convention center hotel will play a key role in the expansion of the city's amenity package. The estimated economic benefits from the convention center and the hotel include impacts from

Exhibit No. 1 – Omni Hotel Funding Plan

expenditures during construction and operation of the facilities, the additional expenditures from convention visitors, and the agglomeration effects of the enhancement of the city's amenity offerings." Using the proposed Omni development budget of \$235,500,000, they believe:

- Construction of the Hotel is estimated to create 3012 local jobs, provide over \$370 million in economic activity, and provide over \$128 million in labor income to local residents.
- Ongoing hotel operations are estimated to create and/or maintain 1107 local jobs, increase local economic output by \$1 billion, and increase local income by over \$305 million.
- For every 10,000 convention attendee visitors, local economic output will increase by \$1.6 million with a range from \$1.2 - \$2.1 million.

• The study by HVS

The Alliance for Economic Development of Oklahoma City also recently retained HVS, a leading consultant in the hospitality industry to assess the economic impact of the Hotel. Their review concludes that Oklahoma City is currently underperforming in the convention industry due to the lack of adequate convention center space and the lack of hotel rooms proximate to the convention center. They analyzed two scenarios: construction of the new Convention Center without a dedicated convention center hotel and construction of the new Convention Center with such a hotel. Their projections indicate that if the Convention Center is built without an adjacent dedicated convention center hotel, the Convention Center would attract approximately 42,000 new room night stays to the Oklahoma City market. However, with a dedicated convention center hotel, the Convention Center would attract approximately 151,000 new room night stays, an increase from approximately 93,000 to 224,000 room nights by a stabilized year of demand in 2024.

Further, HVS concluded that there will be an economic impact associated with each of the two hypothetical scenarios. If the Convention Center is constructed without the Hotel, HVS estimates there to be approximately \$62,000,000 per year in new spending from new overnight visitors, day-trippers, exhibitors, and event organizers. However, with the Hotel, they estimate that new spending to be approximately \$137,000,000 per year.

• Conclusion

The City Manager, the Executive Director, and City Staff believe that the benefits that would be derived from the Hotel justify the Public Contribution necessary for the development. Development and operation of the Hotel by Omni would greatly benefit Oklahoma City's citizens in many ways, including increased property tax revenues from the South Central Business District/Central Park Tax Increment Financing District, the TIF district of which the Hotel would become a part, ("Core to Shore TIF A"), increased sales tax revenues, increased hotel/motel tax revenues, and increased convention and tourism capacity.

C. The Funding Plan to fund the Public Contribution

1. Overview

In order to fund the Public Contribution of \$85,400,000, without which this project will not go forward, the City Manager, the Executive Director, and City Staff have developed this Funding Plan. This plan provides funding from a variety of available funding options with the goal of minimizing the future risks to the City.

It is anticipated that the Trust will issue bonds to fund \$85,400,000. The bond issue or issues would be backed by a moral obligation pledge by The City, and would be repaid by future revenues from sources generated by the Hotel itself and other sources, as discussed in detail below. It is anticipated that the bonds would be repaid over a period of 25 years, but that time period may be shorter or longer depending on the timing of revenues, hotel construction, and TIF district life cycles. This Funding Plan provides for the ability to implement any or all funding options as such options best suit future market conditions and other considerations, including interest rates and The City's ratings for borrowing purposes.

This Funding Plan also provides for a Revenue Stabilization Fund into which excess revenues would be placed and held in reserve for the benefit of the project and to be used only if needed, as discussed below.

2. Hotel-Generated Sources

- **Capture of the Hotel's property taxes, sales taxes, and occupancy taxes in Core to Shore TIF A**

The Hotel's property tax, sales tax, and occupancy tax revenues would be captured in Core to Shore TIF A which currently includes the "499 Sheridan" Bank of Oklahoma Park Plaza project. Core to Shore TIF A will likely include other properties in the future.

After the Hotel is included in Core to Shore TIF A, the captured incremental ad valorem revenues derived from the Hotel would be available to repay the principal and interest on the bonds. Under the proposed Redevelopment Agreement, Omni agreed to make a minimum annual tax payment of \$1,400,000 throughout the life of the TIF district. On a present value basis, it is anticipated that the ad valorem taxes from the Hotel will generate between \$16,600,000 and \$23,800,000 over the life of the bonds.

Further, the 2% (the general fund portion) incremental sales tax revenues derived from the Hotel would be included in Core to Shore TIF A and thus be available for repayment of the bonds. On a present value basis, it is anticipated that this will generate between \$9,400,000 and \$13,900,000 over the life of the bonds.

In addition, the 2% (the convention and tourism portion) of hotel occupancy tax from the Hotel would be included in Core to Shore TIF A and thus be available for repayment of the

bonds. On a present value basis, it is anticipated that this will generate between \$5,300,000 and \$7,900,000 over the life of the bonds.

- **The Leverage Act Matching Funds**

As has been the case for many other municipal economic development projects, state-matching funds under Oklahoma’s Local Development and Enterprise Zone Incentive Leverage Act (“the Leverage Act”), 62 Okla. Stat. § 840, *et seq.* would be available. The Leverage Act provides municipal governments funding to match local tax revenue dedicated to support certain major tourism destinations. City Staff will make an application for these matching funds and if approved, the sales tax and hotel occupancy tax attributable to the Hotel would be matched by the state. On a present value basis, it is anticipated that this will generate between \$13,700,000 and \$16,300,000 over the life of the bonds.

- **Omni’s Payments for the Land**

The Renewal Authority owns the land upon which the Hotel would be constructed. The proposed Redevelopment Agreement provides that the Renewal Authority would sell the land to Omni upon satisfaction of specified conditions precedent. Omni will pay for the land by making fixed annual payments for it over time. Specifically, commencing with the fifth calendar year after issuance of a certificate of occupancy for the Hotel, Omni would annually pay the Renewal Authority \$200,000 (increasing by the growth in the Consumer Price Index commencing with the second such payment). Omni would be required to continue making such payments for 25 years from the opening of the Hotel. On a present value basis, it is anticipated that this will generate between \$1,800,000 and \$2,100,000 over the life of the bonds.

- **Possible Profit Participation: Omni’s “Hotel Percentage Payments”**

The proposed Redevelopment Agreement also provides that the Trust could participate in Hotel profits if the profits reach a certain level. Specifically, beginning in the fifth full fiscal year of the operation of the Hotel, Omni would pay the Trust a percentage payment equal to 10% of the Hotel’s net operating income each year in excess of \$20,000,000 (increasing by the growth in the Consumer Price Index commencing with the second such payment), subject to a cap of \$15,000,000 in the aggregate. Omni would be required to continue making such payments for 30 years from the opening of the Hotel.

3. Other Existing Sources

A portion of funding necessary for the Public Contribution would come from sources of revenues now received by The City from other economic development projects. Those existing sources are:

- **Skirvin Hotel Lease and Mortgage**

The City receives revenue from both an annual mortgage and lease payment as part of the redevelopment agreement related to the Skirvin hotel. The mortgage is a fixed amount and the

lease is variable based on the performance of the Skirvin. On a present value basis, it is anticipated that this will generate between \$10,600,000 and \$14,400,000 over the life of the bonds.

- **Downtown/MAPS Tax Increment Financing District (TIF 2) Contribution**

Another source of funding the Public Contribution would be a contribution from the Downtown/MAPS Tax Increment Financing District known as TIF 2. TIF 2 has approximately ten years left in its life. Based on projected revenues and expenses, there is capacity for TIF 2 to contribute to the Public Contribution. On a present value basis, it is anticipated that between \$16,600,000 and \$28,800,000 could be available from TIF 2 over the life of the bonds.

- **The Core to Shore TIF A Contribution**

Another source of funding the Public Contribution would be a contribution from the incremental revenues of Core to Shore TIF A from properties other than the Hotel. Currently this only includes future incremental ad valorem taxes from the “499 Sheridan” Bank of Oklahoma Park Plaza project, but, as noted above, it is anticipated that other properties will be added to the TIF in the future. On a present value basis, it is anticipated that this will generate between \$3,600,000 and \$6,500,000 over the life of the bonds.

- **Devon Headquarters Tax Increment Financing District #8 (TIF 8) Contribution**

The Devon Headquarters Tax Increment Financing District known as TIF 8 was created in association with Devon Energy Center and has approximately 17 years remaining in its life. Pursuant to an agreement with The City, Devon is required to pay a minimum annual tax payment. That payment exceeds the TIF’s annual debt service payments and those excess funds can be used to fund a portion of the Public Contribution. On a present value basis, it is anticipated that between \$9,900,000 and \$15,800,000 could be available from TIF 8 over the life of the bonds.

- **Bass Pro Shop’s Lease Revenues**

As part of the Bass Pro agreement, the Renewal Authority receives an annual lease payment for the use of the building. That agreement was entered into in 2002 with an original term of 20 years with six additional 5-year option periods. These funds can be used to fund the Public Contribution. On a present value basis, it is anticipated that this will generate between \$2,300,000 and \$4,600,000 over the life of the bonds.

4. Revenue stabilization fund

The City Manager, the Executive Director, and City Staff believe that the sources identified in this Funding Plan are sufficient to cover the annual debt service associated with the bonds that would be issued to fund the Public Contribution. The various revenue sources identified in this Funding Plan have been assembled with the intent to minimize the risks to The

Exhibit No. 1 – Omni Hotel Funding Plan

City and to provide a diverse set of revenues to help manage any potential cash flow issues in the future.

In order to further protect The City and its operating funds from financial risks involved with funding the Public Contribution, a Revenue Stabilization Fund would be established. Over the life of the bond issue, any annual excess funds from the identified revenue sources that exceed the annual debt service would be placed in the Revenue Stabilization Fund. That fund would only be used for: (1) any annual debt service shortfall; (2) replenishment of any draws on the bond reserve fund; (3) defeasance of bonds/retirement of debt; or (4) funding of reserves or issuance costs associated with the refunding of bonds. Once all debt associated with the Hotel construction is retired, the funds would be released for other lawful purposes. In the event that the Revenue Stabilization Fund balance exceeds two times the maximum annual debt service on the bonds, any excess funds above that amount could be used for other lawful purposes.

D. Summary and necessary next steps

Without the public assistance requested by Omni, development of the Hotel will not take place. At the Mayor's and City Council's direction, the City Manager, the Executive Director, and City Staff have secured Omni, one of the world's leading convention center hoteliers for the project and have negotiated a business transaction with Omni that would provide for development of the Hotel in accordance with the desired project scope, holding Omni to a high degree of accountability. Further, The City, the Renewal Authority, and the Trust would be participants in that development through the provision of the Public Contribution, in addition to its rights of oversight of the project provided for in the Redevelopment Agreement. The public assistance would then be repaid in large part from revenues generated by the Hotel project itself.

The Municipal Counselor's office and counsel for the Renewal Authority advise that this development project and the proposed use of public funds for it are authorized by the Oklahoma Constitution Article X, § 6C; Oklahoma's Local Development Act, 62 Okla. Stat. 2003 § 853(14)(o); and Oklahoma's Urban Renewal Law, 11 Okla. Stat. §§ 38-101, *et seq.*

Upon approval of this Funding Plan, the first steps to implement it and the Redevelopment Agreement will be to finalize the Economic Development Agreement and other necessary agreements associated with the project and bring those before the Mayor and City Council for review and approval.

At that time, the "pre-development" activities set out in the Redevelopment Agreement would be undertaken by the parties, anticipated to culminate in satisfaction of the conditions precedent to closing of the land sale by the Renewal Authority to Omni in approximately one year or by July 2018. Thereafter, the land would be sold by the Renewal Authority to Omni and construction of the Hotel is expected to begin in the summer of 2018. The intent stated in the proposed Redevelopment Agreement is for the openings of the Hotel and the new Convention Center to coincide.

Exhibit No. 1 – Omni Hotel Funding Plan

The actions necessary to implement this Funding Plan are:

- Amend the Downtown/MAPS project plan
- Initiate the start of Core to Shore TIF A
- Obtain TIF budget allocations for TIF 2, TIF 8, and Core to Shore TIF A
- Finalize the Economic Development Agreement with Omni
- Amend the agreements between Bass Pro Shops, OCURA and The City
- Amend the agreements regarding the Skirvin Hotel lease (City & OCRA)
- Issue OCEDT Bonds to fund the Public Contribution