

This is to certify that in conformity with the Oklahoma Open Meeting Act, public notice of the date, time and place of this meeting was filed with the City Clerk of Durant on the 7th day of March, 2025 and that an agenda of said meeting was posted at the place of such meeting at 11:00 a.m. on the 13th day of March, 2025.



Cynthia J. Price, City of Durant

**MINUTES OF THE SPECIAL CALLED MEETING OF DURANT CITY COUNCIL
March 14, 2025 AT 12:00 PM
Roscoe J. Hatfield Council Chambers
300 West Evergreen
Durant, Oklahoma**

CALL TO ORDER

Mayor Tucker called the meeting to order at 12:00 p.m.

INVOCATION/FLAG SALUTE

Mayor Tucker provided the invocation and led the flag salute.

ROLL CALL

Present:

Council Member Lauran Fuller
Council Member Humphrey Miller
Council Member Danny Sherrer
Vice Mayor Mike Simulescu
Mayor Martin Tucker
City Attorney Tom Marcum
City Manager Pam Polk
City Clerk Cynthia J. Price

Absent:

None

ORDER OF BUSINESS

1. Executive Session

- a. Consider Entering Into Executive Session to Discuss Project 1 and Take Possible Action (This executive session is authorized by Oklahoma State Statute, Title 25 Section 307 C-11);

Motion To: Enter Into Executive Session

Motion By: Mike Simulescu

Seconded By: Humphrey Miller

Ayes: Fuller, Miller, Sherrer, Simulescu, Tucker

Nays: None

Abstain: None

b. Consider Action Pursuant to Executive Session Item 1(a)

Motion To: Approve Pursuant to the Non-Binding Term Sheet an Incentive Amount to the Reeves Company With the Direction that Staff Finalize Negotiations and Prepare a Binding Agreement to Come Back to the Council to Approve at a Future Meeting

Motion By: Lauran Fuller

Seconded By: Humphrey Miller

Ayes: Fuller, Miller, Sherrer, Simulescu, Tucker

Nays: None

Abstain: None

ADJOURNMENT

Motion To: Adjourn Meeting

Motion By: Martin Tucker

Seconded By: Humphrey Miller

Ayes: Fuller, Miller, Sherrer, Simulescu, Tucker

Nays: None

Abstain: None

**NON-BINDING TERM SHEET:
1012 RADIO ROAD PROJECT**

This non-binding Term Sheet summarizes the principal terms of economic development assistance to be provided by the City of Durant, an Oklahoma municipal corporation (“City”), to Reeves Company, an Oklahoma corporation (“Landowner”), and [Retailer] (“Developer”) to induce the Developer’s development or redevelopment of the Project (as defined below). This Term Sheet does not constitute or give rise to any binding agreement or obligation, express or implied, of any kind or nature, by the parties hereto. Any such binding obligation will arise only if and to the extent, and subject to the terms and conditions to be set forth in, a mutually satisfactory definitive written development agreement to be executed by and between the parties (“Development Agreement”).

Parties: City of Durant (“City”)

Reeves Company (“Landowner”)

[Retailer] (“Developer”)

Property: That certain real property located generally at 1012 Radio Road, Durant, Oklahoma.

Landowner

Obligations: Landowner will convey the Property to Developer for \$2,500,000.00, a sum at least \$500,000.00 less than the value of the Property as declared by Landowner.

Developer

Obligations: Developer will purchase and take possession of the Property from Landowner and develop or cause to be redeveloped and operated thereon the Project as described below:

“Project” consists of the following, the construction costs of which will be at least \$12,500,000.00:

1. Redevelopment of the existing structure(s) on the Property to accommodate appx 63,000 square feet of retail space to host a national grocery store chain.

Commence: The Project will commence construction on or before [time period] pursuant to a valid permit.

Complete: Construction of the Project will be completed, and the Project will receive its full and final certificate of occupancy within [time period] after commencement of construction (“Project Completion”).

Public Assistance: Developer will be required to pay or cause to be paid all costs of the Project. Upon Project Completion, and provided that neither the Landowner nor Developer has defaulted of their obligations under the Agreement, Landowner will receive public development financing assistance as an inducement for the Project:

1. Landowner Assistance. Subject to continuing conditions described below, City will support the Project by providing to Landowner quarterly sales tax rebates in the amount of the portion of the City's undedicated/general fund sales taxes actually received by the City from the Project at a present value equivalent to \$500,000.00, with present value calculated based on an [X% per annum] discount rate. The primary purpose of providing the Landowner Assistance would be to allow Landowner to gain the benefit of Landowner's declared value of the Property in the event Landowner agrees to sell the Property to Developer for an amount substantially less than what Landowner could receive on the open market.

**Continuing
Conditions:**

The following will be continuing conditions on receipt of any assistance:

1. Developer will continue to operate the Project as a going concern.
2. Developer will pay all taxes due and owing for the Project, and will waive, for the benefit of the City, any and all rights of confidentiality with respect to sales taxes generates from the Project, and agrees that the City will have the right to inspect the books and records of the Developer to confirm the total amount of sales taxes generates by the Project.
3. Developer will promptly notify the City of any changes to Project occupants or entities remitting sales taxes to the Oklahoma Tax Commission within the Project, and will use reasonable efforts to include provisions in any leases with any tenant or subtenant, or with any operating agreements, that all participants in the Project waive rights of confidentiality with respect to sales taxes each participant generates, and that the City will have the right to inspect the books and records of such participants in order to confirm the total amount of sales taxes generated by the participant within the Project.
4. The City will use reasonable efforts to maintain the confidentiality of the Project's sales tax receipts, subject to any laws that may require disclosure thereof.
5. Developer will maintain membership in good standing in the Durant Area Chamber of Commerce.

6. All public assistance provided herein will be subject to annual appropriations and encumbrances of revenues by the City Council of the City, as mandated by Article 10, Section 26 of the Oklahoma Constitution and the Oklahoma Municipal Budget Act. No public assistance provided for herein is a promise to pay by the City, nor is it a pledge of the City's operating revenues beyond a given fiscal year.

Insurance: Developer and major contractors will maintain public liability, worker's compensation, automobile and hazard insurance in required amounts.

Taxes: Developer will pay when due all sales taxes, real estate taxes, and assessments on the Property.

**Prohibition
On Transfer:** Prior to completion of construction of the Project, Developer will not, without prior written approval by the City (which will not be unreasonably withheld), make any total or partial sale, transfer, conveyance, assignment, or lease of the Property, except leases to tenants, mortgages securing mortgage loans for the Project or as otherwise specifically permitted.

**Validity of
Incentives:** Developer will be responsible, at its sole cost of defense, for defending the Parties, the Development Agreement, and the Public Assistance provided thereunder, in event of legal challenge.

Covenants: Developer will make certain covenants, including there will be no discrimination against or segregation of any person or group of persons on account of any prohibited category.

The financing assistance transaction contemplated by this Term Sheet is contingent upon the execution of a written Development Agreement on terms and conditions mutually satisfactory to the Parties.