

To be published in The Durant Daily Democrat on or before Tuesday, October 30, 2018:

**NOTICE TO THE PUBLIC OF TWO PUBLIC HEARINGS REGARDING THE
PROPOSED PROJECT HICKORY ECONOMIC DEVELOPMENT PROJECT
PLAN**

Pursuant to the Oklahoma Local Development Act, 62 O.S. § 850, *et seq.* (“Act”), notice is hereby given to all interested persons that the City Council of the City of Durant will hold two public hearings regarding the Project Hickory Economic Development Project Plan (“Project Plan”), and its proposed Increment District No. 3, City of Durant (“Increment District”).

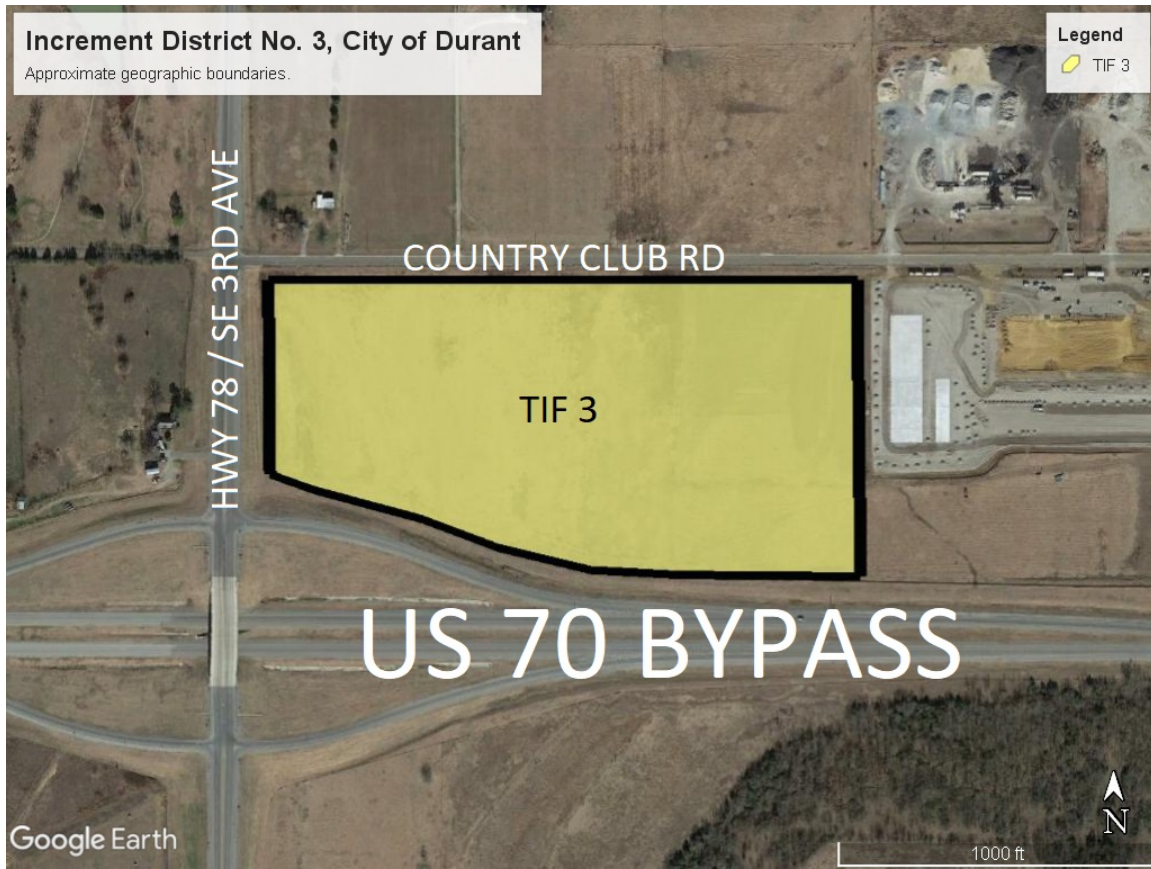
The first public hearing will be held in the Council Chambers at City Hall, 300 W. Evergreen, Durant, Oklahoma, at 6:00 p.m. on Tuesday, November 13, 2018, and will be for the purpose of providing information, including an analysis of potential positive or negative impacts, and answering questions regarding the proposed Project Plan and Increment District. The second public hearing will be held in the Council Chambers at City Hall, 300 W. Evergreen, Durant, Oklahoma, at 6:00 p.m. on Tuesday, November 27, 2018, and will be for the purpose of giving members of the public an opportunity to be heard prior to any vote on the proposed Project Plan and Increment District.

The Project Plan is a project plan as defined under the Act. The project is being undertaken by the City of Durant (“City”) in order to provide an economic structure and funding mechanism authorized by the Act for a substantial portion of the local public investment necessary to generate the private development of a metal tubing fabrication and manufacturing facility in the Project Area. Public investments are planned for approved public infrastructure and development financing assistance. Funding for the public investment is expected to be generated by the implementation of the Increment District. The Project Plan proposes to create the Increment District upon adoption of the Project Plan. No new or increased taxes are involved.

A draft of the proposed Project Plan and Financial Impacts Report may be reviewed by any person interested, in the Office of the City Clerk, City Hall, 300 W. Evergreen, Durant, Oklahoma, during normal business hours from 9:00 a.m. to 5:00 p.m., Monday through Friday, and at the following web address on or after 5:00 p.m. on Tuesday, October 30, 2018: [NOTICE TO THE PUBLIC OF TWO PUBLIC HEARINGS REGARDING THE PROPOSED PROJECT HICKORY ECONOMIC DEVELOPMENT PROJECT PLAN](#).

The proposed project area (“Project Area”) is coterminous with the boundaries of the Increment District, and can be generally described as the area bound by State Highway 78, Country Club Road, United States Highway 70 Bypass, and extending approximately 1,900 feet east of State Highway 78. The specific boundaries of the proposed Project Area/Increment District are illustrated and described below.

Map of the Increment District:



Increment District Legal Description:

A parcel of land situated In a part of the north half of the north half (N 1/2 N 1/2) of section 9, township 7 south, range 9 east of the Indian Meridian and Base line, Bryan County, Oklahoma being a portion of that parcel of land described in Book 1126, Page 557-558, filed October 6, 2006, in the office of the Bryan County Clerk being more particularly described by metes and bounds with a base grid bearing being North 88°54'53" East, along the north line of section 9, township 7 south, range 9 east, more particularly described as follows:

COMMENCING at the corner of sections 4, 5, 8 and 9, marked with a mag nail with aluminum tag marked D PAGE JR PLS 1566, filed with the Oklahoma Department of Libraries on March 02, 2017;

THENCE, North 88°54'53" East, along the line between sections 4 and 9, a distance of 68.90 feet to a point on the line between sections 4 and 9 and the POINT OF BEGINNING of the herein described parcel, marked with a mag nail with aluminum tag marked D PAGE JR PLS 1566;

THENCE North 88°54'53" East continuing along the line between sections 4 and 9, a distance of 1898.92 feet to the northwest corner of a parcel described in Book 1459, Page

497, filed in January 31, 2018, in the Office of the Bryan County Clerk, marked with a mag nail with aluminum tag marked D PAGE JR PLS 1566;

THENCE South $01^{\circ}05'07''$ East, along the west boundary line of a parcel described in Book 1459, Page 497, filed in January 31, 2018, in the Office of the Bryan County Clerk, a distance of 1025.65 feet to a point on along the north right-of way of us highway no. 70 by-pass as described in Book 1169, Page 166-167, filed September 27, 2007, in the Office of the Bryan County Clerk, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE North $89^{\circ}34'35''$ West, along the north right-of way of US Highway No. 70 By-Pass as described in Book 1169, Page 166-167, filed September 27, 2007, in the Office of the Bryan County Clerk, a distance of 491.06 feet, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE North $85^{\circ}10'23''$ West, along the north right-of way of US Highway No. 70 By-Pass as described in Book 1169, Page 166-167, filed September 27, 2007, in the Office of the Bryan County Clerk, a distance of 393.47 feet, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE North $75^{\circ}43'52''$ West, along the north right-of way of US Highway No. 70 By-Pass as described in Book 1169, Page 166-167, filed September 27, 2007, in the Office of the Bryan County Clerk, a distance of 786.74 feet, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE North $75^{\circ}18'21''$ West, along the north right-of way of US Highway No. 70 By-Pass as described in Book 1169, Page 166-167, filed September 27, 2007, in the Office of the Bryan County Clerk, a distance of 240.36 to a point along the east right-of-way of State Highway No. 78 as described in Book 1169, Page 166-167, filed September 27, 2007, in the Office of the Bryan County Clerk, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE North $43^{\circ}43'10''$ West, along the east right-of-way of State Highway No. 78 as described in Book 1169, Page 166-167, filed September 27, 2007, in the Office of the Bryan County Clerk, a distance of 36.46 feet, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE North $03^{\circ}35'39''$ West, along the east right-of-way of State Highway No. 78 as described In Book 1169, Page 166-167, flied September 27, 2007, in the Office of the Bryan County Clerk, a distance of 625.98 feet, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE North $39^{\circ}21'00''$ West, along the east right-of-way of State Highway No. 78 as described in Book 1169, Page 166-167, filed September 27, 2007, in the Office of the Bryan County Clerk, a distance of 39.11 feet, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE North 00°44'37" West, along the east right-of-way of State Highway No. 78 as described in Bock 1169, Page 166-167, filed September 27, 2007, in the Office of the Bryan County Clerk, a distance of 16.56 feet to a mag nail with aluminum tag marked D PAGE JR PLS 1566, on the line between sections 4 and 9 being the POINT OF BEGINNING, containing 40.00 acres of land.

[Basis of Bearings: North 88°54'53" East, along the line between sections 4 and 9, by R.T.K G.P.S. observation, referenced to the Oklahoma State Plane Coordinate System (NAD 83). The aforesaid parcel of land described by David L. Page Jr., PLS No. 1566, on April 30, 2018.]



PROJECT HICKORY ECONOMIC DEVELOPMENT PROJECT PLAN

PREPARED BY:

THE CITY OF DURANT, OKLAHOMA

OFFICE OF THE MAYOR AND CITY COUNCIL

Jerry Tomlinson	Mayor; Council Member, Ward 1
Chad Hitchcock	Vice Mayor; At-Large Council Member
Oden Grube	Council Member, Ward 2
Mike Dills	Council Member, Ward 3
Destry Hawthorne	Council Member, Ward 4

TIM RUNDEL, CITY MANAGER

DURANT INDUSTRIAL AUTHORITY

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PAUL S. BUNTZ, EXECUTIVE DIRECTOR

WITH THE ASSISTANCE OF:

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PROJECT HICKORY ECONOMIC DEVELOPMENT PROJECT PLAN

I. DESCRIPTION OF PROJECT

This Project Plan contemplates an economic development project involving construction and operation of a \$40-\$62 Million metal tubing fabrication and manufacturing facility (“Project”). The metal tubing fabrication and manufacturing facility will be constructed, equipped, operated and owned by Salem Tube, Inc. (through Tubacex US Holding, Inc. (“Tubacex Holding”)), a Tubacex Group company and a Delaware corporation; and Tubacex Durant, Inc. (“Tubacex Durant”), a Delaware corporation and wholly-owned subsidiary of Tubacex Holding (Tubacex Holding and Tubacex Durant, collectively, “Salem Tube”).

Salem Tube’s Durant facility will be located on a 40-acre tract of land located generally at Country Club Road and State Highway 78 within the City limits. The plant is anticipated to begin operation by December 31, 2020 with approximately 140 new permanent jobs with average annual wages of approximately \$55,000.00. Salem Tube is making a long-term investment in the Project.

The Project will help to expand employment, bring new residents to the area, and stimulate additional private development in the area and will be financed from a combination of public and private sources, including apportionment of ad valorem tax increments from a new Increment District as described in this Project Plan. The assistance in development financing provided through the Increment District will help enable Salem Tube to construct and equip the Project and is a condition precedent to Salem Tube’s willingness to construct the Project.

II. PROJECT AREA AND INCREMENT DISTRICT BOUNDARIES

The Project Area is the area in which Project activities will take place. The Project Area lies generally at Country Club Road and State Highway 78 within the City limits. The increment district, the area within which the tax increment will be generated, is coextensive with the Project Area. The Increment District shall be designated Increment District No. 3, City of Durant (“Increment District No. 3”). The map attached as Exhibit A shows the boundaries of the Project Area and Increment District No. 3. Exhibit B includes legal descriptions of the boundaries of both the Project Area and Increment District No. 3.

III. ELIGIBILITY OF PROJECT

The Project Area (including Increment District No. 3) is in an enterprise area, as defined in the Oklahoma Local Development Act, 62 O.S. § 850, *et seq.* (“Local Development Act”). The Project Area is located within a state-designated Enterprise Zone, which was approved and made effective pursuant to rules promulgated by the Oklahoma Department of Commerce. Information from the Oklahoma Department of Commerce indicating that the entire City of Durant has been designated as lying within an Enterprise Zone is attached as Exhibit C.

The Project Area (including Increment District No. 3) is also undeveloped within the meaning of Article 10, § 6C of the Oklahoma Constitution and the Local Development Act. The Project Area qualifies as a reinvestment area, as defined in the Local Development Act, because

it is an area requiring public improvements to reverse economic stagnation or decline, to serve as a catalyst for retaining or expanding employment, to attract major investment in the area or to preserve or enhance the tax base.

IV. OBJECTIVES

The purpose of the Project and Increment District No. 3 is to support the achievement of the economic development objectives of the City of Durant in order to:

- A. Attract major investment in the area;
- B. Serve as a catalyst for retaining and expanding employment in the area;
- C. Promote economic development to increase tax revenues, raise property values, and improve economic stability;
- D. Preserve and enhance the tax base; and
- E. Make possible investment, development and economic growth which would otherwise be difficult or impossible without the project and the apportionment of ad valorem taxes from within the increment district.

V. FINANCIAL IMPACTS

The proposed private development will generate tax increments necessary to pay authorized public costs of the Project. Without the proposed development, significant development within the area would not occur and any significant increases in ad valorem taxes are extremely improbable.

The proposed Project will likely create a moderate increase in demand for services and costs to the affected taxing entities, including the City of Durant. However, the public sector costs will be significantly offset by apportioned tax increments as provided in this Project Plan and by the stimulation of new tax revenues outside of the Project Area and Increment District No. 3.

The general and intangible impacts on the affected taxing jurisdictions from implementation of this Project Plan are positive and include the achievement of the objectives set forth in this Project Plan.

VI. STATEMENT OF PRINCIPAL ACTIONS

Implementation actions for the Project, including all necessary, appropriate and supportive steps, will consist of the following:

- A. Early access to and conveyance of the property necessary for the development Project, including connecting public easements;
- B. Negotiation, preparation, execution, and implementation of development agreements, including agreements for financing and construction by private developers, as authorized by the Local Development Act;

- C. Site preparation, planning and construction of public improvements necessary to support the Project; and
- D. All other actions necessary and appropriate to carry out the development project as authorized by the Local Development Act.

VII. ESTABLISHMENT OF INCREMENT DISTRICT NO. 3, CITY OF DURANT

- A. This Project Plan creates Increment District No. 3, which is an ad valorem increment district. Increment District No. 3 shall be effective immediately as of the adoption of this Project Plan.
- B. The ad valorem increment for Increment District No. 3 is the ad valorem revenue in excess of the revenue generated by the base assessed value of the increment district (i.e., the new revenue attributable to increases in the value of the increment district). The increment of ad valorem taxes from Increment District No. 3 in excess of the base assessed value of Increment District No. 3 shall be apportioned to pay Project Costs authorized by Section IX of this Project Plan for a period not to exceed thirteen (13) fiscal years following the effective date indicated in Section VII.A above.
- C. During the period of apportionment, the ad valorem apportionment fund (1) shall be available to pay Project Costs under Section IX, (2) shall constitute special funds of the Durant Industrial Authority, a public trust, and (3) shall not be subject to annual appropriation as a part of the general fund of the City of Durant.

VIII. PROJECT AND INCREMENT DISTRICT AUTHORIZATIONS

- A. The Durant Industrial Authority, a public trust, is designated and authorized as the principal public entity to carry out and administer the provisions of this Project Plan and to exercise all powers necessary or appropriate thereto pursuant 62 O.S. § 854, except for approval of this Project Plan and those powers enumerated in paragraphs 1, 3, 4, 7, 13 and 16 of 62 O.S. § 854, which are reserved by the City of Durant. As the public entity designated by the City of Durant, the Durant Industrial Authority, or another public entity designated by the City, is authorized to: (1) issue tax apportionment bonds or notes, or both; (2) incur Project Costs, pursuant to Section IX of this Project Plan; (3) provide funds to or reimburse the City of Durant for the payment of Project Costs and other costs incurred in support of the implementation of the Project; and (4) incur the cost of issuance of bonds for payment of such costs and to accumulate appropriate reserves, if any, in connection with them. Project Costs shall mean (1) the public costs authorized to be paid by apportioned tax increments pursuant to Section IX of this Project Plan, and (2) additional costs necessary or appropriate to implement this Project Plan, as provided in Section IX.C, which may be authorized without amendment to this Project Plan.
- B. The City of Durant is designated and authorized as an additional public entity to assist with carrying out and administering the provisions of this Project Plan and to exercise any powers necessary or appropriate thereto, including those powers

reserved by the City as indicated in Section VIII.A., as provided in the Local Development Act, 62 O.S. § 854.

- C. The Director of the Durant Industrial Authority, Paul S. Buntz, his successor in office, or the Director’s designee shall be the person in charge of implementation of the Project Plan in accordance with the provisions, authorizations, and respective delegations of responsibilities contained in this Project Plan. The Director, his successor in office, or the Director’s designee is authorized to empower one or more designees to exercise responsibilities in connection with Project implementation.

IX. BUDGET OF ESTIMATED PROJECT COSTS

Project costs to be paid by the apportionment of tax increments from Increment District No. 3 are:

- A. The costs incurred or to be incurred the Durant Industrial Authority and the City in implementing and administering this Project Plan, including, but not limited to, payment and/or reimbursement of costs advanced in connection with the preparation and approval of this Project Plan, administrative costs, organizational costs, professional service costs, and financing costs and fees.

B. Estimated Project Costs.

Assistance in Development Financing	\$ 5,000,000
Implementation	\$ 100,000
Contingency	<u>\$ 1,500,000</u>
Total	\$ 6,600,000

Plus interest and financing costs, if any.

- C. Additional costs necessary or appropriate to implementing this Project Plan which are to be financed by other than apportioned tax increments may be approved by the City at any time. The provisions of this Section IX are not a limitation on Project Costs to be financed by other than apportioned tax increments.

X. FINANCING PLAN AND REVENUE SOURCES

- A. Financing Plan. The authorized public costs of the Project will be funded by the increment generated from the development of the Project within Increment District No. 3.
- B. Financing Authorizations. The implementation of the Project Plan shall be financed in accordance with financial authorizations, including both fund and asset transfers, provided from time to time by the City Council and/or the Durant Industrial Authority.

- C. Financing Revenue Sources. The principal revenue sources expected to finance Project Costs authorized by Section IX are the portion of the increments generated by values in excess of the base assessed value within Increment District No. 3. Project Costs will be paid by the City and/or the Durant Industrial Authority.
- D. Financial Reports and Audits. The redevelopment activities undertaken by the Durant Industrial Authority and the City, pursuant to this Project Plan, shall be accounted for and reported by the appropriate and necessary annual fiscal year audits and reports.
- E. Other Necessary and Supporting Costs. The Durant Industrial Authority, or another public entity designated by the City, is authorized to issue bonds and notes and to apply for and obtain grants from other sources for costs incurred or to be incurred in connection with the Project and the construction of facilities therein in addition to Project Costs to be financed pursuant to Section IX.

XI. ESTIMATED PRIVATE AND PUBLIC INVESTMENTS STIMULATED BY THE PROJECT

- A. Private and Public Investments Expected from the Project and Increment District No. 3. Private investment in the Project is expected to range from \$40 Million to more than \$62 Million. Public investments are expected to range from \$4.6 Million to approximately \$6 Million.
- B. Public Revenue Estimated to Accrue from the Project and Increment District No. 3. The estimated incremental increases in ad valorem revenue, which will serve as the revenue source for financing the Project Costs authorized by Section IX, is the public revenue directly attributable to the Project defined by establishment of Increment District No. 3. Incremental ad valorem tax revenues are estimated to range between \$6,000 annually in the near term and more than \$600,000 annually over the longer term.
- C. The public revenue anticipated to result from the development of the Project and the attendant increases in employment includes increased ad valorem tax revenue both inside and outside of the increment district, increased sales tax receipts in Durant, Bryan County, and other cities in the county, as well as increased income tax revenues to the State of Oklahoma.

XII. MISCELLANEOUS PROVISIONS

Proposed site development of the property and location of the Salem Tube facility is shown on Exhibit D. Existing zoning and uses of real property in the Project Area are shown on the map attached as Exhibit E. Since the area is vacant of any structures, there are no structural conditions to be reflected on Exhibit E. This Project Plan complies with the objectives and priorities of the Comprehensive Plan for the City of Durant, as amended.



PROJECT HICKORY ECONOMIC DEVELOPMENT PROJECT PLAN

ELIGIBILITY REPORT

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ELIGIBILITY REPORT

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Salem Tube’s Durant facility will be located on a 40-acre tract of land located generally at Country Club Road and State Highway 78 within the City limits. The plant is anticipated to begin operation by December 31, 2020 with approximately 140 new permanent jobs with average annual wages of approximately \$55,000.00. Salem Tube is making a long-term investment in the Project.

The Project will help to expand employment, bring new residents to the area, and stimulate additional private development in the area and will be financed from a combination of public and private sources, including apportionment of ad valorem tax increments from a new Increment District as described in this Project Plan. The assistance in development financing provided through the Increment District will help enable Salem Tube to construct and equip the Project and is a condition precedent to Salem Tube’s willingness to construct the Project.

II. BOUNDARIES OF PROJECT AREA AND INCREMENT DISTRICT

The Project Area is the area in which Project activities will take place. The Project Area lies generally at Country Club Road and State Highway 78 within the City limits. The increment district, the area within which the tax increment will be generated, is coextensive with the Project Area. The Increment District shall be designated Increment District No. 3, City of Durant (“Increment District No. 3”). The map attached as Exhibit A shows the boundaries of the Project Area and Increment District No. 3. Exhibit B includes legal descriptions of the boundaries of both the Project Area and Increment District No. 3.

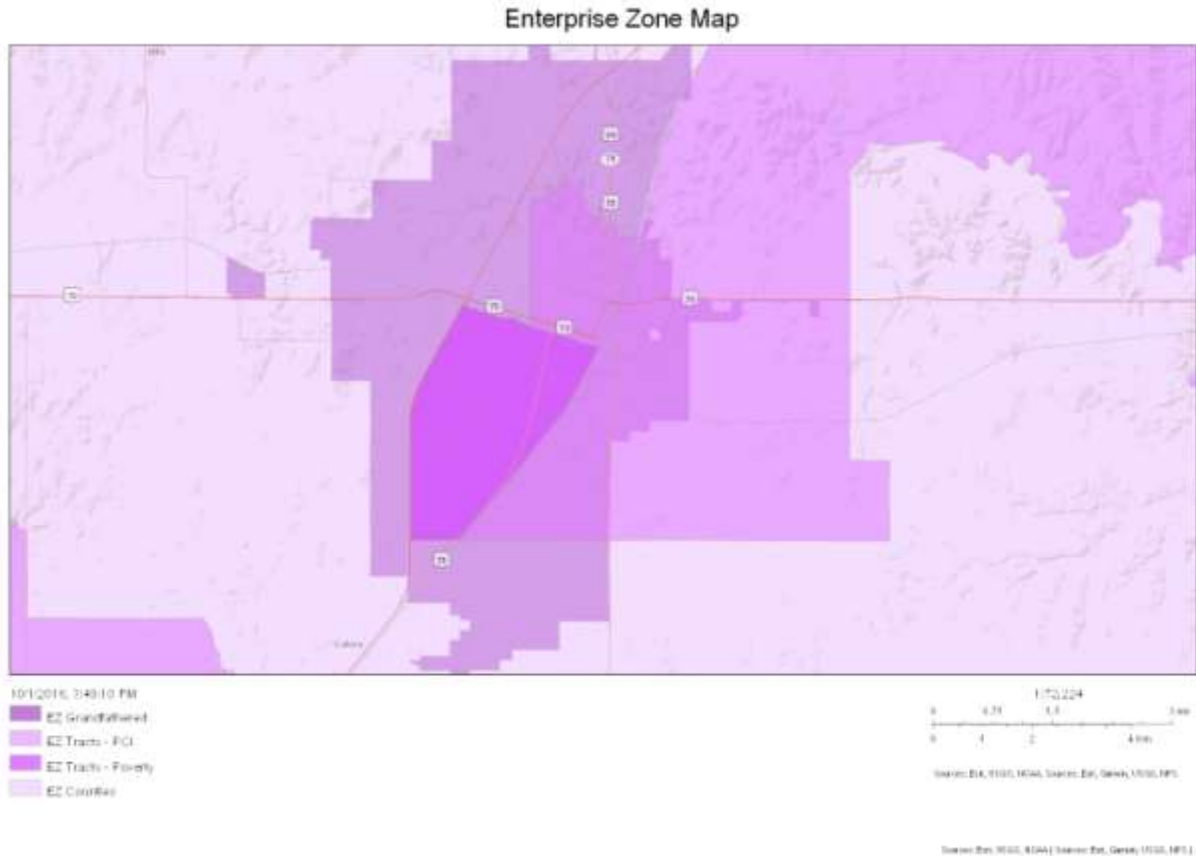
III. STATUTORY REQUIREMENTS

In order to establish a tax increment district, the Local Development Act requires the City of Durant (“City”) adopt an ordinance that contains a finding that the proposed Project Area or Increment District meets one of the following criteria:

- Is a reinvestment area.
- Is a historic preservation area.
- Is an enterprise area, or
- Is a combination of the areas specified in divisions (1), (2) and (3) of this subparagraph.

62 O.S. §856(B)(4)(a).

The Project Area qualifies as an enterprise area. An “enterprise area” means any area within a designated state or federal enterprise zone. An “enterprise zone” is an enterprise zone designated by the Oklahoma Department of Commerce pursuant to 62 O.S. § 690.3, or as designated by the federal government. The Oklahoma Department of Commerce maintains a map of all current designated enterprise zones on its webpage. The Project Area lies completely within a currently designated enterprise zone, as shown on the map below.



IV. CONCLUSION

Based upon the analysis above, the proposed Project Area and Increment District meet the Local Development Act’s requirement that they are an enterprise area within the meaning of the statute.



PROJECT HICKORY ECONOMIC DEVELOPMENT PROJECT PLAN

FINANCIAL IMPACTS REPORT

PREPARED BY:

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FINANCIAL IMPACTS REPORT

I. HOW TAX INCREMENT FINANCING WORKS

Under the mechanism of tax increment financing, two geographic areas are defined. The first is the project area. This is the area in which project expenditures may be made. The second geographic area is the increment district. This is the area from which the tax increment will be generated. The project area and increment district may or may not be co-extensive. The value of property within the increment district is determined upon approval of the project plan. This becomes the base assessed value of all taxable property within the increment district. The ad valorem tax revenue generated from this base assessed value of property within the increment district is distributed to the taxing jurisdictions according to each jurisdiction's levy. Throughout the life of the project, the base revenue will continue to flow to the taxing jurisdictions. In the event of a general reassessment of property values within the increment district, the ad valorem tax revenue received by the taxing jurisdictions will be proportionately adjusted. To this extent, the taxing jurisdictions are not affected by the implementation of tax increment financing through ad valorem apportionment.

Once development of the property within the increment district occurs, the market value increases, and so the assessed value of that property also increases. The difference between the ad valorem tax revenue produced by this increased value and that produced by the base assessed value—the incremental increase or increment—is apportioned (i.e. allotted) to an apportionment fund that is used to pay the eligible public costs of the project either directly or through the issuance of bonds. This apportionment of ad valorem tax increments will continue for the lesser of a period of 25 fiscal years from the date of approval or until all eligible public costs are paid. Once the tax apportionment period expires, the revenue from the increased assessed value of property within the increment district will be divided among the taxing jurisdictions, in addition to the revenue from the base assessed value that these entities will have continued to receive.

II. THE PROPOSED PROJECT

This Project Plan contemplates an economic development project involving construction and operation of a \$40-\$62 Million metal tubing fabrication and manufacturing facility ("Project"). The metal tubing fabrication and manufacturing facility will be constructed, equipped, operated and owned by Salem Tube, Inc. (through Tubacex US Holding, Inc. ("Tubacex Holding")), a Tubacex Group company and a Delaware corporation; and Tubacex Durant, Inc. ("Tubacex Durant"), a Delaware corporation and wholly-owned subsidiary of Tubacex Holding (Tubacex Holding and Tubacex Durant, collectively, "Salem Tube").

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The Project will help to expand employment, bring new residents to the area, and stimulate additional private development in the area and will be financed from a combination of

public and private sources, including apportionment of ad valorem tax increments from a new Increment District as described in this Project Plan. The assistance in development financing provided through the Increment District will help enable Salem Tube to construct and equip the Project and is a condition precedent to Salem Tube's willingness to construct the Project.

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IV. IMPACTS AND EFFECTS ON TAXING JURISDICTIONS

A. Overall Financial Impacts on Affected Taxing Jurisdictions

Under the Project Plan, all incremental revenues will be apportioned to the apportionment fund for use by the City of Durant, the Durant Industrial Authority ("DIA"), or another public entity designated by the City, to pay for authorized project costs. Once the Increment District terminates, the increment shall be distributed pursuant to ad valorem statutes.

The benefits of Project will be significant for the affected taxing jurisdictions and for the greater community. The actual increase in demand for services, if any, will be limited for those taxing jurisdictions, with potential increases in demand discussed in Section IV.B herein.

Increment District No. 3 at present contains an undeveloped parcel of land owned by DIA, a tax-exempt public trust. The current assessed value within Increment District No. 3 at the time of project approval will continue as the basis for allocating the tax revenue to the taxing jurisdictions during the full 13-fiscal-year life of Increment District No. 3. Since funding rates for bonded indebtedness are calculated using the base assessed value within an increment district, repayment of bonded indebtedness will not be affected.

Concentrated and continuous stimulation of the development of the area, as contemplated by the Project Plan, will result in a greatly-enhanced ad valorem tax base, from which all of the affected taxing jurisdictions will benefit. In addition, the benefits of new employment in the community will result in benefits to the affected taxing jurisdictions. Finally, the generation of sales taxes in this underperforming area will benefit the City.

B. Specific Effects from the \$40 Million Project

1. *Calera Public Schools*

Calera Public Schools will experience little to no measurable negative impact as a result of the project because the Project will be stimulated by the public assistance and investment in the area. Calera Public Schools has no facilities in the Project Area.

Calera Public Schools will experience a positive fiscal impact from the project. Currently, Calera Public Schools is collecting no ad valorem revenue within the proposed Increment District No. 3 due to the land being owned by DIA.

Calera Public Schools should experience an increase in operational ad valorem revenue (i.e., not including sinking fund revenues, based on current millage rates, and accounting for state school aid offsets) of approximately \$17,000 annually when Increment District No. 3 terminates in 2032.

2. *Bryan County*

No specific measurable demand for increased services upon Bryan County is anticipated to result from this project. Bryan County currently receives no ad valorem revenue from the area within the proposed Increment District No. 3. The County should anticipate an estimated \$24,000 in additional operational revenues beginning when Increment District No. 3 terminates in 2032.

3. *Bryan County Health Department*

The Bryan County Health Department is positively affected by new employment that the Project will generate. When Increment District No. 3 terminates in 2032, the Health Department is anticipated to experience a modest, \$6,500 annual increase in ad valorem revenue.

4. *Kiamichi Technology Center*

Kiamichi Technology Center should experience minimal impacts from the Project on demand for services, although complementary job training opportunities, including, but not limited to, construction and engineering-related trades, may be utilized. Kiamichi should anticipate receiving additional ad valorem revenue of approximately \$30,000 per year starting in 2032 when Increment District No. 3 terminates.

5. *Bryan County Ambulance Authority Emergency Medical Services*

Bryan County Ambulance Authority Emergency Medical Services should experience minimal impacts from the Project, and should anticipate new annual ad valorem revenues of approximately \$6,500 once Increment District No. 3 terminates in 2032.

6. *City of Durant*

The employment to be generated by the Project will indirectly generate new sales taxes for the City, but without knowing the specific breakdown of where employees will live or shop, a concrete projection cannot be made at this time.

V. IMPACTS ON BUSINESS ACTIVITIES

The following analysis is based on a projected private investment of \$40,000,000.00, and does not include indirectly stimulated economic impacts.

The completion of the Project will result in permanent jobs noted in Section II above. During construction, the Project is also expected to generate the following temporary jobs:

	Projected Development	Temporary Jobs Supported¹	Temporary Payroll Supported²
<i>The Project</i>	\$40,000,000.00	600	\$21,000,000.00

VI. CONCLUSION

The Project will have a positive long-term financial benefit for the Durant community, affected taxing jurisdictions, and business activities. Correspondingly, no appreciable adverse impact is likely to result from the project for the taxing jurisdictions or business activities within the Project Area. The impact of anticipated development on the provision of governmental services is balanced by the public improvements and infrastructure component in the Project Plan, which addresses public costs associated with the project and minimizes the burden of providing additional government services.

¹ 100 FTEs / \$10 million; 1.5 Impact Multiplier.

² Average wage of supported job: \$35,000.