

**FIRST AMENDMENT TO THE FISCAL YEAR 2023-2024 AGREEMENT
FOR FUNDING AND LIMITED SUPPORT
OF
THE FISTA DEVELOPMENT TRUST AUTHORITY**

Whereas on the 22nd day of August 2023, the FISTA Development Trust Authority [“Authority”] and the City of Lawton [“City”] entered into an Agreement for Funding and Limited Support wherein the City agreed to provide the Authority Five Million Eight Hundred Forty-Five Thousand Seven Hundred Fifty-Three and 73/100 Dollars (\$5,845,753.73) for the operation, management, administration, maintenance, reconstruction and equipping of FISTA facilities during the 2023-2024 fiscal year, ending June 30th, 2024.

Section I.

Whereas on or around October 10th, 2023, the City amended its budget to include insurance funds received for repairs and maintenance.

Whereas, in accordance with Resolution 23-157 passed on or around October 10, 2023, the City increased appropriations in account 4400000-54150 by Thirty-Six Thousand Six Hundred Twenty and 02/100 Dollars (\$36,620.02) for repairs to Central Park Mall (a/k/a Central Plaza).

Whereas the Authority has provided an amended budget for approval by the City incorporating the Thirty-Six Thousand Six Hundred Twenty and 02/100 Dollars (\$36,620.02) for repairs to Central Plaza, attached as Exhibit “A”.

Whereas the FY 2022-2023 and FY 2023-2024 Limited Support Agreements required the Authority (a/k/a FISTA) to reimburse the City for the actual cost incurred for property insurance premiums.

Whereas the property insurance premiums for the Central Plaza for FY 2022-2023 and FY 2023-2024 total \$257,250.00.

Whereas the Authority has provided an amended budget for approval by the City incorporating Two Hundred Fifty-Seven Thousand Two Hundred Fifty Dollars (\$257,250.00) to cover the cost of reimbursing the City for property insurance premiums for Central Plaza, attached as Exhibit “A”.

Section II.

Whereas, consistent with the Authority’s mission, the Authority and r4 Technologies, Inc. (“r4”) have collaborated on a project to leverage artificial intelligence for workforce and supply chain development and drive economic growth pursuant to the terms and conditions of a Job Creation Program Agreement, Presence Agreement, and a Lease agreement, copies of which are attached hereto as Exhibit “B”.

Whereas, pursuant to the Job Creation Program Agreement and the Presence Agreement, r4 is obligated to open the FISTA AI Center of Excellence and create a number of new high-wage jobs stationed at the FISTA facilities during the term of the Lease, with average annual job wages including salaries and benefits of \$100,000.

Whereas, pursuant to the Presence Agreement, the Authority agreed to provide a \$1 million financial incentive to r4 in exchange for and in support of r4's performance obligations under the Presence Agreement and the Job Creation Program Agreement, with said incentive to be paid in four separate payments of \$250,000 payable in November 2023, February 2024, July 2024, and concluding in October 2024.

Whereas, the Authority has provided an amended budget attached as Exhibit "A" for approval by the City that includes \$1 million for the purpose of providing the financial incentive to r4 as set forth in the Presence Agreement.

Whereas, the City finds that the commitments and obligations of r4 under the Presence Agreement and the Job Creation Program Agreement are in furtherance of the City's objectives to promote economic development, to stimulate economic growth, to expand employment opportunities, to create high quality employment, and otherwise strengthen the community.

Whereas, the City finds the Authority's request for support to provide a financial incentive to r4 to be in conformance with the City's Non-Retail Business Economic Development Policy 1-11, as amended on October 30, 2023. The City finds r4's obligations under the Job Creation Program Agreement and the Presence Agreement, including the creation of new high-wage jobs at FISTA's facilities, are a significant and desirable benefit to the City that would not occur without the provision of certain financial assistance.

Section III.

NOW, THEREFORE in consideration of the mutual obligations, covenants, terms, and conditions of the parties recited in the original Fiscal Year 2023-2024 Agreement for Funding and Limited Support and the additional funding items set forth herein, the City and Authority agree as follows:

1. The aforementioned funds of \$36,620.02 and \$257,250.00 will be made available by the City to the Authority in the manner set forth in the original Fiscal Year 2023-2024 Agreement for Funding and Limited Support, to provide repairs to the Central Plaza, to reimburse the City for the actual cost incurred for property insurance premiums.
2. The aforementioned \$1,000,000.00 shall be paid to the Authority for the sole purpose of providing financial incentive to r4 Technologies, Inc. in support of its commitments and obligations under the Presence Agreement and Job Creation Program Agreement, as set forth in Exhibit B. The payment to the Authority to provide the financial incentive to r4 Technologies, Inc. ("r4") is subject to the following conditions:

- A. Authority shall submit a quarterly written reports to the City, including in said reports: (1) how the funds are being used and (2) the number of jobs created and the respective salary for each job. The Authority will also verify in the report whether r4 is performing its obligations in accordance with the FISTA Presence Agreement and the Job Creation Program Agreement, and provide other documentation the City may require to verify r4's compliance. Furthermore, in the event r4 has not met its obligations or is otherwise not in compliance with the agreements, the Authority will immediately notify the City of the same and cease making any further payments from the \$1 million that may have otherwise been due to r4 until Authority provides proof to City that r4 is back in compliance and the City authorizes the Authority to resume payments. Absent written consent from the City, any amendment to the (1) FISTA Presence Agreement, (2) Job Creation Program Agreement Between Fires Innovation Science & Technology Accelerator (FISTA) Development Trust Authority and R4 Technologies, Inc., and (3) Lease between Fires Innovation Science & Technology Accelerator Development Trust Authority and r4 Technologies, Inc. that alters r4's original duties and obligations shall not have any impact on the criteria used in evaluating r4's compliance for purposes of this support agreement; i.e. absent the City's written consent, the criteria used to evaluate compliance will be based on the original proposed agreements between Authority and r4 as presented to the City and not any amended documents.
- B. The Authority hereby agrees to only expend the aforementioned \$1 million toward the four separate payments of \$250,000, payable in November 2023, February 2024, July 2024, and concluding in October 2024, as set forth in the Presence Agreement. In the event any or all of the funds are not spent for this purpose, the Authority shall immediately reimburse the City any funds not spent for this purpose.
- C. The requirements of Section III, Paragraph 2 – including subparagraphs A & B shall survive the term of this Agreement.

2. Exhibit "A" which is attached and incorporated herein, is approved and accepted by the City as the Authority's amended budget.

3. All other terms and conditions of the original FY 2023-2024 Limited Support Agreement will remain in effect unaltered by this amendment.

IN WITNESS WHEREOF, the parties have hereunto set their hands to this Amended Agreement on this ____ day of _____, 2023.

CITY OF LAWTON, OKLAHOMA
A Municipal Corporation

By: _____
STANLEY BOOKER, MAYOR

ATTEST:

DONALYNN BLAZEK- SCHERLER

Approved as to form and legality for the City of Lawton, Oklahoma this ____ day of _____,
2023.

TIMOTHY WILSON, ACTING CITY ATTORNEY

FISTA DEVELOPMENT TRUST
AUTHORITY, a public trust,

By: _____
MARK BRACE, CHAIR

ATTEST:

BARRY EZERSKI, SECRETARY