



SPECIAL URBAN RENEWAL AUTHORITY AGENDA

City Hall - Midwest City Council Chambers, 100 N. Midwest Boulevard

June 11, 2025 – 8:15 AM

A. CALL TO ORDER.

B. DISCUSSION ITEMS.

1. Discussion, consideration, and possible action to approve the minutes of the July 18, 2024, special meeting. (R. Coleman - Economic Development)
2. Discussion, consideration and possible action to adopt the Fiscal Year 2025 – 2026 Operating Budget. (Economic Development - R. Coleman)
3. Discussion, consideration, and possible action to approve the management representation letter to Grant Thornton LLP and the draft of the Final Report Associated Combined Finance Statements of Sooner Town Center IV for calendar years ending December 31, 2023, and December 31, 2024. (Economic Development - R. Coleman)

C. EXECUTIVE SESSION.

1. Discussion, consideration, and possible action to 1) entering into executive session, as allowed under Title 25 Section 307 (B)(4) to discuss confidential communications between a public body and its attorney concerning a pending investigation, claim, or action if the public body, with the advice of its attorney, determines that the disclosure will seriously impair the ability of the public body to process the claim or conduct a pending litigation, or proceeding in the public interest regarding review of various litigation matters concerning the Heritage Park Mall Area Urban Renewal Plan. (City Attorney – D. Maisch)

D. PUBLIC DISCUSSION. The purpose of the "Public Discussion" section of the agenda is for members of the public to speak to the Authority on any subject not scheduled on the regular agenda. The Authority shall make no decision or take any action, except to direct the City Manager to take action, or to schedule the matter for discussion at a later date. Pursuant to the Oklahoma Open Meeting Act, the Authority will not engage in any discussion on the matter until that matter has been placed on an agenda for discussion. THOSE ADDRESSING THE AUTHORITY ARE REQUESTED TO STATE THEIR NAME AND ADDRESS PRIOR TO SPEAKING TO THE AUTHORITY.

E. ADJOURNMENT.



DISCUSSION ITEMS





City Manager
100 N. Midwest Boulevard
Midwest City, OK 73110
office 405.739.1204

MEMORANDUM

TO: Urban Renewal Authority Board Members

FROM: Tim Lyon, General Manager/Administrator

DATE: June 11, 2025

SUBJECT: Discussion, consideration, and possible action to approve the minutes of the July 18, 2024, special meeting.

Attached for your review and approval are the minutes from the last meeting of the URA.

Staff recommends approving as presented.

Respectfully,

Tim Lyon
General Manager/Administrator

Attachments: 07/18/2024 URA Special Meeting Minutes

Notice of this special Midwest City Urban Renewal Authority meeting was filed with the City Clerk of Midwest City more than 48 hours prior to the meeting and copies of the agenda for this special meeting were posted at City Hall and on the City's website, accessible to the public for at least 24 hours in advance of the meeting.

MINUTES OF THE SPECIAL

MIDWEST CITY URBAN RENEWAL AUTHORITY MEETING

July 18, 2024 – 8:15 AM

A special meeting of the Midwest City Urban Renewal Authority was held on July 18, 2024, at 8:15 a.m. in the Council Chambers, Midwest City Hall, 100 N. Midwest Blvd, MWC, OK 73110.

Present were Chairman Wade Moore, Vice-Chairman Aaron Budd, Secretary/Treasurer Sherry Beaird and Commissioners Jacob Hussain and Ted Nugent. Counselor Don Maisch, and Economic Development Director Robert Coleman represented the City.

A. CALL TO ORDER.

Chairman Moore called the meeting to order at 8:15 AM.

B. DISCUSSION ITEMS.

1. Discussion, consideration, and possible action to approve the June 18, 2024, special meeting minutes.

Chairman Moore asked if everyone had read the minutes and if any edits were due. Hearing none, Vice-Chairman Budd motioned to accept the minutes with Secretary/Treasurer Beaird seconding. Chairman Moore called for a vote on the motion, which was approved 5 – 0.

2. Discussion, consideration, and possible action to nominate and elect a Secretary/Treasurer for the Urban Renewal Authority.

Economic Development Director Coleman explained there was no term limit for the position. Vice-Chairman Budd asked if incumbent Secretary/Treasurer Beaird would be willing to continue to serve in the same capacity and she responded in the affirmative. Chairman Moore asked for other nominations but there were none. Vice-Chairman Budd motioned to approve her nomination and his motion was seconded by Commissioner Nugent. Chairman Moore called for a vote and Ms. Beaird was reappointed by a 5 – 0 vote.

3. Discussion, consideration and possible action to approve the Fiscal Year 2023 - 2024 Annual Report and to direct its filing with the Mayor and City Council of the City of Midwest City.

Economic Development Director Coleman highlighted the necessity for filing an annual report before providing an overview of the URA's finances for the past year, noting a lack of expenditures and a substantial fund balance resulting from FY 2023 – 2024's carryover in addition to incoming lease revenues and interest accrual.

Vice-Chairman Budd motioned to accept and approve the report with Commissioner Hussain seconding. Chairman Moore called for a vote on the motion, which was approved 5 – 0.

C. PUBLIC DISCUSSION.

No one was in the audience and no discussion occurred.

D. ADJOURNMENT.

No other business was presented, and Chairman Moore adjourned the meeting at 9:06 AM.

WADE MOORE, Chairman

ATTEST:

SHERRY BEAIRD, Secretary



City Manager
100 N. Midwest Boulevard
Midwest City, OK 73110
office 405.739.1204

MEMORANDUM

TO: Urban Renewal Authority Board Members

FROM: Tim Lyon, General Manager/Administrator

DATE: June 11, 2025

SUBJECT: Discussion, consideration and possible action to adopt the Fiscal Year 2025 – 2026 Operating Budget.

Attached for your review and approval is the proposed budget for FY 2025 – 2026.

Staff recommends approval.

Tim Lyon
General Manager/Administrator

Attachments: FY 2025 – 2026 Proposed Budget

FUND: URBAN RENEWAL (201)
DEPARTMENT: URBAN RENEWAL
DEPARTMENT HEAD: TIM LYON

EXPENDITURES	ACTUAL 2023-24	AMENDED BUDGET 2024-25	ESTIMATED ACTUAL 2024-25	BUDGET 2025-26
OTHER SERVICES	-	55,000	55,000	55,000
CAPITAL OUTLAY	-	9,248,155	9,248,155	-
TOTAL	-	9,303,155	9,303,155	55,000

REVENUES	ACTUAL 2023-24	AMENDED BUDGET 2024-25	ESTIMATED ACTUAL 2024-25	BUDGET 2025-26
CHARGES FOR SERVICES	60,131	60,000	55,066	55,066
INVESTMENT INTEREST	5,167	4,095	7,233	5,655
TRANSFERS IN	-	9,248,155	9,248,155	-
TOTAL	65,298	9,312,250	9,310,454	60,721

BUDGETARY FUND BALANCE:	BUDGET FUND BAL.	REVENUES	EXPENSES	FUND BALANCE	
6/30/2022	48,711	51,186	1,306	98,591	6/30/2023
6/30/2023	98,591	65,298	-	163,889	6/30/2024
6/30/2024	163,889	9,310,454	9,303,155	171,188	6/30/2025 - EST
6/30/2025	171,188	60,721	55,000	176,909	6/30/2026 - EST

FINAL BUDGET 2025-2026

OTHER SERVICES	
30-44 ADMIN/PROFESSIONAL SVCS	55,000
TOTAL OTHER SERVICES & CHARGES	55,000

TOTAL DEPARTMENT REQUEST 55,000

CAPITAL OUTLAY FY 24-25 ESTIMATED ACTUAL

Sunrise Project	9,248,155
TOTAL	9,248,155



City Manager
100 N. Midwest Boulevard
Midwest City, OK 73110
office 405.739.1204

MEMORANDUM

TO: Urban Renewal Authority Board Members

FROM: Tim Lyon, General Manager/Administrator

DATE: June 11, 2025

SUBJECT: Discussion, consideration, and possible action to approve the management representation letter to Grant Thornton LLP and the draft of the Final Report Associated Combined Finance Statements of Sooner Town Center IV for calendar years ending December 31, 2023, and December 31, 2024.

Attached for your review and approval are the management representation letters and financial statements for the entity leasing property associated with STC IV for calendar years 2023 and 2024.

Staff recommends approval.

Tim Lyon
General Manager/Administrator

Attachments: Reports

Financial Statements and Report of
Independent Certified Public
Accountants

Sooner Town Center IV, LLC

December 31, 2024 and 2023

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GRANT THORNTON LLP
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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Members
Sooner Town Center IV, LLC

Opinion

We have audited the financial statements of Sooner Town Center IV, LLC (an Oklahoma limited liability company) (the "Company"), which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of operations, changes in members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for opinion

We conducted our audits of the financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included in Schedules I through IV is presented for purposes of additional analysis and is not a required part of the financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves,



and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Grant Thornton LLP

Charlotte, North Carolina
May 27, 2025

Sooner Town Center IV, LLC

BALANCE SHEETS

December 31,

	2024	2023
ASSETS		
Real property, at cost		
Signage	\$ 18,527	\$ 18,527
	18,527	18,527
Less: accumulated depreciation	(11,416)	(10,321)
Real property, net	7,111	8,206
Other assets		
Cash and cash equivalents	53,072	66,050
Accounts receivable	200	200
Deferred charges, net	77,881	88,325
Deferred rents receivable	91,091	87,842
Total assets	<u>\$ 229,355</u>	<u>\$ 250,623</u>
LIABILITIES AND MEMBERS' EQUITY		
Liabilities		
Unearned rent	\$ 8,250	\$ 8,250
Accounts payable and accrued expenses	20,950	27,439
Total liabilities	29,200	35,689
Members' equity	200,155	214,934
Total liabilities and members' equity	<u>\$ 229,355</u>	<u>\$ 250,623</u>

The accompanying notes are an integral part of these financial statements.

Sooner Town Center IV, LLC
STATEMENTS OF OPERATIONS
Years ended December 31,

	<u>2024</u>	<u>2023</u>
Rental revenues	<u>\$ 159,089</u>	<u>\$ 158,851</u>
Operating expenses		
Rent expense	58,512	58,284
Selling, general and administrative expense	38,817	34,033
Depreciation and amortization	<u>11,539</u>	<u>11,537</u>
Total operating expenses	<u>108,868</u>	<u>103,854</u>
NET INCOME	<u><u>\$ 50,221</u></u>	<u><u>\$ 54,997</u></u>

The accompanying notes are an integral part of these financial statements.

Sooner Town Center IV, LLC
STATEMENTS OF CHANGES IN MEMBERS' EQUITY
Years ended December 31, 2024 and 2023

Members' equity, December 31, 2022	\$ 245,068
Net income	54,997
Distributions	<u>(85,131)</u>
Members' equity, December 31, 2023	214,934
Net income	50,221
Distributions	<u>(65,000)</u>
Members' equity, December 31, 2024	<u><u>\$ 200,155</u></u>

The accompanying notes are an integral part of these financial statements.

Sooner Town Center IV, LLC

STATEMENTS OF CASH FLOWS

Years ended December 31,

	2024	2023
Cash flows from operating activities:		
Net income	\$ 50,221	\$ 54,997
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	1,095	1,093
Amortization	10,444	10,444
Deferred rents receivable	(3,249)	(8,251)
Changes in operating assets and liabilities:		
Unearned rent	-	-
Accounts payable and accrued expenses	(6,489)	(26,847)
Net cash provided by operating activities	52,022	31,436
Cash flows from financing activities:		
Distributions	(65,000)	(85,131)
Net cash used in financing activities	(65,000)	(85,131)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(12,978)	(53,695)
Cash and cash equivalents, beginning of year	66,050	119,745
Cash and cash equivalents, end of year	<u>\$ 53,072</u>	<u>\$ 66,050</u>

The accompanying notes are an integral part of these financial statements.

Sooner Town Center IV, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 1 - SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization

Sooner Town Center IV, LLC (an Oklahoma limited liability company) (the Company) was organized in February 2015 for the purpose of leasing land to commercial tenants in Oklahoma. The Company operates a retail center (the Project) located in Midwest City, Oklahoma. The Project is defined by a Ground Lease Agreement between Midwest City Urban Renewal Authority, an affiliate of Midwest City, Oklahoma (collectively, the City) and the Company. The City is considered to be a related party for financial reporting purposes. The Company is responsible for leasing and management of the Project. Income and loss will be allocated to members in accordance with the operating agreement.

Cash and Cash Equivalents

The Company classifies highly liquid investments with original maturity dates of three months or less as cash equivalents.

Concentration of Credit Risk

The Company's operating property is located in Midwest City, Oklahoma. The Company's ability to generate future revenues is dependent upon the economic conditions within this area.

As of December 31, 2024 and 2023, the Company had two tenants. Each tenant comprised more than 10% of total base rental revenue for the years ended December 31, 2024 and 2023.

The Company maintains its cash in a commercial bank. Regularly during the year, the Company maintained cash and cash equivalents in accounts in excess of the amount insured by the Federal Deposit Insurance Corporation. The Company's management regularly monitors the financial stability of these financial institutions.

Revenue Recognition

Rental revenue is generally recognized based on the terms of leases entered into with tenants. Rental revenue from leases with scheduled rent increases, abatements or other incentives is recognized on a straight-line basis over the noncancelable term of the respective leases. If it becomes probable that a tenant will fail to perform according to the terms of the lease, a loss equal to the deferred rents receivable unlikely to be received from that tenant would be charged to operations.

Rental revenue recognized on a straight-line basis over rents due amounted to \$3,249 and \$8,251 for the years ended December 31, 2024 and 2023, respectively.

The Project has two executed ground leases with tenants who own their restaurant buildings on the land, completed in 2015 and 2018. At December 31, 2024, these two tenants occupying the spaces were operating under noncancelable ground leases providing for future minimum rents of \$1,498,750 with the latest expiration date of December 31, 2038.

Sooner Town Center IV, LLC
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2024 and 2023

Future minimum rents receivable under noncancelable ground leases for all known tenants at December 31, 2024 is as follows. The leases have renewal options, which are not included below.

	Amount
2025	\$ 154,000
2026	163,900
2027	163,900
2028	163,900
2029	169,400
Thereafter	683,650
	<hr/> \$ 1,498,750 <hr/>

Accounts receivable are reported at their estimated net realizable value. When necessary, the Company provides an allowance for expected credit losses based upon a review of outstanding receivables, historical collection information and existing economic conditions. Past due status is based on the contractual terms of the receivables. Accounts receivable are written off based on individual credit evaluation and specific circumstances of the customer. Management has concluded that all of the Company's accounts receivable amounts will be realizable and, accordingly, has not recorded an allowance for expected credit losses at December 31, 2024 or 2023.

Real Property

Signage is depreciated using an accelerated method of depreciation over the useful life of the assets, usually 15 years.

Depreciation on real property charged to operations was \$1,095 and \$1,093 for the years ended December 31, 2024 and 2023, respectively.

Repairs are charged against operations. Renewals and betterments that materially extend the life of an asset are capitalized.

The Company reviews the real property for impairment whenever events or changes in circumstances indicate that the carrying amount of the real property may not be recoverable. Recoverability of the real property is measured by a comparison of the carrying amount of the real property to undiscounted future net cash flows expected to be generated by the real property. If the real property is considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the real property exceeds its fair value. No impairment was recorded during the years ended December 31, 2024 and 2023.

Deferred Charges, Net

Deferred charges consist of lease commissions and lease costs and are stated at cost net of accumulated amortization. At December 31, 2024 and 2023, total deferred charges capitalized were \$161,693 with accumulated amortization of \$88,812 and \$78,368, respectively. The lease commissions and lease costs are amortized on the straight-line method over the term of the respective lease. Lease commission and lease costs amortization expense of \$10,444 is included in depreciation and amortization in the accompanying statements of operations for the years ended December 31, 2024 and 2023.

Sooner Town Center IV, LLC
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2024 and 2023

Income Taxes

The Company is a limited liability company treated as a partnership for federal and state income tax purposes. As a result, the Company's results of operations are included in the income tax returns of its individual members. Accordingly, no provision for federal or state income taxes has been recorded in the accompanying financial statements. The Company files income tax returns in the U.S. federal jurisdiction and in the Oklahoma state jurisdiction. The Company is no longer subject to examination by taxing authorities for years before 2022, and it is not aware of any audits by any taxing authority.

The Company follows applicable authoritative guidance on accounting for uncertainty in income taxes which, among other things, prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, and provides guidance on derecognition, classification, interest and penalties, accounting in interim periods and disclosure. The Company has no uncertain tax positions.

Use of Accounting Estimates

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP), which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingencies and the results of operations for the years ended December 31, 2024 and 2023. While management has based their assumptions and estimates on the facts and circumstances known at December 31, 2024 and 2023, actual results may differ from those estimates.

NOTE 2 - LEASES

The Company has a ground lease with the City, an affiliated entity, which provides for participation rent equivalent to 50% of net operating income in excess of debt service, measured on a cumulative basis. The lease commenced on June 2, 2015 and expires on October 31, 2062. In addition to participation rent, starting one year after the commencement date, annual rent is \$1. Participation rent is due and payable only to the extent that cumulative net cash flows are positive. Participation rent expense was \$58,511 and \$58,284 for the years ended December 31, 2024 and 2023, respectively. Participation rent, net operating income, and debt service are defined terms in the lease with the City.

NOTE 3 - RELATED-PARTY TRANSACTIONS AND BALANCES

John S. Cheek, Inc. (Cheek), an affiliated entity, provides tax and accounting services to the Company. The Company paid \$0 and \$2,700 in fees to Cheek for the years ended December 31, 2024 and 2023, respectively, which are recorded as general and administrative expenses.

Collett & Associates, LLC (Collett), an affiliated entity, provides leasing, development and brokerage services to the Company. Collett receives a monthly fee of 4% of gross monthly collections or a minimum of \$500 per month for providing property management services. Such fees totaled \$6,250 and \$6,061 for the years ended December 31, 2024 and 2023, respectively, and are recorded as general and administrative expenses. The Company paid \$3,546 and \$106 for various expense reimbursements to Collett, which are recorded as general and administrative expenses, for the years ended December 31, 2024 and 2023, respectively.

Sooner Town Center IV, LLC
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2024 and 2023

NOTE 4 - SUBSEQUENT EVENTS

The Company has analyzed its operations subsequent to December 31, 2024 through May 27, 2025, the date the financial statements were available to be issued. All subsequent events requiring recognition or disclosure have been incorporated into these financial statements.

SUPPLEMENTARY INFORMATION

Sooner Town Center IV, LLC

SCHEDULE I - NET OPERATING INCOME

Year ended December 31, 2024

Rental revenues per audited financial statements	\$ 159,089
Adjustments to cash basis	
Unearned revenue	-
Deferred rents receivable	<u>(3,249)</u>
Gross operating revenue (cash basis)	<u>155,840</u>
Allowable expenses	
Total operating expenses	108,868
Adjustments for noncash expenses	
Depreciation and amortization	(11,539)
Other adjustments	
Participation rent, accrued or paid	<u>(58,511)</u>
Allowable expenses, net	<u>38,818</u>
Net operating income per Ground Lease Agreement ⁽¹⁾	<u><u>\$ 117,022</u></u>

⁽¹⁾ The Ground Lease Agreement between the City and the Company defines Net Operating Income per the Redevelopment Agreement as the difference between Gross Operating Revenue and the actual Operating Expenses for the same period. The agreement specifically defines Gross Operating Revenue as all revenues derived from the project, determined in accordance with U.S. GAAP, computed on a cash basis, exclusive of subtenant security deposits and other refundable deposits and exclusive of proceeds derived from a sale, condemnation, financing, insurance settlement or other transaction that is capital in nature. Further, Operating Expenses are defined as those costs determined in accordance with U.S. GAAP, including all necessary and reasonable expenditures of any kind made with respect to the operations of the project typical of a Class A shopping center, without limitation, ad valorem taxes, insurance premiums, R&M expenses, management fees, leasing and advertising expenses, professional fees, wages and utility costs. Non-cash expenditures such as depreciation and amortization shall not be included in the computation of Operating Expenses. Operating Expenses shall include all project development costs incurred by the Company, that are not financed, in further developing and leasing available space within the Project including, without limitation, tenant upfitting costs, market rate brokerage commissions, tenant improvement allowances, building improvements and legal fees.

Sooner Town Center IV, LLC

SCHEDULE II - DEBT SERVICE

Year ended December 31, 2024

Debt service

Payments on notes payable	\$ -
Interest expense per audited financial statements	-
	<hr/>
Total debt service ⁽²⁾	<u>\$ -</u>

⁽²⁾ The Ground Lease Agreement defines Debt Service as the net principal paydown on all loans and accrued interest on all loans and all costs associated with obtaining the loans on the Project or any portion thereof for which a certificate of completion has been issued that are not and have not previously been accrued or paid as Operating Expenses.

Sooner Town Center IV, LLC

SCHEDULE III - NET CASH FLOW

Year ended December 31, 2024

Net operating income per Ground Lease Agreement	\$ 117,022
Less: debt service	<u>-</u>
Net cash flow	117,022
Cash reserve	<u>-</u>
Net cash flow, after cash reserve	117,022
Cumulative net cash flow, beginning of year	<u>-</u>
Cumulative net cash flow, end of year	117,022
Participation rent factor	<u>50%</u>
Participation rent (minimum of \$0) ⁽³⁾	<u><u>\$ 58,511</u></u>

⁽³⁾ For purposes of determining Participation Rent, the Ground Lease Agreement defines Net Cash Flow as Net Operating Income less Debt Service. Participation Rent shall be an amount equal to fifty percent (50%) of Net Cash Flow remaining after any additional cash reserve.

Sooner Town Center IV, LLC

SCHEDULE IV - SUBTENANT RENTS

Year ended December 31, 2024

Tenants rents	<u>\$ 155,840</u>
Gross operating revenue (cash basis) ⁽⁴⁾	<u><u>\$ 155,840</u></u>

⁽⁴⁾ Refer to page 15 for the calculation of Gross operating revenue (subtenant rents) which is computed on the cash basis.



EXECUTIVE SESSION





City Attorney, Donald D. Maisch

100 N. Midwest Boulevard

Midwest City, OK 73110

DMaisch@midwestcityok.org

Office: 405.739.1203

www.midwestcityok.org

MEMORANDUM

To: Chair and Members of the Midwest City Urban Renewal Authority

From: Don Maisch
Attorney

RE: Discussion, consideration, and possible action to 1) entering into executive session, as allowed under Title 25 Section 307 (B)(4) to discuss confidential communications between a public body and its attorney concerning a pending investigation, claim, or action if the public body, with the advice of its attorney, determines that the disclosure will seriously impair the ability of the public body to process the claim or conduct a pending litigation, or proceeding in the public interest regarding review of various litigation matters concerning the Heritage Park Mall Area Urban Renewal Plan. (City Attorney – D. Maisch)

Date: June 11, 2025

All information will be provided during the Executive Session.

Respectfully submitted,

Donald D. Maisch
City Attorney



PUBLIC DISCUSSION

