

CITY OF ARDMORE
Office of City Manager

Council Letter No. 4914
Meeting Date: September 21, 2020

Mayor and City Commission
City of Ardmore, Oklahoma

RE: Consent of Option to Sublease Property Agreement between the Ardmore Development Authority and Cowboy Holdco, LLC

Dear Commission Members:

The Option to Sublease Property Agreement entered into is between the Ardmore Development Authority, a public trust of the City of Ardmore and Cowboy Holdco, LLC, an Oklahoma Limited Liability Company which will allow certain property to be subleased located within the Ardmore Industrial Airpark, which property is encompassed within the Lease by the City of Ardmore, a consenting party to this Agreement to the Ardmore Development Authority of the Ardmore Industrial Airpark. This Agreement is for two tracts of land consisting of three Hardstands south of Taxiway Delta and fifty-six acres additional acres south of hardstand area in the Ardmore Municipal Airport located in the Southwest Quarter of Section 17, Township 3 South Range 3 East, Carter County Oklahoma and the Southeast Quarter of Section 18, Township 3 South, Range 3 East, Carter County Oklahoma. The Option to Sublease Property Agreement requires approval by the City Commissions.

Staff respectfully recommends approval of the Option to Sublease Property Agreement is between the Ardmore Development Authority and Cowboy Holdco, LLC.

Respectfully Submitted,



J.D. Spohn
City Manager

OPTION TO SUBLEASE PROPERTY

This Option to Sublease Property ("the Option Agreement") is made and entered into this 1st day of September , 2020 by and between Ardmore Development Authority, a public trust authority ("the Authority") and Cowboy Holdco, LLC and Oklahoma Limited Liability Company ("Company"). The City of Ardmore, a municipal corporation and the sole beneficiary of the Authority ("the City"), is a party to the Agreement for the purpose of consenting to the Agreement.

The Authority leases from the City, the Ardmore Industrial Airpark in Ardmore, Oklahoma ("Airpark"). The Company desires to sublease certain property located within the Airpark from the Authority, for Company's use under the terms and conditions set forth in the Sublease Agreement attached hereto as Exhibit "A", which property to be subleased is preliminarily described as follows:

Three Hardstands as identified on Exhibit "B".

Approximately 56 Acres of land on the south side of Gruman Blvd as described and shown on Exhibit "C".

The Company desires to obtain an option to sublease the Property on the terms set forth below.

In consideration of the sum of One Thousand Five Hundred and 00/100 Dollars (\$1500.00) paid by the Company to the Authority which sum shall be in addition to the sublease rent for the Property in the event this option to sublease is exercised, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. *Grant of Option.* The Authority offers to sublease to the Company and hereby grants to the Company, the exclusive and irrevocable option to sublease the Property, together with the improvements thereon, and all the rights, ways, privileges, and appurtenances belonging or in anywise appertaining thereto, more particularly described in Exhibit "1", subject to the terms and conditions set forth below and in the form of Sublease Agreement which is attached as a part of this Option Agreement and is designated as Exhibit "1" (the "Sublease Agreement").

2. *Time for Exercise.* Company's option to sublease the Property must be exercised by the Company within three hundred sixty-five (365) days of the date of this Agreement, that being on or before , 2021 at 5:00 p.m. CDT. If the option to sublease is not exercised on or before that date, this option to sublease shall automatically cease and terminate, neither party shall have any further rights hereunder, at law or in equity, and this Option Agreement shall be null and void, all without further action or documentation by either party.

may hereafter designate for itself in writing.

6. *Time of the Essence.* Time shall be of the essence of this Option Agreement.

EXECUTED this _____ day of _____, 2019.

Date: _____

Ardmore Development Authority,
an Oklahoma Public Trust

By: _____
Nancy Sjulín, Chairman

ATTEST:

Secretary

Date: _____

Cowboy Holdco, LLC

By: _____

Name: _____

Title: _____

CONSENTED TO BY:

Date: _____

The City of Ardmore, Oklahoma,
An Oklahoma Municipal Corporation

By: _____
Doug Pfau, Mayor

ATTEST:

Lori Linney, City Clerk

(SEAL)

EXHIBITS B & C

Two tracts of land consisting of 3 Hardstands south of Taxiway Delta (Exhibit "B") and 56 acres additional acres south of hardstand area in the Ardmore Municipal Airport (Exhibit "C") located in the Southwest Quarter of Section 17, Township 3 South Range 3 East, Carter County Oklahoma and the Southeast Quarter of Section 18, Township 3 South, Range 3 East, Carter County Oklahoma.

