

RESOLUTION NO. 2026 – 88

BE IT RESOLVED AND ORDERED, by the City of Cullman (the "City"), as follows:

Section 1. Findings. The City has ascertained and does hereby find and declare as follows:

WHEREAS, the City of Cullman wishes to enhance economic development within its corporate limits of Cullman, Alabama (the "City") and assist in creating new tax revenue sources for its citizens; and

WHEREAS, Rural King Realty LLC, AJM, LLC Cullman AL, and RK Holdings, LLP (the "Company") or their affiliate have acquired or controls real property approximately 9 acres located in the City of Cullman, Alabama, suitable for development of a new Rural King retail store, as more particularly described in the Development Agreement herein authorized; and

WHEREAS, the Company has approached the Cullman County Industrial Development Authority (the "County") and the City with plans to construct and operate on the Site an approximately 90,000 square foot Rural King retail store (the "Rural King Store") with a capital investment of \$14,000,000; and

WHEREAS, the Company has reported to the City that, due to rising construction and labor costs and certain public infrastructure improvements required in connection with development of the Rural King Store, the Company will require financial assistance of \$400,000 from the City of Cullman and \$400,000 from the Cullman County Industrial Development Authority in order to construct and develop the Rural King Store in the city limits of Cullman, all as more particularly set forth and described in the Development Agreement; and

WHEREAS, the City and County have both determined it necessary, wise, and in the public interest to incentivize the development of a Rural King Store in the city limits of Cullman, Alabama; and

WHEREAS, the City and County expects the Rural King Store to substantially expand and enhance the prosperity, contentment, and general welfare of the County and its residents by, among other things, (i) creating new tax revenue for the City and Schools providing essential services for its citizens; (ii) promoting enhancement and adaptive reuse of a high-visibility area of the City; (iii) bringing substantial new commercial activity and development to underutilized commercial properties around the Site; (iv) helping improve the appearance and vibrancy of the area; (v) expanding commercial activity within the City; (vi) facilitating the growth and development of commercial sites and developments around the Site; (vii) supporting and expanding economic development within the City; and (viii) expanding jobs and employment opportunities within the City; and

WHEREAS, Amendment No. 772 to the Constitution of Alabama of 1901, now codified as Section 94.01 of the Constitution of Alabama ("Amendment 772") authorizes the City and County to grant public funds and things of value in aid of or to private business enterprises for the purpose of promoting the economic development of the City and County after compliance with certain conditions set forth in Amendment 772; and

WHEREAS, the County, the City, and the Company desire to memorialize their agreements and understandings respecting the Project in a Rural King Store Development Agreement (the "772 Agreement"), the form of which is attached as Exhibit A hereto; and

WHEREAS, the agreements and obligations of the City under the Development Agreement herein authorized are determined to be in the public interest and being made under the power and authority

authorized by Amendment 772, and the City hereby determines that the expenditure of public funds as set forth in the Development Agreement will serve a valid and sufficient public purpose, notwithstanding any incidental benefit accruing to any private entity or entities.

Section 2. Authorization of Development Agreement.

(a) The Cullman City Council does hereby authorize and approve the Mayor and the City Clerk to execute and deliver, for and on behalf of the City, the Rural King Store Development Agreement (the "772 Agreement"). The City Clerk is hereby authorized to affix the seal of the City to the Development Agreement and to attest the same.

(b) The Mayor and the City Clerk are hereby authorized to execute, seal, attest and deliver such amendments to the Development Agreement, and to execute, seal, attest, and deliver such other instruments, notices, documents, certificates, and agreements and to take such other actions by and on behalf of the City, as may be necessary or desirable to fulfil the transactions contemplated by the Development Agreement.

Section 3. The various provisions of this Resolution are hereby declared to be severable. In the event any provision hereof shall be held invalid, illegal, or unenforceable for any reason, the invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Resolution shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

ADOPTED BY THE COUNCIL, this the 20th day of April, 2026.

President of the City Council

ATTESTED BY:

City Clerk

APPROVED BY THE MAYOR, this the 20th day of April, 2026.

Mayor

COUNCIL AGENDA REQUEST

Date: 04/13/2026

Department: Economic Development Name: Pam Leslie

Phone: 256-775-7104 Email: pleslie@cullmanal.gov

Type of request (select all that apply):

- Alcohol License
- Budget Amendment
- Contract Approval
- Public Comment
- Special Event
- Other 772 Agreement
- Annexation
- Change Order
- Petition
- Resolution
- Tax Abatement
- Bid Award
- Codification Change
- Proclamations
- Rezoning
- Variance

Reason for Request:

To consider a 772 agreement for Rural King

Supporting Documentation:

Attach supporting documentation.

Signature:  

Signed by: Pam Leslie
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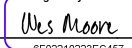
Approval Sequence:

1. Administration – City Clerk’s Office

Verifies form is completed and proper documentation is attached.

Approved to Move Forward Rejected Return to Requestor

Comments:

Signature:  Date: April 14, 2026 | 8:33 AM CDT

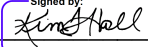
Signed by: Wes Moore
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2. Council Committee Chairperson - Kim Hall

Ensures necessity of the request.

Approved to Move Forward Rejected Return to Admin

Comments:

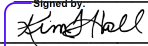
Signature:  Date: April 14, 2026 | 8:53 AM CDT

Signed by: Kim Hall
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3. Council President

Approved for Council Agenda Rejected Return to Committee

Comments:

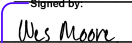
Signature:  Date: April 15, 2026 | 7:58 AM CDT

Signed by: Kim Hall
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4. Administration – City Clerk’s Office

Added to Council Agenda Date of Meeting: 04/20/2026

Comments:

Signature:  Date: 04/15/2026

Signed by: Wes Moore
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EXHIBIT A

PROJECT DEVELOPMENT AGREEMENT

(Pursuant to Amendment 772, Alabama Constitution)

This **Project Development Agreement** (the “Agreement”) is entered into as of April 21st, 2026, by and among:

The City of Cullman, Alabama, a municipal corporation organized and existing under the laws of the State of Alabama (the “City”),

The Cullman County Industrial Development Authority, the industrial, commercial, and small business development body of Cullman County, Alabama (the “County”), and

Rural King Realty, LLC, an Illinois limited liability company authorized to do business in Alabama, **AJM, LLC Cullman AL**, an Illinois limited liability company authorized to do business in Alabama, and **RK Holdings, LLP**, an Illinois limited liability partnership authorized to do business in Alabama (the “Company”).

RECITALS

WHEREAS, the Company plans to develop, construct, and operate a new Rural King retail store (the “Project”) on approximately 9 acres of real property located at or near 309 Olive Street SW in the City of Cullman, Alabama (the “Project Site”);

WHEREAS, the Project is expected to involve a significant capital investment by the Company of approximately \$14,000,000.00, create approximately 45 new full-time equivalent jobs, construct an approximately 90,000 square feet retail location, and promote economic development within the City and County;

WHEREAS, the City and County desire to assist with certain infrastructure improvements necessary or beneficial to the Project;

WHEREAS, Amendment 772 to the Constitution of Alabama of 1901 authorizes the City and County to use public funds or grant things of value to promote economic and industrial development, including commercial facilities, subject to proper notice and a public hearing;

WHEREAS, the Cullman City Council and Cullman County Industrial Development Authority, after due notice and public hearing as required by Amendment 772, have each determined by separate resolutions that the infrastructure payment provided herein serves a valid and sufficient public purpose, notwithstanding any incidental private benefit to the Company;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. Project Description

The Company shall develop the Project Site into a full-service Rural King retail store, including construction of the building(s), parking areas, utilities, and related improvements, in accordance with all applicable City and County codes, zoning ordinances, and permitting requirements, subject to the City and County's cooperation obligations set forth in Section 2(f). The Company shall use commercially reasonable efforts to commence and complete construction and open the store for business no later than June 30, 2027 unless unforeseen delays or Force Majeure Event(s) occur. "Force Majeure Event(s)" means any event beyond the reasonable control of the affected party, including but not limited to acts of God, fire, flood, earthquake, tornado, hurricane, or other natural disaster; epidemic, pandemic, or public health emergency; war, terrorism, civil unrest, or armed conflict; strike, labor dispute, or work stoppage (not caused by the affected party); government action, law, regulation, embargo, or order; failure or delay of third-party suppliers, contractors, or utilities; severe weather conditions materially affecting construction; or any other event or circumstance that is not within the reasonable control of the affected party and that, despite the exercise of reasonable diligence, cannot be prevented, avoided, or removed.

2. Infrastructure Payment

a. **Amount and Source:** Subject to the Company's satisfaction of the conditions in Section 3, the City and County shall jointly provide a **one-time infrastructure payment** in the total amount of **Eight Hundred Thousand Dollars (\$800,000.00)** (the "Infrastructure Payment").

b. **Funding Split:** The City of Cullman shall contribute Four Hundred Thousand (\$400,000.00) and the Cullman County Industrial Development Authority through the Cullman County Industrial Development Board shall contribute Four Hundred Thousand (\$400,000.00).

c. **Purpose and Use:** The Infrastructure Payment shall be used for public infrastructure improvements directly related to the Project.

d. **Disbursement:** The Infrastructure Payment shall be disbursed in a single lump sum within thirty (30) days after the official opening date of an approximately 90,000 square feet retail location in the City of Cullman, Alabama.

e. **No Further Obligation:** Except for the Infrastructure Payment described above, neither the City nor the County shall have any obligation to provide additional funds, tax abatements, rebates, or other incentives under this Agreement.

f. **City and County Cooperation:** Notwithstanding anything contained herein to the contrary, the City and County shall cooperate with the Company in good faith and shall use reasonable efforts to expedite and provide all necessary permits, approvals, licenses, variances, rezoning, inspections, and other governmental authorizations required for the development and construction of the Project. The City and County shall not unreasonably withhold, condition, or delay any such permits or approvals.

3. Company Obligations and Conditions Precedent

The obligation of the City and County to make the Infrastructure Payment is expressly conditioned upon the following:

a. The Company shall invest approximately \$14,000,000.00 in the acquisition, development, and construction of the Project.

b. The Company shall create and maintain at least 45 full-time equivalent jobs at the Cullman store for a minimum of five (5) years. The Company shall have twelve (12) months to create such jobs. Notwithstanding anything contained herein, Company shall not be penalized or otherwise deemed in to be in default so long as they create and maintain 90% of the 45 full-time equivalent jobs.

c. The Company shall provide the City and County with reasonable documentation of Project progress, capital expenditures, and job creation upon request.

d. The Company shall operate the Rural King store at the Project Site for at least five (5) years following the opening date, subject to Force Majeure Events and economic hardship exceptions.

4. Clawback / Repayment

If the Company fails to substantially satisfy one or more of the obligations in Section 3 (other than due to a Force Majeure Event or events beyond its reasonable control), the Company shall repay a pro-rata portion of the Infrastructure Payment to the City and County based on the extent of non-performance, as mutually agreed by the parties. If the parties cannot agree on the pro-rata calculation within ninety (90) days of written demand, the dispute shall be resolved by binding arbitration in Cullman County, Alabama. Repayment shall be made within sixty (60) days of final determination of the amount owed.

5. Term and Termination

This Agreement shall commence on the date first written above and continue until the Infrastructure Payment has been fully disbursed (or repayment completed, if applicable) and the Project has opened and operated for the required period. Either party may terminate for material breach after ninety (90) days' written notice and opportunity to cure; provided, however, that if such breach cannot reasonably be cured within such ninety (90) day period, the breaching party shall have such additional time as is reasonably necessary to complete the cure so long as it has commenced curing the material breach within such period and is diligently pursuing completion thereof.

6. Representations and Warranties; Miscellaneous

- Each party represents it has full authority to enter this Agreement.
- **Governing Law:** Alabama law; venue in Cullman County.
- **Entire Agreement:** This document (including any attached exhibits or resolutions) constitutes the entire agreement.
- **Amendment:** Any change must be in writing and approved by the City Council and County Commission.
- **Counterparts:** May be executed in counterparts, including electronically.
- **No Third-Party Beneficiaries:** Except as expressly stated, this Agreement benefits only the parties.
- **Notices:** All notices, requests, demands, and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given: (i) upon delivery if delivered personally; (ii) one (1) business day after deposit with a nationally recognized overnight courier service, prepaid; (iii) three (3) business days after mailing by certified or registered mail, return receipt requested, postage prepaid; or (iv) upon transmission if sent by email, provided such email is sent by 5:00 PM Central Standard Time on a business day and is also sent by one of the other means set forth in clauses (i) through (iii) above. Notices shall be addressed to the parties at the addresses set forth below or at such other address as a party may designate by written notice to the other parties:

If to the City:

City of Cullman, Alabama
Attn: City Clerk
204 2nd Avenue NE
Cullman, Alabama 35055
Email: cityclerk@cullmanal.gov

If to the County:

Cullman County Industrial Development Authority
Attn: Director
325 2nd St. SE
Cullman, Alabama 35055
Email: mkinsland@co.cullman.al.us

If to the Company:

Rural King Realty, LLC
Attn: President, Blake Pierce
4216 Dewitt Avenue
Mattoon, IL 61938
Email: bpierce@ruralking.com

AJM, LLC Cullman AL
c/o Rural King Realty, LLC
Attn: President, Blake Pierce
4216 Dewitt Avenue
Mattoon, IL 61938
Email: bpierce@ruralking.com

And to:

RK Holdings, LLP
Attn: Legal Department
4216 Dewitt Avenue
Mattoon, IL 61938
Email: legal@ruralking.com

[SIGNATURE PAGE TO FOLLOW]

[SIGNATURE PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF CULLMAN, ALABAMA

By: _____
Woody Jacobs, Mayor

Attest: _____
Wesley Moore, City Clerk

CULLMAN COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By: _____
Jason Grimmett, Chairman

Attest: _____
Matt Kinsland, CCED Director

RURAL KING REALTY, LLC

By: _____
Owner's Representative

Attest: _____
Witness

AJM, LLC CULLMAN AL

By: _____
Owner's Representative

Attest: _____
Witness

RK HOLDINGS, LLP

By: _____
Owner's Representative

Attest: _____
Witness