



City of Norman, OK

Municipal Building
Council Chambers
201 West Gray
Norman, OK 73069

Master

File Number: K-2021-74

File ID: K-2021-74

Type: Contract

Status: Consent Item

Version: 1

Reference: Item 28

In Control: City Council

Department: Legal Department

Cost: \$535,000.00

File Created: 12/01/2020

File Name: Purchase and Sale Agreement for Transit Transfer Station

Final Action:

Title: CONTRACT K-2021-74: A PURCHASE AND SALE AGREEMENT BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, IN THE AMOUNT OF \$535,000 FOR THE PURCHASE OF REAL PROPERTY LOCATED AT 318 EAST COMANCHE STREET PLUS CLOSING AND RELATED COSTS FOR USE AS A TRANSIT TRANSFER FACILITY.

Notes: ACTION NEEDED: Motion to approve or reject Contract K-2021-74 with JPMorgan Chase Bank, National Association, in the amount of \$535,000; and, if approved, authorize the City Manager to sign and execute all related closing documents on behalf of the City of Norman.

ACTION TAKEN: _____

Agenda Date: 12/08/2020

Agenda Number: 28

Attachments: K-2021-74

Project Manager: Beth Muckala, Assistant City Attorney

Entered by: beth.muckala@normanok.gov

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Council	12/08/2020					

Text of Legislative File K-2021-74

Body

BACKGROUND: The City of Norman assumed operation of the public transportation system in the Norman area on July 1, 2019. The City contracted with the University of Oklahoma to provide operational services through August 2, 2019. On August 5, 2019, the City's third-party contractor, the Central Oklahoma Transportation and Parking Authority (COTPA), doing business as EMBARK, began operation of the City's fixed routes. On July 30, 2019, the City

leased a portion of University-owned property located at 510 Chesapeake, commonly referred to as the OU Transportation Operations Center, for office space, maintenance bays, and fleet storage, which lease is currently valid effective through December 31, 2020.

On December 1, 2020, this Council approved Amendment No. 3 to Contract K-1920-32, which extended that lease agreement through September 30, 2021 or until North Base Complex Project, Phase I, is complete. The North Base Complete Project, Phase I, will be constructed adjacent to the City Service Facility in the vicinity of North Flood Avenue at Da Vinci Street ("North Base"), and will house the Park Maintenance Division staff and fleet; provide for public transportation (bus) fleet maintenance and staff services; and provide for public safety-related heavy equipment fleet services. The City Council recently approved Contract K-2021-35 with Flintco, L.L.C. for the construction of North Base Complete Project, Phase I, with a projected substantial completion date of July 30, 2020.

DISCUSSION: The current transfer station for the City's transit fleet is located East Brooks St. in Norman next to the University of Oklahoma Duck Pond. OU and the City previously entered into an agreement, Contract K-1920-54, which is subject to annual renewal, whereby the City could continue to use these facilities until the City was able to arrange for use of a different facility.

The current facilities lack an indoor waiting area and is inconveniently located for service that no longer focuses on university routes. Facility upgrades, including waiting areas and bathrooms, and necessary upgrades for accessibility, would also be very beneficial to the City's continued operation. The need for a downtown transfer center was evaluated as part of the Transit Long Range Strategic Plan (services provided by Nelson/Nygaard pursuant to Contract K-2021-18), and City Staff has worked diligently to identify potential sites for a City-owned transfer facility.

A former drive-through bank facility located at 318 E. Comanche was identified as a convenient location ("Property"). The benefits of this location include: (i) proximity to several major employers (including City Hall, NRH, county facilities, Hiland Dairy, and downtown Norman); (2) proximity to main thoroughfares such as Porter; (3) accessibility to pedestrians, bicyclists and other transit riders; (iv) potential for facilitating multi-modal coordination with Legacy Trail 3 blocks away) and Norman Depot (a future envisioned Regional Transit Authority stop).

The property consists of 0.56 acres and the existing facility was built in 1971 and can be retrofitted to provide the necessary facilities for the City's bus transfer needs. City Staff has negotiated to a proposed purchase price of \$535,000, which price falls within appraised value ranges for the Property and takes into account the City's plan to retrofit the existing structure for transfer station purposes.

Contract K-2021-74 is a Purchase and Sale Agreement (hereafter "PSA") for this negotiated price as an "AS IS WHERE IS" sale, with 5% earnest money (\$26,750) paid within two (2) business days' approval of the PSA by City Council. The City has sixty (60) days following execution in which to inspect the property, and closing is to occur within thirty (30) days' of the close of the inspection period. These time periods accommodate closing in late February or early March. At closing, the Seller would deliver a Special Warranty Deed that contains a

restriction whereby the property may not be used for banking or financial services, as defined in the deed, for a period of five (5) years. The PSA, as executed by the Seller, is an open "offer" the City Council may accept by approval and execution by December 18, 2020.

As part of the FYI 2021 budget, the City Council appropriated \$850,000 for use on this Capital Project BG0254. In addition to acquisition of this property, this amount is planned for use in retrofitting the existing structure to allow accommodation of up to six (6) buses as well as a customer service window, renovated and accessible indoor waiting area, public restrooms and bus operator facilities. The funds for the purchase of land for this project are currently available in (50593379-46001).

RECOMMENDATION: Staff recommends that the City Council approve the PSA with JPMorgan Chase Bank, Contract K-2021-74, for purchase of the real property located at 318 Comanche Street (legal description controls), in the amount of \$535,000 plus closing and related costs to be determined prior to closing. Staff further recommends that the City Council authorize the City Manager to execute closing documents and facilitate as necessary the closing of the purchase of this real property in conformity with the PSA, as set forth therein.