



City of Norman, OK

Municipal Building
Council Chambers
201 West Gray
Norman, OK 73069

Master

File Number: K-1516-95

File ID: K-1516-95

Type: Contract

Status: Consent Item

Version: 1

Reference: Item 14

In Control: City Council

Department: Legal Department

Cost: \$105,650.00

File Created: 12/21/2015

File Name: 119 W. Acres Purchase Contract

Final Action:

Title: CONTRACT K-1516-95: A CONTRACT BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND B-AIKEN INVESTMENTS 3, L.L.C., IN THE AMOUNT OF \$105,000 PLUS CLOSING COSTS FOR THE PURPOSE OF PURCHASING REAL PROPERTY LOCATED AT 119 WEST ACRES STREET AND BUDGET APPROPRIATION IN THE AMOUNT FROM THE NORMAN FORWARD CAPITAL FUND BALANCE.

Notes: ACTION NEEDED: Motion to approve or reject Contract K-1516-95 with B-Aiken Investments 3, L.L.C., in the amount of \$105,000 plus costing costs; and, if approved, authorize the execution thereof and appropriate \$105,650 from the Norman Forward Sales Tax Capital Fund Balance (051-0000-253.20-00) to Project BP0016, Central Branch Library Project, Land (051-9507-455.60-01).

ACTION TAKEN: _____

Agenda Date: 01/12/2016

Agenda Number: 14

Attachments: Text File K-1516-95, Location map and list of locations, k-1516-95 - 119 W Acres

Project Manager: Kathryn Walker, Assistant City Attorney

Entered by: kathryn.walker@normanok.gov

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Council	01/12/2016					

Text of Legislative File K-1516-95

Body

BACKGROUND: In 2008, the City identified approximately 7.29 acres contained in 7 parcels generally located north of Acres Street and west of the BNSF railroad tracks as a site for a future Norman Public Library Central branch. That same year, the City, by contract K-0809-58, purchased 1.74 acres of that area that was commonly known as the "Grain Elevator Site" for \$350,000. Design work has been updated for a new library on this site during the last year and the affirmative vote of the citizens of Norman on Ordinance O-1516-5 ("Norman Forward") has provided a source of revenue that will, among other things, support the acquisition of the remaining property for the new central library.

In anticipation of the Norman Forward vote Staff approached all of the identified property owners over the last several months to determine acquisition costs for the parcels. An update on these discussions was provided to City Council during an executive session on September 22, 2015. Voters approved the Norman Forward Sales

Tax ballot on October 13, 2015. Council approved the purchase contract for parcel No. 1 on October 27, 2015. Council approved the purchase contract for parcel No. 3 on November 10, 2015. Executive Session was again held on December 15, 2015 to discuss possible acquisition of the residential properties included in the site plan for the new library. Council approved the purchase contract for parcel No. 7 on December 22, 2015. There are three remaining residential properties that Staff has negotiated within the parameters discussed in the most recent Executive Session. Staff brings forward Contract K-1516-95 with B-Aiken Investments 3, LLC, the owner of one of the remaining residential properties for Council's consideration.

DISCUSSION: The parcel owned B-Aiken Investments (Parcel 6 on the attached map) is one of three remaining residential properties to be purchased for the new central library site. It is currently zoned R-3: Multi-Family Dwelling. The parcel has a 1,097 square foot home on it that will be vacant as of January 1, 2016. The property was valued at \$100,000 by a recent appraisal. The negotiated purchase price is 5% over appraisal and represents a fair price for the property.

Contract K-1516-95 requires that the earnest money (\$2,100 or 2% of the purchase price of \$105,000) be deposited with the closing company upon execution of the contract with closing to occur no later than January 29, 2016. The City will pay the following closing costs, normally paid by the Buyer of a residential property: (1) the City's attorney fees and expenses; (2) the cost of the survey, (3) the premium for the Title Policy, (4) the cost of the environmental audit and report, and (5) one-half of the escrow and closing fees charged by the Title Company. The survey and environmental audit for all of the parcels to be acquired for this project is already funded and underway.

Revenue bonds were sold in December of 2015 to provide funding for the first phase of Norman Forward projects including this land purchase.

RECOMMENDATION: Staff recommends that 1) City Council approve Contract K-1516-95 with B-Aiken Investments 3, LLC in the amount of \$105,000 for the purchase of property for future municipal purposes and 2) City Council appropriate \$105,650 from the Norman Forward Sales Tax Capital Fund Balance (account number 051-0000-253.20-00) to Norman Forward Sales Tax Capital Project - Land (account number 051-9507-455.60-01 - Central Branch Library; Project BP0016) to fund both the purchase and the anticipated closing costs.