



City of Norman, OK

Municipal Building
Council Chambers
201 West Gray
Norman, OK 73069

Master

File Number: K-1516-94

File ID: K-1516-94

Type: Contract

Status: Non-Consent Items

Version: 1

Reference: Item 28

In Control: City Council

Department: Legal Department

Cost: \$110,000.00

File Created: 12/18/2015

File Name: 121 W. Acres Purchase Contract

Final Action:

Title: CONTRACT K-1516-94: A CONTRACT BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND SHARON HIRAD IN THE AMOUNT OF \$110,000 FOR THE PURPOSE OF PURCHASING REAL PROPERTY LOCATED AT 121 WEST ACRES STREET AND BUDGET APPROPRIATION FROM THE NORMAN FORWARD CAPITAL FUND BALANCE.

Notes: ACTION NEEDED: Motion to approve or reject Contract K-1516-94 Sharon Hiram in the amount of \$110,000 plus costing costs; and, if approved, authorize the execution thereof and appropriate \$110,650 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: 12/22/2015

Agenda Number: 28

Attachments: Text File Acres, K-1516-94

Project Manager: Kathryn Walker, Assistant City Attorney

Entered by: kathryn.walker@normanok.gov

Effective Date:

History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:

Text of Legislative File K-1516-94

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.

Staff has approached all of the identified property owners over the last several months. An update on these

discussions was provided to City Council during an executive session on September 22, 2015 and again on December 15, 2015. Staff brings forward Contract K-1516-94 with Sharon Hirad for approval.

DISCUSSION: The parcel owned by Ms. Hirad is one of the four remaining residential properties to be purchased for the new central library site. It is currently zoned I-1, Light Industrial District. The parcel has a 1,383 square foot home on it that is currently vacant. The property was valued at \$105,000 by a recent appraisal. The negotiated purchase price of \$110,000 is 4.8% over appraisal and represents a fair and reasonable price for the property.

Contract K-1516-94 requires that the earnest money (\$2,200 or 2% of the purchase price of \$110,000) 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: (1) the cost of the survey, (2) the premium for the Title Policy, (3) the cost of the environmental audit and report, and (4) one-half of the closing fees charged by the Title Company. The Buyer's closing costs are anticipated to be \$650. This estimate excludes the survey and environmental audit, as these items are already funded and underway for all of the parcels to be acquired for this project.

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-1516-94 with Sharon Hirad in the amount of \$110,000 for the purchase of property for future municipal purposes and 2) City Council appropriate \$110,650 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.