

CITY OF NORMAN, OK STAFF REPORT

DATE: 3/28/25

TO: Shannon Stevenson, City Manager

FROM: Anthony Purinton, Assistant City Attorney

SUBJECT: Addendum #2 to contract K-2324-94 Disposition and Development Agreement Between the City of Norman Oklahoma and Milestone Property Development, LLC.

BACKGROUND AND DISCUSSION:

The City of Norman received funding under the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, as authorized by the American Rescue Plan Act (ARPA). The City allocated 6.4 million dollars of its SLFRF award to be used for Affordable Housing. On 11/14/23, Norman City Council entered into an Agreement with Milestone Property Development LLC to develop real property located on the NE Corner of Imhoff and Oakhurst for an affordable housing development using a combination of City SLFRF and Low Income Housing Tax Credit (LIHTC) funding.

The attached Addendum #2 allows for greater flexibility in choosing a title and closing company. After speaking with the developers, it was suggested that a title company with greater experience with LIHTC developments would be more appropriate, given the complexity of the transaction.

RECOMMENDATION:

Staff recommends approval of the Addendum #2 to contract K-2324-94.

CONTRACT ADDENDUM NO. 2

THIS CONTRACT ADDENDUM NO. 2, dated the 26th day of March, 2025 (the "Effective Date"), is between the City of Norman, Oklahoma, a municipal corporation ("City"), and Milestone Property Development, LLC, an Oklahoma limited liability company (along with any subsidiary companies or related companies controlled by Milestone Property Development, LLC, or its principals, used for financing or tax credit purposes, "Developer") (City and Developer, together, the "Parties").

WHEREAS, the Parties entered into a Disposition and Development Agreement ("DDA") on November 14, 2023, for the purpose of conveying certain property owned by the City to the Developer and imposing obligations on the Developer related to the development of a low- and moderate-income housing development on that property ("Project"); and

WHEREAS, the Parties desire to amend the DDA to allow for greater flexibility in choosing a closing and title company.

NOW, THEREFORE, in consideration of the Parties agreeing to amend their obligations in the existing DDA, and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

SECTION 1. Section 2.6 of the DDA (Time and Place for Delivery of Deed), is hereby amended to read as follows:

2.6. Time and Place for Delivery of Deed. Provided this Agreement has not been previously terminated, the Closing shall occur on a date designated by the City, but not later than thirty (30) days following the satisfaction of the Conditions Precedent described in Sections 3.3 through 3.16 of this Agreement ("Closing Date"). The City will deliver the Deed and possession of the Property to the Developer on the Closing Date, provided the conditions precedent in Section 3 of this Agreement have been satisfied. The Deed will be delivered at the principal office of the Title Company, and the Developer (or designee) will accept such conveyances. On the Closing Date, Developer shall pay to the City the Purchase Price for the Property. As used herein, "Title Company" means Chicago Title Oklahoma, 3401 N.W. 63rd Street, Suite 300, Oklahoma City, Oklahoma 73116, or another title company mutually selected by the Parties.

SECTION 2. Except as otherwise provided in this Addendum, all of the terms and conditions of the DDA, as amended by the prior adopted addenda, remain unchanged and in full force and effect.

SECTION 3. Capitalized terms not otherwise defined in this Addendum will have the meanings ascribed to them in the DDA, as amended.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Developer has caused this Addendum No. 2 to be duly executed in its name and behalf by its Manager.

MILESTONE PROPERTY DEVELOPMENT, LLC,
an Oklahoma limited liability company

By:

But Low

Thomas A. Gorman, Manager

ACKNOWLEDGEMENT

STATE OF OKLAHOMA)
) ss.
COUNTY OF Washington)

Before me, the undersigned, a Notary Public in and for said County and State, on this 26th day of March, 2025, personally appeared Tomas A. Gorman, to me known to be the identical person who executed the foregoing instrument as Manager of Milestone Property Development, LLC, an Oklahoma limited liability company, and acknowledged to me that he executed the same as his free and voluntary act for the uses and purposes therein set forth.

Witness my hand and official seal the day and year above written.



Notary Public

My Commission Expires: 03/28/2024
My Commission Number: 18003127


IN WITNESS WHEREOF, the City has caused this Addendum No. 2 to be duly executed in its name and behalf by its City Manager.




CITY OF NORMAN, OKLAHOMA,
a municipal corporation

By: 
Shannon Stevenson, Assistant City Manager

Attest:


City Clerk

Reviewed for form and legality this 28th day of March, 2025.


City Attorney

ACKNOWLEDGEMENT

STATE OF OKLAHOMA)
) ss.
COUNTY OF CLEVELAND)

Before me, the undersigned, a Notary Public in and for said County and State, on this _____ day of _____, 20____, personally appeared Darrel Pyle, to me known to be the identical person who executed the foregoing instrument as the City Manager of the City of Norman, Oklahoma, and acknowledged to me that he executed the same as his free and voluntary act on behalf of the City of Norman, Oklahoma, for the uses and purposes therein set forth.

Witness my hand and official seal the day and year above written.

Notary Public

My Commission Expires: _____
My Commission Number: _____