

**MEMORANDUM OF UNDERSTANDING
CONCERNING
PORTER HEALTH VILLAGE**

This Memorandum of Understanding (“MOU”), effective as of the date of the last signature affixed hereto (“Effective Date”), is entered into by and among the following parties (collectively, the “Parties”): THE CITY OF NORMAN, OKLAHOMA, an Oklahoma municipal corporation (the “City”) and NORMAN REGIONAL HOSPITAL AUTHORITY, a public trust (“NRHS”).

Section I. Background & Purpose

A. NRHS currently operates Norman Regional Hospital at 901 N. Porter Avenue, on a campus of approximately 29.3 acres (the “Porter Campus”). NRHS owns approximately 17.1 acres and the improvements located thereon in the Porter Campus. The City owns approximately 12.2 acres in the Porter Campus. Additionally, NRHS owns the personal property and all building and site improvements located at 718 N. Porter Avenue (the “718 Property”).

B. The Parties currently have a long-term lease in place for the portions of the Porter Campus currently owned by the City, which allows for NRHS’ continued operation and provision of medical services and facilities thereon.

C. The Parties have determined that it would be in the best interest of the Parties to pursue a transaction involving the conveyance and acquisition of certain property within the Porter Campus in order to allow for the City’s development of the Senior Wellness Center and NRHS’ implementation of its Inspire Health Plan for the development of the Porter Health Village on the Porter Campus.

D. Therefore, the Parties desire to memorialize the basic terms and understandings upon which the Parties intend to pursue final binding agreements, commence development filings, and initiate curative title actions in order to allow for the Parties intended development of the Porter Campus.

Section II. Development of the Porter Health Village

1. Preliminary Site Plan. The Parties desire to develop the Porter Campus in accordance with NRHS’ Inspire Health Plan for the proposed Porter Health Village and the City’s proposed Senior Wellness Center. The Parties desire to make the necessary conveyances in order to ensure the City owns full right, title, and interest in the tract to be developed as the Senior Wellness Center (the “Senior Tract”) and to ensure that NRHS owns full right, title, and interest in the remaining property within the Porter Campus, excluding only the Senior Tract, (the “NRHS Tract”). A preliminary site plan is attached as Exhibit A showing the Parties’ intended layout, size, and location of the NRHS Tract and Senior Tract (the “Site Plan”).

2. City Infrastructure Costs. The City shall be entirely responsible for its proportional share of infrastructure costs necessary to make the Senior Tract usable, including, but not limited to, all costs and expense of planning, engineering, designing, permitting, installing, constructing, inspecting, and accepting all infrastructure and items of improvements included in the final plat of the Senior Tract, and its share of all items necessary for the City to construct and operate the City’s

intended use on the Senior Tract, and all streets, sidewalks, sanitary sewer, water, storm water facilities, and drainage, grading, siltation control, street lights, street signage, electrical, gas, telecommunications, fire protection and hydrants, public transit, traffic improvements and impact fees as against the Senior Tract, utilities, traffic controls and signalization, recoupment expenses and fees and assessments of all types as against the Senior Tract, and all other public improvements that are necessary to create the Senior Tract into a lot and block parcel(s) that is ready for a building permit (collectively, "City Infrastructure Improvements"). The City Infrastructure Improvements shall include, but not be limited to, sufficient storm water drainage improvements and facilities, such as culverts and other systems, to allow storm water to freely drain without obstructing the use, enjoyment, and development of the Senior Tract. The City shall work in collaboration with NRHS' engineers to verify that all City Infrastructure Improvements are sized and designed properly to accommodate all required drainage for the Senior Tract. NRHS shall not be obligated to make any infrastructure improvements on the NRHS Tract to facilitate the City's completion of the City Infrastructure Improvements or development of the Senior Tract. The City is solely responsible for all costs and expenses of every kind associated in any manner with the development, construction, improvement, use, planning, engineering, surveying, design, platting, zoning, permitting, inspection, studying, management, operation, and otherwise of the Senior Tract. Any attempt by the City to seek any recoupment, reimbursement, assessment, lien, condemnation, eminent domain, claims, charges, or recapture, or any other form of collection against NRHS, the NRHS Tract, or any of NRHS' other property for any cost or expense applicable to or arising out of the City Infrastructure Improvements, the City's expected construction of the Senior Wellness Center, or any other items applicable to or arising out of the City's development and use of the Senior Tract, shall be deemed a material breach of this Agreement by the City. To the extent improvements or infrastructure are needed that will serve and benefit both parties, the parties agree to work together in good faith to identify each party's proportionate share of costs.

3. NRHS Infrastructure Costs. NRHS shall be entirely responsible for its proportionate share of infrastructure costs necessary to make the NRHS Tract usable, including, but not limited to, all costs and expense of planning, engineering, designing, permitting, installing, constructing, inspecting, and accepting all infrastructure and items of improvements included in the final plat of the NRHS Tract, and all items necessary for NRHS to construct and operate NRHS' intended use on the NRHS Tract, and all streets, sidewalks, sanitary sewer, water, storm water facilities, and drainage, grading, siltation control, street lights, street signage, electrical, gas, telecommunications, fire protection and hydrants, public transit, traffic improvements and impact fees as against the NRHS Tract, utilities, traffic controls and signalization, recoupment expenses and fees and assessments of all types as against the NRHS Tract, and all other public improvements that are necessary to create the NRHS Tract into a lot and block parcel(s) that is ready for a building permit (collectively, "NRHS Infrastructure Improvements"). The City shall not be obligated to make any infrastructure improvements on the Senior Tract to facilitate NRHS' completion of the NRHS Infrastructure Improvements or development of the NRHS Tract. NRHS is solely responsible for all costs and expenses of every kind associated in any manner with the development, construction, improvement, use, planning, engineering, surveying, design, platting, zoning, permitting, inspection, studying, management, operation, and otherwise of the NRHS Tract. To the extent improvements or infrastructure are needed that will serve and benefit both parties, the parties agree to work together in good faith to identify each party's proportionate share of costs.

4. Rezoning of the Porter Campus. In order to develop the Porter Campus into the Parties' desired layout and ensure the Parties' desired uses for the Senior Tract and NRHS Tract are permissible as a matter of right, the Parties, as co-applicants, shall submit an application to rezone the Porter Campus to a Planned Unit Development ("PUD"). The Site Plan, subject to NRHS' reasonable adjustments, modifications, or alterations thereto for the NRHS Tract and subject to the City's reasonable adjustments, modifications, or alterations thereto for the Senior Tract, will be attached to the PUD and submitted with the rezoning application. NRHS shall propose and apply for the allowable uses, area restrictions, and other development criteria for the NRHS Tract that will be included in the PUD application. The City shall propose and apply for the allowable uses, area restrictions, and other development criteria for the Senior Tract that will be included in the PUD application. The Parties understand and agree that the PUD is subject to review and approval by the Norman City Council.

5. Preliminary Plat of the Porter Campus. In order to develop the Porter Campus into the Parties' desired layout and ensure the Parties' desired plan for utilities, easements, rights-of-way, curb cuts, access, traffic circulation, roads, parking, landscaping, drainage, storm water, and other public and/or private improvements for the Senior Tract and NRHS Tract are permissible as a matter of right, the Parties shall create and submit a preliminary plat for the Porter Campus (the "Preliminary Plat") for approval by the Norman City Council. The Site Plan, subject to NRHS' reasonable adjustments, modifications, or alterations thereto for the NRHS Tract and subject to the City's reasonable adjustments, modifications, or alterations thereto for the Senior Tract, will be used for the Preliminary Plat. NRHS shall propose and apply for the utilities, easements, rights-of-way, curb cuts, access, traffic circulation, roads, parking, landscaping, drainage, storm water, public and/or private improvements, and other development criteria for the NRHS Tract that will be included in the Preliminary Plat application. The City shall propose and apply for the utilities, easements, rights-of-way, curb cuts, access, traffic circulation, roads, parking, landscaping, drainage, storm water, public and/or private improvements, and other development criteria for the Senior Tract that will be included in the Preliminary Plat application. The Parties understand and agree that the Preliminary Plat is subject to review and approval by the Norman City Council.

6. Final Plat for the Senior Tract. The City will develop a final plat for the Senior Tract. The City shall be responsible for all costs and expenses in proceeding with the final plat and all such applications, plans, engineering, surveys, title work, filings, and hearings involved with such process through approval, as applicable to the Senior Tract. The City shall collaborate with NRHS on all such plat related applications, plans, engineering, surveys, title work, filings, related thereto. If the City plans upon utilizing any portion of private common area facilities on the plat or elsewhere to meet platting requirements, or intends to utilize any such facilities or common area facilities within the Porter Campus, if any, including but not limited to facilities such as off-site storm water conveyance and detention/retention, then the City shall pay all of the City's ongoing proportionate share of such common area maintenance, repair, replacement, management, and operation costs. Such proportionate share shall be calculated in the same manner described above for the Mutual Development Costs. If restrictive covenants are necessary, in NRHS' discretion, to secure and obligate the City's proportionate share payments of shared common area facilities, then the City agrees that such mutually agreeable restrictive covenants consistent with this Agreement shall be applied to the Senior Tract.

7. Final Plat for the NRHS Tract. NRHS will develop a final plat for the NRHS Tract. NRHS shall be responsible for all costs and expenses in proceeding with the final plat and all such applications, plans, engineering, surveys, title work, filings, and hearings involved with such process through approval.

8. Mutual Development Costs. In the event that any costs or expenses incurred by the Parties in order to achieve the Parties desired development and conveyances contemplated herein are not directly attributable to either the Senior Tract or the NRHS Tract (the “Mutual Development Costs”), the Parties shall split the Mutual Development Costs in proportions equal to the proportion that the gross square footage of surface land area of their respective tracts bear to the square footage of the entire Porter Campus. The Mutual Development Costs may include, but are not limited to, costs incurred in preliminary platting, replatting, rezoning, abstracting, surveying, engineering, designing, planning, inspecting, vacating, judicially determining ownership, or otherwise preparing the Porter Campus for the development and conveyance contemplated herein.

9. Public Art. The Parties desire to include high quality public art within the Porter Campus (the “Public Art”), as part of the development contemplated herein. The Parties intend to contract with the Norman Arts Council for project development, selection, and execution and installation of the Public Art. The Parties will work together to mutually determine the location, cost, expense, and timing of the installation of the Public Art.

Section III. Conveyance of Property

1. Conveyance. The current ownership within the Porter Campus, to the best knowledge of the parties, and subject to final title review, is illustrated on Exhibit B, attached hereto. The Parties desire to make such conveyances to each other in order to ensure NRHS owns full right, title, and interest to NRHS Tract, and the City owns full right, title, and interest to the Senior Tract. The City Tract shall include all desired right-of-way, public utilities, and public interests that the City desires to obtain and maintain within the Porter Campus. Additionally, as part of the transaction contemplated herein, NRHS shall convey the 718 Property to the City.

2. Purchase Agreement. The Parties shall enter into a binding purchase agreement that shall obligate the Parties to convey the necessary interests within the Porter Campus to the appropriate Party in order to achieve the desired ownership result contemplated herein. The value of the properties to be conveyed to each party shall be mutually determined in accordance with a recent appraisal obtained by NRHS, and as augmented by the value of the North Porter right of way value of NRHS land conveyed to the City for right of way expansion. In the event the values do not offset equally, payment shall be made in order to offset the value of the conveyances. Each property shall be conveyed in its current AS-IS, WHERE-IS, WITH ALL FAULTS condition with no representations or warranties as to property condition.

3. Title Curative Actions. The Parties understand and agree that portions of the Porter Campus require certain title curative actions in order to properly convey fee title to the appropriate Party, including, but not limited to, vacation of rights-of-way, vacation of alleyways, and quiet title actions in order to ensure no other entity or person may claim an interest to any portion of the Senior Tract or NRHS Tract. The Parties shall work together in good faith to complete these title curative

actions, including, but not limited to, supporting and joining in such actions as co-applicants or co-petitioners. The Parties shall obtain title commitments for each tract and shall take all necessary actions in order to satisfy the items listed on Schedule B, Part I Requirements.

4. Closing. Closing and conveyance of the necessary property interests shall occur as soon as reasonably practical after the development approvals and title curative actions have been completed.

Section IV. Miscellaneous

1. Costs and Expenses. Unless otherwise stated in this MOU, each Party shall pay its own costs and expenses relating to the transactions, actions, and curative instruments necessary to carry out the intent of this MOU.

2. Execution of MOU. The Parties acknowledge that time is of the essence in development of the NRHS Tract and Senior Tract. This MOU may be executed in multiple counterparts.

3. Binding Agreements. Upon approval of this MOU, the City and NRHS will work together in good faith to move forward with obtaining the necessary approvals for development of the NRHS Tract and Senior Tract, commencing all required curative title actions, and entering into a binding purchase agreement to complete the conveyances contemplated herein.

4. Period. This MOU shall be in effect from the Effective Date until terminated in writing by either Party or upon execution of a binding purchase agreement, as contemplated herein, whichever is earlier. While this MOU is in effect, neither Party may sale, list for sale, lease, or otherwise convey any interest within the Porter Campus without prior written consent of the other Party.

THE CITY OF NORMAN, OKLAHOMA

Breea Clark, Mayor

Date: _____, 2021

Attest: _____
Brenda Hall, City Clerk

(SEAL)

Approved as to form and legality this ___ day of _____, 2021

Kathryn Walker
City Attorney/General Counsel

NORMAN REGIONAL HOSPITAL AUTHORITY

Richie Splitt
President & Chief Executive Officer

Date: _____, 2021

EXHIBIT A

Preliminary Site Plan

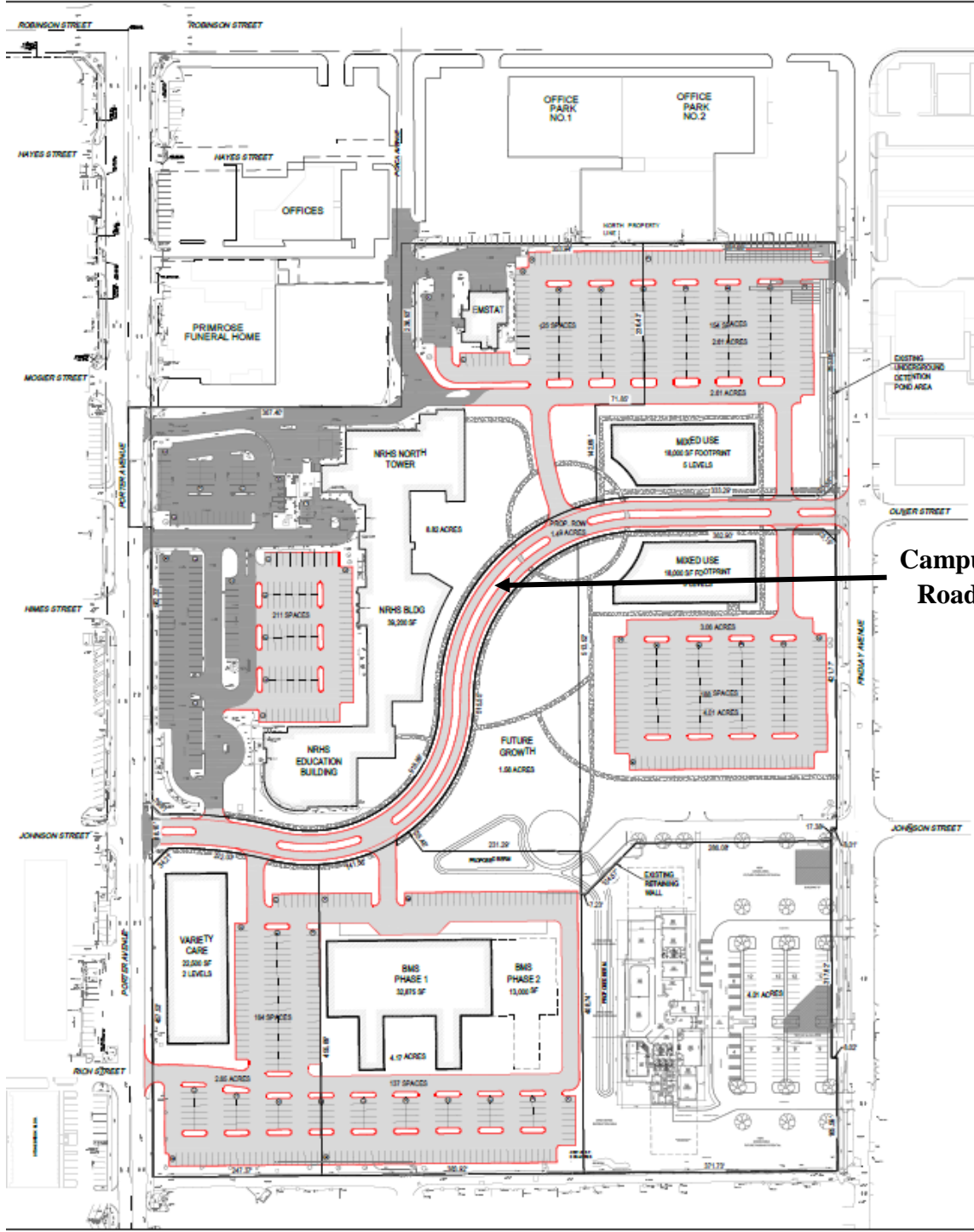


EXHIBIT B

Existing Ownership

