



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 09/26/2023

**REQUESTER:**

**PRESENTER:** Kathryn Walker, City Attorney

**ITEM TITLE:** CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT AND/OR POSTPONEMENT OF CONTRACT K-2324-83: A PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF NORMAN, OKLAHOMA AND THE BOARD OF CLEVELAND COUNTY COMMISSIONERS FOR THE SALE OF REAL PROPERTY LOCATED AT 718 N. PORTER IN NORMAN.

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### **BACKGROUND:**

Norman voters approved the Norman Forward Quality of Life Projects Sales Tax of 2015, which provided a one-half (1/2) percent sales tax dedicated to fund a number of Quality of life projects, including a Senior Wellness Facility (the "Facility"). After considering a number of locations for the new Facility, Council opted to locate it Facility on the southeast corner of the Porter Campus of the Norman Regional Health System ("NRH"). At the same time discussions were occurring about locating the Facility on the Porter Campus, discussions were also occurring between the City and NRH about property owned by NRH located at 718 N. Porter. As the Porter Campus redevelops, NRH communicated that it would no longer have a need for 718 N. Porter and expressed an interest in conveying it to the City. The City was interested in receiving the property at that time and a variety of uses were proposed, including a permanent night shelter, a sobering center, and a resource center. Ultimately, Council approved a Purchase and Sale Agreement with NRH on December 14, 2021 and upon closing on the transaction in May 2022, the City transferred its Porter Campus property to NRH in exchange for retaining the Senior Center tract and obtaining ownership of 718 N. Porter. 718 N. Porter has remained vacant since that time.

During an unexpected cold snap over the holidays, the fire sprinkler lines in the building froze, which resulted in a flooding event. This resulted in significant damage to both the first and second floors of the building. Council considered repairing the building and using it for a permanent night shelter, but costs to repair and update the building to current building standards for a more residential, overnight use were substantial.

Cleveland County approached the City about the possible purchase of the building for office and storage uses. After obtaining property repair estimates, the County offered a purchase price of \$500,000 and offered to pay all closing costs.

**DISCUSSION:**

Contract K-2324-83 would memorialize the County's offer. Upon the effective date of the contract, there is a 30 day due diligence period. After the expiration of this period, a closing date will be selected on which the transaction will be finalized. The County is purchasing the property in an AS-IS and WHERE-IS condition with all faults.

**RECOMMENDATION:**

Staff forwards K-2324-83 for Council consideration.