



MEMORANDUM

Council Agenda
Item No. IX. BR
08/15/2023

The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

Joint Resolution with the Oklahoma City Public Property Authority to be introduced, set for public hearing on August 29, 2023, and final consideration on September 12, 2023, declaring approximately a 2.68 acre tract of real property located within what is commonly described as the Oklahoma State Fair Grounds as surplus for Fairgrounds purposes; approving the sale of said tract as described in a real estate acquisition agreement in the amount of \$504,000 consideration to Oklahoma Gas & Electric; approving an electrical easement; authorizing the City Manager and the General Manager, or their designees, to represent The City of Oklahoma City and the Oklahoma City Public Property Authority, respectively at closing and to execute any and all documents necessary for the sale of the tract; approving the Land Acquisition Agreement; and granting Quit Claim Deed.

Background:

The City and OG&E entered into a Real Property Purchase Agreement dated December 4, 2017, wherein the City and OG&E agreed that as part of the consideration for the purchase of certain OG&E property located east of S. Broadway Avenue, west of S. Shields Blvd., south of SW 3rd Street, and north of SW 4th Street (the "Gold Building Site"), the City would cause to be conveyed to OG&E an approximate three (3) acre site Substation Site, and for which OG&E is obligated to pay to the City that portion of the fair market value of such property in excess of \$300,000.00.

The City and OG&E mutually identified a 2.68 acre site which has been determined surplus to Fairgrounds purposes and suitable for constructing and operating an electrical substation that will enable OG&E to provide dependable and sufficient supply of electric power to the Oklahoma City Fairgrounds and the surrounding area in support of recreational and educational purposes.

OG&E offered to purchase the site for its fair market value of \$504,000 as determined by an appraisal with the requirement to have a thirty-five (35) foot wide permanent easement along the west and south boundaries of the Substation Site.

Proceeds from the sale would be deposited in a Special Purpose Fund to be used for Fairgrounds purposes. If the City Council adopts the resolution, staff will take all other necessary steps to complete the transaction.

Revenue:

\$204,000 to be deposited in the Special Purpose Fund

Review:

City Manager's Office

Recommendation: Resolution be introduced and set for public hearing and final consideration.