



MEMORANDUM

OCPPA Agenda
Item No. PPA. C
08/29/2023

The City of OKLAHOMA CITY

TO: Chairman and Trustees of the Oklahoma City Public Property Authority

FROM: Craig Freeman, City Manager/General Manager, OCPPA

Amendment No. 2 to Sublease Agreement with The City of Oklahoma City and Oklahoma State Fair, Inc. to provide management services of property commonly known as the Fairgrounds, bounded generally between West Reno Avenue, NW 10th Street, North May Avenue and I-44. Ward 6.

Background:

The Fairgrounds is owned in fee simple by the City of Oklahoma City and the City leases the Fairgrounds to the OCPPA. On October 3, 2006, The OCPPA and the City subleased the Fairgrounds to Oklahoma State Fair, Inc., pursuant to an October 3, 2006 Sublease Agreement ("Sublease"). In consideration for Lessee's exclusive use of the Fairgrounds, Lessee manages and operates the property for the annual Oklahoma State Fair and other special purposes that provide substantial economic benefits to the City through increased sales and hotel taxes.

The Sublease was subject to an agreement with the Kirkpatrick Foundation, Inc. ("Foundation"), whereby the Foundation leased one building on the Fairgrounds property. The building lease with the Foundation terminated on August 31, 2022, at which time the facility became subject to the Sublease and became part of the Fairgrounds property to be operated and managed by Oklahoma State Fair, Inc.

Oklahoma Gas and Electric ("OG&E") seeks to purchase a tract of land on the Fairgrounds suitable for constructing and operating an electrical substation that will enable OG&E to provide a dependable and sufficient supply of electrical power to the Fairgrounds and the surrounding area in support of recreational and educational purposes with the requirement to have a thirty-five (35) foot wide permanent easement along the west and south boundaries of the Substation Site.

The parties wish to amend the Sublease a second time (Amendment Number Two to Sublease Agreement) to document the Lessee's consent to the Electrical Easement Agreement and sale of a portion of the Fairgrounds to OG&E, which will now no longer be part of the Fairgrounds, and to document the termination of the Kirkpatrick Foundation's lease of a building on the Fairgrounds, which will now become part of the Fairgrounds property subject to the Sublease with Oklahoma State Fair, Inc.

Review:

City Manager's Office

Recommendation: Amendment No. 2 to Sublease Agreement be approved.