THE CITY OF OKLAHOMA CITY OFFICE OF THE MUNICIPAL COUNSELOR

Council Agenda Item No. IX.F. 3/10/2015

TO: Mayor and City Council

FROM: Kenneth Jordan, Municipal Counselor

RE: Resolution rescinding prior authorizations for the acquisition and use of eminent domain to acquire fee simple title to the properties located in Blocks Three through Eight in the South Oklahoma Addition to Oklahoma City, Oklahoma County, Oklahoma, for the MAPS 3 Convention Center and its associated and ancillary uses; and ratifying the Dismissals Without Prejudice filed by the Municipal Counselor's Office on March 3, 2015, in the Oklahoma County District Court cases styled *City v. REHCO Downtown Development, L.L.C et al.*, CJ-2014-3270, and *City v. Donald G. Smith et al.*, CJ-2014-3329.

On December 20, 2011, the City Council adopted a Resolution authorizing City staff to negotiate the acquisition of properties located in Blocks Three through Eight in the South Oklahoma Addition to Oklahoma City, Oklahoma County, Oklahoma, for the MAPS 3 Convention Center using Oklahoma City Capital Improvements Sales Tax funds. Later, on March 18, 2014, the City Council adopted a Resolution of Necessity declaring it necessary to acquire fee simple title to such properties and authorized the use of eminent domain to acquire the properties.

On June 6, 2014, the City filed condemnation lawsuits against the owners of the properties, REHCO Downtown Development, L.L.C. et al., and Donald G. Smith et al., to acquire the properties for the MAPS 3 Convention Center and its associated and ancillary uses. During the litigation it became apparent that the parties were extremely far apart in their respective valuations of the properties and that an agreement as to the price of the properties was unlikely. Accordingly, on March 3, 3015, the Municipal Counselor's office, after consulting with the City Manager, and acting in the best interests of the City, filed a Dismissal without Prejudice in the Oklahoma County District Court cases styled *City v. REHCO Downtown Development, L.L.C et al.*, CJ-2014-3270, and *City v. Donald G. Smith et al.*, CJ-2014-3329.

The attached Resolution would do the following:

1. Rescind the City Council's prior authorizations for the acquisition and use of eminent domain to acquire fee simple title to the properties located in Blocks Three through Eight in the South Oklahoma Addition to Oklahoma City, Oklahoma County, Oklahoma, for the MAPS 3 Convention Center and its associated and ancillary uses; and

2. Ratify the Dismissals Without Prejudice filed by the Municipal Counselor's Office on March 3, 2015, in the Oklahoma County District Court cases styled *City v. REHCO Downtown Development, L.L.C et al.*, CJ-2014-3270, and *City v. Donald G. Smith et al.*, CJ-2014-3329.

<u>Recommendation</u>: Adopt the Resolution

Attachment