



# City of Norman, OK

Municipal Building  
Council Chambers  
201 West Gray  
Norman, OK 73069

## Master

**File Number: K-1516-10**

**File ID:** K-1516-10

**Type:** Contract

**Status:** Consent Item

**Version:** 1

**Reference:** Item No. 29

**In Control:** City Council

**Department:** Planning and  
Community  
Development  
Department

**Cost:** \$390,943.00

**File Created:** 06/30/2015

**File Name:** Contract with Norman Affordable Housing and Corp  
& CHDO for six apartments

**Final Action:**

**Title:** CONTRACT K-1516-10: A CONTRACT BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, NORMAN AFFORDABLE HOUSING CORPORATION, INC., AND NORMAN COMMUNITY HOUSING DEVELOPMENT 2015, INC. IN THE AMOUNT OF \$390,943 AS AGREED UPON UNDER THE FYE 2016 HOME INVESTMENT PARTNERSHIP PROGRAM TO CONSTRUCT SIX (6) TWO-BEDROOM UNITS LOCATED AT 301 AND 303 VICKSBURG CIRCLE TO BE USED FOR AFFORDABLE HOUSING IN THE CITY OF NORMAN.

**Notes:** ACTION NEEDED: Motion to approve or reject Contract K-1415-10 with Norman Affordable Housing Corporation and Community Housing Development Organization, Inc., in the amount of \$390,943; and, if approved, authorize the execution thereof.

ACTION TAKEN: \_\_\_\_\_

**Agenda Date:** 07/14/2015

**Agenda Number:** 29

**Attachments:** Project Summary CHDO, K-1516-10, Pr CHDO,  
CHDO PR part 2

**Project Manager:** Lisa Krieg, Grants Planner

**Entered by:** lisa.krieg@normanok.gov

**Effective Date:**

### History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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### Text of Legislative File K-1516-10

Body

**BACKGROUND:** This Written Agreement is between the City of Norman, Norman Affordable Housing Corporation, Inc. and Norman CHDO 2015, Inc. to construct a six unit apartment complex located at 301 and 303 Vicksburg Circle, Norman, OK. HOME funding is available in the amount of \$250,924 (budgeted in FYE 2013, FYE 2014, FYE 2015 and FYE 2016) along with HOME Community Housing Development Organization (CHDO) funding (budgeted in FYE 2014, FYE 2015, and FYE 2016) to the Norman CHDO 2015, Inc. in the amount of \$140,019 for a total investment by the City of Norman of \$390,943. The City of Norman funds are to be combined with \$125,000 of funds from Norman Affordable Housing Corporation. The remaining funds needed for this proposal will be a mortgage with the property as collateral.

**DISCUSSION:** The six two-bedroom units will be constructed by Norman CHDO 2015, Inc. in partnership with Norman Affordable Housing Corporation to expand the availability of affordable housing to the community at large. The project will consist of a single story duplex located at 301 Vicksburg Circle and a two story fourplex to be located at 303 Vicksburg Circle. Both of these vacant lots are currently owned by Norman Affordable Housing Corporation, Inc. and will be donated to the project. Preliminary plans include four of the six units to be designed and constructed to be accessible to persons with a physical disability. Both structures will be served by a common drive and parking area as allowed. Two of the units will rent at rates affordable to households at or below 50% of the Median Family Income with an approximate rent of \$580 per month; and the other four units will rent at rates affordable to households at or below 80% of the Median Family Income or approximately \$600 per month.

The HOME Investment Partnerships Program requires that projects utilizing HOME funds remain affordable and be occupied by households meeting the income requirements for a specific period of time, depending on the type of construction and the amount of HOME funds utilized. This project will require a twenty (20) year period of affordability. The Period of Affordability will be secured by a Deed of Trust that is filed on the property. The City of Norman will maintain the certification and recertification pertaining to the affordability throughout this period insuring compliance.

This project is collaboration between the City of Norman, Norman Affordable Housing Corporation, Inc. and Norman CHDO 2015, Inc. The Written Agreement to be executed outlines the roles and responsibilities that each entity is required to fulfill.

The \$125,000 of funds being provided by the Norman Affordable Housing Corporation was the result of an investment the Norman City Council made with the proceeds from the sale of the Kingsgate Property in 2005. The funds provided to Norman Affordable Housing to purchase residential property to be rented at affordable rates has provided a substantial return and is now being reinvested into this project, thus perpetuating the return on the investment by the City of Norman. This is the second project of this type that the City of Norman has undertaken to expand the availability of affordable housing. Contract K-1314-144 was approved in June of 2014 between Food and Shelter, Inc. and Norman Affordable Housing, Inc. for a similar project located on Glen Oaks Drive. The purchase and rehabilitation of the Glen Oaks project is complete and fully occupied.

**RECOMMENDATION:** Staff recommends approval of Contract K-1516-10 with the Norman Affordable Housing Corporation and Norman CHDO 2015, Inc. in the amount of \$390,943. Funds are available in the following accounts:

Rental Rehabilitation - 021-4076-463.47-12 - \$13,277  
Rental Rehabilitation - 021-4079-463.47-12 - \$35,224  
CHDO - 021-4079-463.47-98 - \$47,875  
Rental Rehabilitation - 021-4087-463.47-12 - \$198,550  
CHDO - 021-4087-463.47-98 - \$47,711  
Rental Rehabilitation - 021-4091-463.47-12 - \$3,873  
CHDO - 021-4091-463.47-98 - \$44,433