



CITY OF NORMAN, OK CITY COUNCIL CONFERENCE

Municipal Building, Executive Conference Room, 201 West Gray, Norman,
OK 73069

Tuesday, May 09, 2023 at 5:30 PM

MINUTES

It is the policy of the City of Norman that no person or groups of persons shall on the grounds of race, color, religion, ancestry, national origin, age, place of birth, sex, sexual orientation, gender identity or expression, familial status, marital status, including marriage to a person of the same sex, disability, relation, or genetic information, be excluded from participation in, be denied the benefits of, or otherwise subjected to discrimination in employment activities or in all programs, services, or activities administered by the City, its recipients, sub-recipients, and contractors. In the event of any comments, complaints, modifications, accommodations, alternative formats, and auxiliary aids and services regarding accessibility or inclusion, please contact the ADA Technician at 405-366-5446, Relay Service: 711. To better serve you, five (5) business days' advance notice is preferred.

CALL TO ORDER

Mayor Heikkila called the Meeting to Order at 5:30 p.m.

PRESENT

Mayor Larry Heikkila
Councilmember Ward 1 Austin Ball
Councilmember Ward 2 Lauren Schueler
Councilmember Ward 4 Helen Grant
Councilmember Ward 5 Rarchar Tortorello
Councilmember Ward 7 Stephen Holman
Councilmember Ward 8 Matthew Peacock

ABSENT

Councilmember Ward 6 Elizabeth Foreman

AGENDA ITEMS

1. DISCUSSION REGARDING REQUEST FOR PROPOSALS FOR THE AFFORDABLE RENTAL HOUSING PROGRAM PROPOSED FOR THE INTERSECTION OF IMHOFF ROAD AND OAKHURST AVENUE.

Mr. Anthony Purinton, Assistant City Attorney, property targeted to purchase is located at the northeast corner of Imhoff Road and Oakhurst Avenue. He said the City obtained the property a little under appraised value and should be closing on the property this week. He said the low income housing tax credit (LIHTC) is typically used for multi-family apartment unit or duplex developments. He said the City is issuing a Request for Proposal (RFP) for developers, which will help find qualified developers with a history of Oklahoma Housing Finance Agency (OHFA) Tax Credit awards. The RFP is modeled

after OHFA's application to ensure the chosen developer has a high probability of success in being awarded LIHTC funding.

Mr. Purinton said American Rescue Plan Act (ARPA) funds will be used for the project and ARPA requirements for affordable housing loans are the loan must be for at least 20 years; money comes back free of ARPA requirements; funds must be encumbered by the end of 2024 and spent by the end of 2026; and the funded project must meet certain requirements. There is an opportunity to use the returning funds to create a revolving fund for similar projects.

Proposers must meet long-term affordability requirements, i.e., ARPA – 20 years; OHFA – 30 years; and RFP – 30 years. Ms. Lisa Krieg, Community Development Block Grant (CDBG)/Grants Manager, said 10% of the units are required to be affordable at households earning 30% of median household income and these will have project based Section 8 assistance provided by the Norman Housing Authority. The remaining units must be affordable to households earning 60% of median household income and bonus points will be awarded for proposals that have units affordable at 50% median household income.

A 30% median household income for one person would be \$17,200; two people would be \$19,680; three people would be \$22,140; and four people would be \$24,570. A 50% median household income for one person would be \$28,700, two people would be \$32,800, three people would be \$36,900; and four people would be \$40,950. A 60% median household income for one person would be \$34,440; two people would be \$39,360; three people would be \$44,280; and four people would be \$49,140.

Maximum rents including utilities for 30% median household income for an efficiency would be \$430; one bedroom would be \$461; two bedrooms would be \$553; and three bedrooms would be \$639. Maximum rents including utilities for 50% median household income for an efficiency would be \$717; one bedroom would be \$768; two bedrooms would be \$922; and three bedrooms would be \$1,065. Maximum rents including utilities for 60% median household income for an efficiency would be \$861; one bedroom would be \$922; two bedrooms would be \$1,107; and three bedrooms would be \$1,278.

Proposers must meet certain design criteria that include a minimum number of units, accessibility, and visitability requirements. A bonus is given for certain design elements, e.g., storm shelters, washers/dryers, etc.

Mr. Purinton said this is an investment the City wants to protect and protections already exist in OHFA's guidelines. He said it is extremely important to choose an experienced developer who knows all applicable regulations. Additional protections will be incorporated into any agreement with the developer and protections will likely include affordability period protections (must maintain affordability for 30 years), repayment of loaned funds, and certain requirements must be met before funds are given.

Mayor Heikkila asked about maintenance and Ms. Krieg said maintenance is required and will be tracked by OHFA. She said RFP requirements include ensuring adequate funding reserves for replacement needs for the extended period of affordability.

Next Steps include RFP publication and distribution on May 5, 2023, using OHFA's underwriting standards for grading RFP's; selection committee creation and selection process; contract negotiations with developer; Council approval; and the City will be responsible for rezoning subject property based on development chosen. The RFP will be requesting a minimum of 75 units whether that is multi-family or duplexes.

Councilmember Grant asked who would be on the selection committee and asked for more information on the selection process. Ms. Krieg the selection committee will consist of Mr. Kevin Hopper, a commercial banker with First United Bank, Ms. Karen Canavan with Norman Housing Authority; and Ms. Lee Hall, Norman Citizen and former Ward Four Councilmember. She said in regards to the selection process, Staff and the committee will review the package the developer submits and the RFP has established ranking criteria for awarding points. The City will be offering a 20-year loan at three percent (3%), which is substantially below market rates and will bring the developers costs down.

Mr. Purinton said the four main criteria for the selection committee includes previous experience/qualifications, actual design (does it meet needs), cost feasibility of project, and bonus points for additional design elements.

Councilmember Peacock asked how the City will grow the fund and Mr. Darrel Pyle, City Manager, said Staff will be considering options for Council's review.

Items submitted for the record

1. PowerPoint entitled, "City of Norman Affordable Housing Project Update," presented by Lisa Krieg, CBDG/Grants Manager, and Anthony Purinton, Assistant City Attorney

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ADJOURNMENT

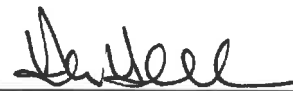
The meeting was adjourned at 5:58 p.m.

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ATTEST:



City Clerk



Mayor

