



MEMORANDUM

Council Agenda
Item No. IX. BI
4/9/2024

The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

Joint Resolution with the Oklahoma City Economic Development Trust to be introduced and set for public hearing and final consideration on April 23, 2024, approving the allocation of General Obligation Limited Tax Bond proceeds and/or General Obligation Limited Tax Bond investment proceeds in an amount of \$2,000,000, to provide for certain Community Development Incentives for the Alley's End Affordable Housing Project consisting of 211 affordable housing units at North E.K. Gaylord Boulevard and NW 4th Street, which will result in a total capital investment of approximately \$52,086,982; and authorizing negotiation of an Economic Development Agreement with the developer. Ward 6.

Location:

North E.K. Gaylord Boulevard and NW 4th Street

Background:

On September 12, 2017, the citizens of Oklahoma City also expressed their desire to support the City's economic development efforts by voting approval of Proposition #4 allowing for the issuance of \$60,000,000 in General Obligation Limited Tax ("GOLT") Bonds, of which \$10,000,000 was subsequently designated by City Council specifically for the support of affordable housing projects in Oklahoma City.

To date, the City and the Trust have approved the allocation of approximately \$7,900,000 of the GOLT affordable housing budget for such projects including Creston Park, Mt. Vernon, Page Woodson, Harmony. 700 West, Fairground Flats, and Oak Grove.

City staff received an application from Alley's End OKC, LLC seeking assistance in the amount of \$2,000,000 to support the acquisition and construction of a 211-unit affordable housing complex to be located at North E.K. Gaylord Boulevard and NW 4th Street in Oklahoma City, which will result in a total capital investment of approximately \$52,086,982.

The Affordable Housing Review Committee ("AHRC") reviewed the request on May 16, 2023, and recommends the allocation as a \$2,000,000 forgivable loan to be provided upon completion of construction; 25% occupancy; certain annual obligations; and subject to various other terms and conditions to be set forth in an Economic Development Agreement.

It is further the recommendation of City staff and the AHRC that the General Manager of the Trust be authorized and directed to negotiate an Economic Development Agreement in conformance with the General Obligation Limited Tax Bond – Affordable Housing Program as a \$2,000,000 forgivable loan to be forgiven only upon the Developer's meeting of certain annual obligations within the Economic Development Agreement.

Review:

Finance

Recommendation: Joint Resolution be adopted.