

TO: Chairman and Trustees of the Oklahoma City Economic Development Trust

FROM: Craig Freeman, General Manager

Joint Resolution of the Oklahoma City Economic Development Trust and The City of Oklahoma City approving the allocation of General Obligation Limited Tax Bond proceeds and/or investment proceeds in an amount not to exceed \$1,250,000 to provide an economic development incentive to the Community Enhancement Corporation and the Oklahoma City Housing Authority for Phase One of the three phase Creston Park Neighborhood Affordable Housing Project, which will provide for the expansion of affordable housing opportunities in Oklahoma City; and authorizing and directing the General Manager and/or designee to negotiate an Economic Development Agreement with the Community Enhancement Corporation for subsequent Trust consideration and approval. (GOLT-AH)

**Location:**

NE 28th Street and Martin Luther King Avenue

**Background:**

On September 12, 2017, the voters of Oklahoma City approved the issuance of an amount not to exceed \$60,000,000 of taxable Economic Development General Obligation-Limited Tax Bonds, of which \$10,000,000 was specifically allocated for affordable housing projects. The Oklahoma City Economic Development Trust has approximately \$3,450,000 in GOLT Bond proceeds and/or investment income on hand specifically allocated for affordable housing projects.

City staff has received a request from the Oklahoma City Housing Authority (“OCHA”) and the Community Enhancement Corporation (“CEC”), the 501(c)(3) real estate development arm of the OCHA, (jointly the “Developer”) seeking assistance in development financing in an amount of \$1,250,000 from the Affordable Housing component of the 2017 General Obligation-Limited Tax bond funds (“GOLT”) to support the construction of Phase I of the Creston Park Neighborhood Affordable Housing Project (“Project”) which will be a new urban neighborhood built to replace the existing Northeast Duplexes (an old 159 unit public housing community owned by OCHA), located at Northeast 28th Street and Martin Luther King Avenue, with Phase I of the Project consisting of the construction of 170 affordable units. The Developer has proposed the construction of the Project will be completed in three phases, with Phase I resulting in the expenditure of approximately \$40,000,000, Phase II resulting in the expenditure of approximately \$61,000,000 and Phase III resulting in the expenditure of approximately \$30,000,000, for a total of more than \$130,000,000 in expected expenditures.

The Project, consisting of three phases, will be developed through a joint venture of the OCHA

and CEC and when all three phases are complete will result in the demolition of 159 existing structures in poor condition and the construction of approximately 588 affordable units including 370 new family homes consisting of a mix of townhomes, flats, and four-plex cottages available to residents making from zero to 80% of the area median income, the construction of a senior healthcare campus consisting of 95 affordable assisted living and 64 memory care beds, the construction of approximately 10,000 square feet of commercial space that will be built out as a retail incubator and workforce development program, a central hub consisting of a property community center, a nationally designated family resource center and an education center for distance and online learning for children and adults, and the construction of a 60 unit senior independent living facility.

The City received an application from CEC in June 2021 which was reviewed by the internal Affordable Housing Review Committee (“AHRC”) on June 30, 2021, with a recommendation that an allocation in an amount not to exceed \$1,250,000 be approved with a 20-year affordable housing requirement.

Adoption of the attached resolution authorizes the OCEDT General Manager or his designee to begin negotiations with Community Enhancement Corporation for the development of an Economic Development Agreement and approves the allocation of \$1,250,000 in General Obligation Limited Tax Bond proceeds and/or investment proceeds for the Economic Development Agreement with Community Enhancement Corporation.

**Recommendation:** Joint Resolution be adopted.