



MEMORANDUM

Council Agenda
Item No. IX. V
8/29/2023

The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

Resolution approving a sole source Professional Services Agreement with Neighborhood Housing Services Oklahoma City, Inc., to service a portfolio of housing rehabilitation loans in conjunction with federal and private grant loan programs, not to exceed \$8,000, retroactive to July 1, 2023 through June 30, 2024.

Background:

The City of Oklahoma City has a portfolio of housing rehabilitation loans that require monthly payments by loan recipients who would not qualify for traditional bank financing programs. These are generally low-interest rate or interest-free loans. Due to the in-house administrative burden of servicing the loans, Neighborhood Housing Services Oklahoma City, Inc. (NHSOKLA), was selected in 2003 through a request for proposal process to service the loan portfolio.

NHSOKLA has been managing the loan portfolio since November 4, 2003, with the most recent Agreement approved by Council on 09/13/2022 (Item No. IX.AA.) The portfolio management has required NHS to receive specific training on loan servicing computer software, and the City's borrowers have become accustomed to conducting business with NHS. Altering the process or changing loan-servicing providers would cause delays and create disruptions in the administration of the loan portfolio.

The cost of the loan servicing is paid from Community Development Block Grant program funds at a rate of \$20.50 per loan per month. The loan portfolio is currently comprised of approximately 30 loans.

Cost:

Not to exceed a unit fee of \$20.50 per loan per month, or approximately \$8,000.00 per year.

Source of Funds:

Grants Management-Department of Housing and Urban Development- CDBG Entitlement- B-23-MC-40-0003 (019-6140-2408000-G3110-G80428)

Review:

Planning Department

Recommendation: Resolution be adopted.