

Grantee: Oklahoma State Program

Grant: B-11-DN-40-0001

October 1, 2012 thru December 31, 2012 Performance Report



Grant Number:

B-11-DN-40-0001

Obligation Date:**Award Date:****Grantee Name:**

Oklahoma State Program

Contract End Date:

03/09/2011

Review by HUD:

Submitted - Await for Review

Grant Amount:

\$5,000,000.00

Grant Status:

Active

QPR Contact:

Robin Slawson

Estimated PIRL Funds:**Total Budget:**

\$5,000,000.00

Disasters:

Declaration Number

NSP

Narratives

Summary of Distribution and Uses of NSP Funds:

Program Design – State of Oklahoma NSP3

In designing the State's NSP3 program, the Oklahoma Department of Commerce/Community Development (ODOC/CD) must consider the costs, timeliness, and efficiency of delivery as weighed against the community's needs and goals. If the resource limitations will hinder the one grantee's ability to deliver a desired program type, obviously it would be more prudent to consider another applicant's approach that may prove to be more successful. Priority goals must be those that are achievable given resources and capacity, and must offer the best opportunities to maximize impact and result in long-term sustainable revitalization.

HUD has published the NSP3 Program Design Guidebook to assist grantees like the State with design strategies based on local market conditions and grantee capacity. NSP3 funding, as expressed by HUD, is intended to reflect the community's vision of how it can make its neighborhoods not only more stable, but also more sustainable, inclusive, competitive, and integrated into the overall metropolitan fabric, including access to transit, affordable housing, employers, and services. The HUD NSP3 Program Design Guidebook suggests that states may wish to consider selecting projects, competitively or otherwise, before submitting the Amended Action Plan. This offers several advantages. First, it enables the state to know exactly which target areas are being addressed, rather than a large list of possibilities. Second, it places the start date of the program at the end of the selection process, not before it. This enables state subrecipient(s) to start immediately and have three full years to meet the expenditure requirement.

Borrowing from this HUD guidance, given the low \$5 million statewide NSP3 grant amount and borrowing from HUD's recommendation of narrowing the field of potential areas in advance, ODOC/CD has elected to conduct a competitive process in order to select subrecipient(s) for NSP3 funding.

ODOC/CD has analyzed statistical data provided by HUD in order to develop a universe of communities, and block groups within them that need assistance through the Neighborhood Stabilization Program. ODOC/CD will also require that individual recipients provide more detailed local targeting before any NSP3 funding is awarded from the State. This requirement will be satisfied through the submission of the NSP3 application to ODOC/CD.

Additionally, given the short availability of funding, ODOC/CD considers CAPACITY of the applicant to carry out an eligible NSP3 activity to be a very important factor in NSP3 applicant selection. Funding an entity that simply has need but cannot successfully manage or expend the available funds in the allotted amount of time will not provide any program benefit. ODOC/CD reserves the right of final determination for all capacity related issues regarding Areas of Greatest Need.

Due to the complexity of the NSP program and HUD's desire to have grantees award and spend funds in a timely fashion, ODOC/CD will give priority to eligible applicants or program administrators that exhibit strong capacity to administer the NSP program. These may include: (1) knowledge, implementation and compliance activities funded through the previous NSP1 program; and (2) experience administering and delivering specific activities for which would be used.

Referencing supplied HUD statistical data, ODOC/CD determined that it will use the following three sources of data which best define its areas of greatest need:

- 1. HUD (NSP3) Estimated Foreclosure Abandonment Risk Score – Measures the estimated foreclosure and abandonment risk of every Census block group in Oklahoma. This score includes data to assess areas with the greatest percentage of home foreclosures, the highest percentage of homes financed by a subprime mortgage-related loan, and identified as likely to face a significant rise in the rate of home foreclosures. The HUD Estimated Foreclosure Abandonment Risk Score also addresses all of the statutorily required needs factors. This score is scaled from 0 to 20, with 20 being the highest or greatest risk. A complete listing of the HUD Estimated Foreclosure Abandonment Risk Score and data for each Census block group is available at the following HUD NSP website:

<http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/>

Qualified Areas of Greatest Need: ODOC/CD has determined that any recipient of NSP funds must have within its geographic jurisdiction a



Census block group with a HUD foreclosure and abandonment risk score of seventeen (17) or higher.

- 2. Area Benefit Qualified: Residents of a primarily residential area in which at least 51% of the residents have incomes at or below 120% of area median income. A complete listing of the area benefit below 120% and data for each Census block group is available at the following HUD NSP website: <http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/>

- 3. Number of housing units needed to make an impact in identified target areas (IMPACT). This number presumes that a minimum of 20 percent of REO units in a target area would need to be addressed to make a visible impact in the area. In general, grantees need to identify target areas that are small enough so that their NSP3 investment has a chance of making this impact.

ODOC/CD will share the allowable ten percent (10%) of the total allocation of NSP3 funds available for administrative uses as follows: Three percent (3%) shall be retained by ODOC/CD for administrative and monitoring requirements of the program and seven percent (7%) of the remaining allowable administration shall be available to the grantee(s) receiving the funds.

Eligibility – State of Oklahoma NSP3

After careful review of HUD NSP3 guidance along with the invaluable experience gained from the NSP1 program, ODOC/CD has determined that the following “threshold” elements will serve as the basis for eligibility under the State of Oklahoma’s NSP3 program.

Qualified Areas of Greatest Need - Any recipient of NSP3 funds must have within its geographic jurisdiction a Census tract/block group with a HUD foreclosure and abandonment risk score of seventeen (17) or higher. HUD has developed a foreclosure and abandonment risk score to assist grantees in targeting the areas of greatest need within their jurisdictions. Census block groups listed as a primarily residential area in which at least 51% of the residents have incomes at or below 120% of area median income were further used as a threshold for qualifying as an Area of Greatest Need.

NSP Eligibility:

1. Applicant must have demonstrated Housing (Rental/New/Rehab) capacity.
2. Applicant must target an area with HUD established risk scores of 17 or higher to qualify.
3. Applicant must concentrate efforts into ONE general/eligible area. (CONCENTRATION)
4. Minimum grant request: \$1,000,000
5. All proposals must contain eligible activities located in HUD approved targeted areas as evidenced from the mapping and subsequent reports gained from the HUD online NSP3 Foreclosure Need Map Targeting Widget.
6. Applicant must have demonstrated ability to provide NSP3 related information:
 - § Provide HUD Online mapping to ODOC and generate online report and submit to ODOC.
 - § Provide HUD Required Market Analysis.
 - § NSP3 grantees are required to establish procedures to create preferences for the development of affordable rental housing for properties assisted with NSP3 funds.
 - § Must have sufficient staffing and NSP training to meet proposed project goals and deadlines.

NSP3 Proposal Evaluation & Scoring:

Applications will be evaluated competitively on the based on the categories below. It is important to note that simply inflating numbers or figures in order to gain additional points will not be permitted. NSP1 will in most cases provide an appropriate check and balance as to the validity of the applicant’s stated goals. Past performance under NSP1 will carry a great deal of weight under the evaluation process.

1. TARGETED IMPACT AND NEIGHBORHOOD STABILIZATION: (0-40 Points)

Priority will be given to those proposals that can demonstrate a strong connection to other neighborhood stabilization activities which are on-going in the area such as NSP1. The applicant should link NSP funded activities to foreclosure and abandonment problems caused by problematic mortgage lending activities. Points will favor highly CONCENTRATED areas as emphasized by HUD for NSP3.

ODOC/CD will evaluate the data sheets provided by HUD to the proposed grantee for “the estimated number of properties needed to make an impact in the identified target area”. The data sheet provided by HUD will list an actual number of properties needed for impact. ODOC/CD will look at this number and use it as a gauge of impact and further scrutinize the number against capacity of the proposed grantee to effectively reach this targeted goal.

2. CAPACITY AND READINESS TO EXECUTE PLAN: (0-20 Points)

ODOC/CD will evaluate the data sheets provided by HUD to the proposed grantee for the identified target area.

Knowledge, implementation and compliance of activities funded through the CDBG Program: ODOC/CD will also assess any significant monitoring findings or program weaknesses that were present under the applicant’s NSP1 program, as well as performance on NSP1 reporting requirements.

Experience administering and delivering the specific activities for which the NSP funds would be used: If significant administrative responsibilities will be assigned to another entity/corator, the experience of that entity will be considered as well.

The time frame to in to implement and complete the project.

3. NSP1 OBLIGATION RATE: (0-20 Points)

Points will be awarded based on previous NSP1 obligation rates. These rates will be taken from obligation rates established on September 20, 2010. This date marked the official HUD NSP1 obligation deadline for the State of Oklahoma.

100%	20 Points
99% - 90%	15 Points
89% - 75%	10 Points
74% - 0.0%	0 Points

4. LEVEL OF BENEFIT FOR THOSE <50% OF AREA MEDIAN INCOME: (0-15 Points)

NOTE: Should a NSP3 grant be awarded, the level of benefit indicated in this application will serve as the required level of benefit to that grantee’s NSP3 program. Failure to meet this goal may result in a de-obligation of NSP3 funding. For the purposes of the NSP3 program, the State has determined that the MINIMUM level of benefit will be set at 30%.

30%	Minimum Required – 0 points
31% - 50%	5 Points
51% - 75%	10 Points
75% - 100%	15 Points

5. TOTAL NUMBER OF HOUSING UNITS PROPOSED TO BE REHABBED OR CONSTRUCTED: (0-10 Points)

An applicant must clearly demonstrate the level of housing that can be produced. NSP1 experience should provide an appropriate measure as



to a realistic level of housing that can be accomplished.

6. PARTNERSHIP/LEVERAGE AND COORDINATION: (0-5 Points)

Connections should be made to other publicly and privately funded efforts in the area toward neighborhood stabilization. Scoring will be improved by demonstrating the use of NSP funds in conjunction with other programs in an overall larger strategy.

7. Quality of Application: (0-5 Points)

Points will be given based on the level of quality of the NSP3 application. Did the application have all required documentation completed properly? Were all narratives fully addressed? Was the four (4) step submission process followed? Was the mapping completed as required? Was the Market Analysis adequate?

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(Performance) Timely Use and Expenditure of NSP3 Funds

NSP3 grantees must expend on eligible NSP3 activities an amount equal to or greater than the 50 percent of the initial allocation of NSP3 funds within two (2) years of receipt of those funds and 100 percent of the initial allocation of NSP3 funds within three (3) years of receipt of those funds or HUD will recapture and reallocate the amount of funds not expended or provide for other corrective action(s) or sanction. A grantee will be deemed by HUD to have received its NSP3 grant at the time HUD signs the State's NSP3 grant agreement. ODOC/CD will require a timeline and expected outcomes as part of this application submission. Should the applicant be awarded NSP3 funding, ODOC/CD will review the recipient's progress after 120 days from start date of contract; determine whether the funds are being committed in a timely manner and whether there has been progress made against the recipient's stated goals. Should the NSP3 recipient not be meeting standards, ODOC/CD will re-evaluate the contract and may elect to suspend further assistance to the NSP3 recipient and re-allocate those funds to other NSP3 recipient(s). In the rare instance that NSP3 funding should need to be reallocated based on a subrecipient's lack of performance, this could possibly include applicants who did not score high enough initially and were not selected. These applicants would be approached in order based on overall NSP3 scoring on their original NSP3 application and the amount of funding available for reallocation.



ODOC/CD reserves the right to adjust contracted amounts based upon actual performance and progress in order to maximize use of funds within the HUD mandated guidelines.

How Fund Use Addresses Market Conditions:

Project Area:

The City proposes to allocate NSP3 funds for the acquisition of property for the development of a multifamily rental housing project in the City's downtown core revitalization area. Approximately 38 units will be developed with NSP3 assistance at the level of funding proposed. Private or other public funds will be leveraged to develop additional units for a mid-to-high density project. The total number of units in the project is proposed at 249.

The proposed target area is a single geography inclusive of Census Tract Block Groups 1029001, 1037001 and 1038002. The total contiguous area is approximately three square miles of the center city including districts known as the "Upper Core-To-Shore" redevelopment area, the "Bricktown" warehouse redevelopment area, the "Upper John F. Kennedy" urban renewal development area, and the City's burgeoning "Boathouse District."

The target area is included as part of a high profile redevelopment plan, which has seen a multi-million dollar revitalization over several years from the City's Metropolitan Area Projects phase 1 (MAPS1) implementation and planned development through MAPS2 and MAPS3 initiatives. Combined current and future public and private investment is estimated in the billions. Previous and planned commercial, retail and transportation improvements will be supported by new housing development; the proposed NSP3 investment will allow for much needed mixed-income housing as a model for future workforce housing development in the area.

The target site is within the Bricktown warehouse redevelopment district. A recent downtown housing study indicates high residential appeal for the district among moderate income groups, and cites Bricktown as a prime location for affordable housing development.

Current Housing Market:

The housing vacancy rate of the project area based on 2000 Census data is 22.6 percent, more than double the City's overall housing vacancy rate as derived from comparable data.

High Cost Rental Market:

Newly constructed or renovated multifamily housing located in the downtown or near downtown area is priced well above regional averages and is therefore unaffordable to the lower income segment of the general population and specifically unaffordable to the current resident population of the target area. Newly constructed rental units proximate to the target area rent for well over \$1.00 per square foot. The Oklahoma City average for similar sized units is closer to \$0.65 per square foot. The market for renters of the higher cost units consists of higher than average wage earners. However, job growth sectors in the downtown, near downtown and NSP3 target area over the next several years is projected to favor younger workers earning a low to middle income salary. A rising absorption rate for high cost rental units in and around the downtown area implies that the demand for rental housing in the near term will be met through production of more affordable units. Demographics of the target area show that residents of the NSP3 target area are almost exclusively in the low, moderate and middle income segment and are eligible for NSP3 assisted housing and affordable rental rates. Future job growth projections indicate expansion of this income segment. Providing a sufficient supply of affordable rental housing in the downtown and near downtown area is necessary to meet the housing needs of this growing population.

Employment in the Market Area:

Local employment projections prepared by the Oklahoma Employment Security Commission indicate the largest employment gains, at nearly 15,000 jobs, will come in Health Care and Social Assistance. This is particularly significant for the downtown and near downtown areas adjacent to the Health Sciences Center, Medical Center, and St. Anthony Hospital. Other major employment gains are projected to come from education services, administrative and support services, waste management, retail trade and service industries. Of a potential 45,000 new jobs in these sectors, a large majority, 77 percent, will not require a college degree. This means that even with strong employment growth most new jobs will be low skill, lower paying jobs. New housing opportunities in and immediately around the downtown area should be developed both for those existing dwellers of lower income and those who may soon work and wish to live in the area.

Ensuring Continued Affordability:

Long Term Affordability: Under NSP, all grantees are required to adopt a definition of continued affordability that at a minimum is at least as strict as the HOME program standards at 24 CFR 92.252(a), (c), (e), and (f), and 92.254. HOME program standards can be used as a safe harbor, but if an alternative standard is applied it must be equal to or exceed the HOME standard.

Home Affordability Standards:

Activity

Minimum Period of Affordability in Years

Rental Housing

ü Rehabilitation or acquisition of existing housing per unit
amount of NSP funds: Under \$15,000

5

ü Rehabilitation or acquisition of existing housing per unit
amount of NSP funds: \$15,000 - \$40,000

10

ü Over \$40,000 or rehabilitation involving refinancing

15



ü New Construction or acquisition of newly constructed housing

20

Homeownership Assistance &ndash Amount Per Unit

ü Under \$15,000

5

ü \$15,000 to \$40,000

10

ü Over \$40,000

15

Definition of Blighted Structure:

For the purposes of the target geography, under Oklahoma State law a blighted structure is understood in the context of the Oklahoma Urban Renewal Law, 11 O.S. 38-101:

The Oklahoma Urban Renewal Law defines blighted as one or more of the following conditions: dilapidation, deterioration, inadequate sanitation or open space, population overcrowding, improper or obsolete subdivision, improper street layout, traffic congestion or lack of parking for existing or proposed uses, unsanitary or unsafe conditions, diversity of ownership or unusual conditions of title, tax assessments that exceed the value of the property, or other conditions that substantially impair or arrest growth or constitute an economic or social liability or endangers life or property.

Under the Oklahoma Urban Renewal Law only the Oklahoma City Urban Renewal Authority is authorized to condemn blighted property for redevelopment in Oklahoma City. Before the Urban Renewal Authority can condemn private property, the City Council must: 1) declare the area in which the property is located as blighted, 2) approve an Urban Renewal Plan for the redevelopment of the area and 3) authorize the Urban Renewal Authority to use the power of condemnation to acquire property within the area.

Definition of Affordable Rents:

Income-eligible households will pay no more than 30 percent of their adjusted income toward rent. If the housing unit or family receives a rent subsidy, the rent will be consistent with Fair Market Rent (FMR) standards for the Oklahoma City, OK HUD Fair Market Area, which is established by HUD periodically for dwelling units of varying sizes and published in the Federal Register. The City of Oklahoma City relies on the Oklahoma City Housing Authority to determine rent reasonableness for the market area and to provide qualifying individuals and families with tenant and project based subsidies to make up any difference between the 30 percent of adjusted income and the Fair Market Rent.

Housing Rehabilitation/New Construction Standards:

****Housing Rehabilitation:**

Not applicable. Only new rental housing construction is proposed by the City for use of NSP3 funds.

****New Construction Standards:**

In accordance with City adopted standards, all housing redevelopment must meet the accessibility standards at 24 CFR Part 8, and be energy efficient and incorporate cost effective green improvements.

All work will be designed to meet the standard for Energy Star Qualified Housing. All multifamily housing must be designed to meet American Society of Heating, Refrigerating, and Air]Conditioning Engineers (ASHRAE) Standard 90.1]2004, Appendix G plus 20% (which is the Energy Star standard for multifamily buildings piloted by the Environmental Protection Agency and the Department of Energy).

New construction is required to meet the accessibility standards at 24 CFR Part 8, be energy efficient and incorporate cost effective green improvements as funding allows. The City certifies that all NSP assisted housing units will be equipped with energy star appliances, products and water efficient fixtures.

Vicinity Hiring:

To the maximum extent feasible the City of Oklahoma and any of its contractors or subcontractors shall use lower income residents from the local area as trainees and workers (if qualified) to complete the work of this project. Special outreach efforts shall be made to various public and private recruitment sources. Special emphasis shall be made to recruit minorities in the project area.

The City and its contractors and subcontractors shall determine by trade or craft the approximate manpower needs to complete the project. These manpower needs will be the basis of above recruitment efforts. Racial mix of the total workforce shall, to the extent possible, reflect the racial mix in the project area.

All personnel actions of the City and its contractors will be made on a non]discriminatory basis without regard to race, color, national origin, age, familial status, handicap or sex. CONTRACTOR shall inform each sub]contractor of these affirmative requirements and insure compliance.

Procedures for Preferences for Affordable Rental Dev.:

The preference for rental housing for the area is based on a downtown housing survey conducted by the City of Oklahoma City which demonstrates that renter households are four times more likely than owner households to move into to the



downtown, near downtown, and NSP3 target areas. The survey indicates that in the context of current and planned redevelopment initiatives, more than 2,000 units of rental housing are needed to meet renter demand over the next several years. 89 percent of renter households responding as likely to move downtown stated they would do so if the type of housing were available at a reasonable price. Monthly costs for recently built rental housing downtown are generally higher than the potential market can reasonably afford. Sixty-six (66) percent of renters surveyed said they are unable and unwilling to pay newly constructed downtown market rental rates. If new development can offer appealing product at more affordable prices, demand is likely to favor a low, moderate and middle income model.

The City plans to utilize NSP3 funds to provide housing for the low to middle income market. New job growth projections indicate as many as 35,000 lower income jobs may be created in the market area over the next several years. NSP funds will provide housing for this income segment, i.e. households with incomes at or below 120 percent of area median income. At least 30 percent of NSP funds will go to house very low income households, those at or below 50 percent of area median income. Private investment will allow for a mix of higher income households.

Capacity to perform is evidenced by the City's expansion over the last few years of its affordable rental housing development programs, which includes investment in the development of more than 100 new units of affordable rental housing. Most recently, an Affordable Rental Housing Development Program was established in the City's Consolidated Action Year Plans 2008 and 2009 obligating more than \$2 million in HOME funds toward the production of rental housing within the Neighborhood Revitalization Strategy Area.

Grantee Contact Information:

Grantee Contact Information:
 Oklahoma Department of Commerce
 900 North Stiles Ave.
 Oklahoma City, OK 73104-3234

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$5,000,000.00
Total Budget	\$150,000.00	\$5,000,000.00
Total Obligated	\$0.00	\$5,000,000.00
Total Funds Drawdown	\$4,503,934.73	\$4,529,202.78
Program Funds Drawdown	\$4,503,934.73	\$4,529,202.78
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$4,479,202.78	\$4,479,202.78
Match Contributed	\$0.00	\$0.00

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$750,000.00	\$0.00
Limit on Admin/Planning	\$500,000.00	\$29,202.78
Limit on State Admin	\$0.00	\$29,202.78

Progress Toward Activity Type Targets

Activity Type	Target	Actual
Administration	\$500,000.00	\$500,000.00



Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$1,250,000.00	\$1,550,000.00

Overall Progress Narrative:

The acquisition activity was final this quarter with funds drawn and reported expended.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	\$0.00	\$0.00	\$0.00
ADMIN NSP3 STATE, ADMIN NSP3 STATE	\$3,934.73	\$150,000.00	\$29,202.78
NSP3 OKC, Oklahoma City, City of	\$4,500,000.00	\$4,850,000.00	\$4,500,000.00



Activities

Grantee Activity Number: ADMIN NSP3 STATE

Activity Title: Administration

Activity Category:

Administration

Project Number:

ADMIN NSP3 STATE

Projected Start Date:

03/09/2011

Benefit Type:

N/A

National Objective:

N/A

Activity Status:

Under Way

Project Title:

ADMIN NSP3 STATE

Projected End Date:

03/09/2014

Completed Activity Actual End Date:

Responsible Organization:

Oklahoma Department of Commerce

Overall

Total Projected Budget from All Sources

Oct 1 thru Dec 31, 2012

N/A

To Date

\$150,000.00

Total Budget

\$150,000.00

\$150,000.00

Total Obligated

\$0.00

\$150,000.00

Total Funds Drawdown

\$3,934.73

\$29,202.78

Program Funds Drawdown

\$3,934.73

\$29,202.78

Program Income Drawdown

\$0.00

\$0.00

Program Income Received

\$0.00

\$0.00

Total Funds Expended

\$29,202.78

\$29,202.78

Oklahoma Department of Commerce

\$29,202.78

\$29,202.78

Match Contributed

\$0.00

\$0.00

Activity Description:

State of Oklahoma NSP3 Admin

Location Description:

State of Oklahoma NSP3 Admin

Activity Progress Narrative:

Total of 29,202.78 State Admin. was drawn and expended for 2012.

Accomplishments Performance Measures

No Accomplishments Performance Measures found.



Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

Grantee Activity Number:	E-01 25% NSP3 OKC
Activity Title:	Redevelop Demo/Vacant Properties - Acquisition

Activity Category:

Acquisition - general

Project Number:

NSP3 OKC

Projected Start Date:

03/09/2011

Benefit Type:

Area Benefit (Census)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Planned

Project Title:

Oklahoma City, City of

Projected End Date:

03/09/2014

Completed Activity Actual End Date:

Responsible Organization:

City of Oklahoma City

Overall	Oct 1 thru Dec 31, 2012	To Date
Total Projected Budget from All Sources	N/A	\$1,550,000.00
Total Budget	\$0.00	\$1,550,000.00
Total Obligated	\$0.00	\$1,550,000.00
Total Funds Drawdown	\$1,550,000.00	\$1,550,000.00
Program Funds Drawdown	\$1,550,000.00	\$1,550,000.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$1,500,000.00	\$1,500,000.00
City of Oklahoma City	\$1,500,000.00	\$1,500,000.00
Match Contributed	\$0.00	\$0.00

Activity Description:

NOTE: REVISED June 28, 2012 and submitted to HUD for approval.

The City proposes to allocate NSP3 funds for the acquisition of property for the development of a multifamily rental housing project in the City’s downtown core revitalization area.

A market analysis included in this application describes conditions that call for development of rental housing of the type and affordability level proposed. The City proposes to use NSP3 funds primarily for the purchase of vacant property at below market value through voluntary acquisition(s). A small amount of NSP3 funds is proposed for site preparation or predevelopment soft-costs related to construction. The project will leverage other public and private resources to demolish vacant structures on the property, and to redevelop new, mid-to-high density multifamily rental housing. The applicable proportion of units in the project assisted with NSP3 funds will go for the benefit of low-moderate-middle income (LMMI) households. The required ratio of NSP3 units will provide housing exclusively to households with incomes at or below 50% of the area median income.

New rental housing construction is needed in the area and is eligible as part the redevelopment of demolished or vacant properties as provided in paragraph (E) of the eligible uses per NSP3 Federal Register notice FR—5447—N—01, Vol. 75, No. 201, published on October 19, 2010.

Approximately 38 units will be developed with NSP3 assistance at the level of funding proposed. A minimum of 12 units will be designated for use for those meeting the NSP3 “25%” income requirement. The minimum number of NSP3 units in the project must be proportional to the amount of NSP3 funds invested when compared to the total residential development cost. NSP3 funds represent 15% of the total residential development cost, so the required number of NSP3 units represents 15% of the total residential units in the project. The City’s production estimate of 38 NSP3 units was determined as follows: The total estimated cost of the residential project is \$33,619,425. The total NSP3 investment (including admin) in the project will be \$5,000,000. The NSP3 investment represents 15% (actually 14.87%) of the total residential project cost. The total estimated residential unit count for the project is 249. Moreover, 15% of this total unit count, i.e. the minimum required to



be assigned as NSP3, is 37.35 which upwardly rounded results in a total of 38 units. It should be noted that if the residential project budget changes, the NSP3 unit ratios may be adjusted in order to remain in compliance with NSP3 requirements.

Private or other public funds will be leveraged to develop additional units for a mid-to-high density project. As annotated earlier, the total number of units in the project is proposed at 249.

Throughout the period of affordability, which will conform to standards at 24 CFR §92.252 as applicable, and expanded to include affordable rents to households with incomes between 81%-120% of area median income, all NSP3-assisted units will be restricted to income eligible households. The City will ensure affordability through one or more of the following: funding agreement, deed restriction, covenant running with the land, mortgage, or other applicable, approved mechanisms. The anticipated affordability period is 20 years for the project as proposed.

The acquisition price of the property will be based on a current, valid appraisal and set at or below the individual purchase discount level required by HUD. The City will make every attempt to maximize the purchase discount beyond the HUD minimum requirement.

Demolition activity is not proposed to be funded with NSP3. The City certifies that no low-and moderate income dwelling units will be demolished as a direct result of NSP-assisted activities. No NSP3 funds will be used to demolish Public Housing. Demolition will only take place on vacant buildings.

To the greatest extent feasible, the City and its contractors or subcontractors will provide for the hiring of employees who reside in the vicinity of NSP3 projects or contract with businesses that are owned and operated by persons residing in the vicinity of the project.

Location Description:

NOTE: REVISED June 28, 2012 and submitted to HUD for approval.

The proposed target area is a single geography inclusive of Census Tract Block Groups 1029001, 1037001 and 1038002. The total contiguous area is approximately three square miles of the center city including districts known as the "Upper Core-To-Shore" redevelopment area, the "Bricktown" warehouse redevelopment area, the "Upper John F. Kennedy," urban renewal development area, and the City's burgeoning "Boathouse District."

The target area is included as part of a high profile redevelopment plan, which has seen a multi-million dollar revitalization over several years from the City's Metropolitan Area Projects phase 1 (MAPS1) implementation and planned development through MAPS2 and MAPS3 initiatives. Combined current and future public and private investment is estimated in the billions. Previous and planned commercial, retail and transportation improvements will be supported by new housing development; the proposed NSP3 investment will allow for much needed mixed-income housing as a model for future workforce housing development in the area.

The target site is within the Bricktown warehouse redevelopment district. A recent downtown housing study indicates high residential appeal for the district among moderate income groups, and cites Bricktown as a prime location for affordable housing development.

Activity Progress Narrative:

Payment #1 1,550,000.00 drawn and reported expended this quarter. MER #1 1,550,000 processed.

Accomplishments Performance Measures

	This Report Period Total	Cumulative Actual Total / Expected Total
# of Properties	0	0/1

	This Report Period Total	Cumulative Actual Total / Expected Total
# of Housing Units	0	0/12
# of Multifamily Units	0	0/12



Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

Address	City	County	State	Zip	Status / Accept
400 E Sheridan Ave	Oklahoma City		Oklahoma	73104-4237	Match / Y

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	



Grantee Activity Number:	E-01 NSP3 OKC
Activity Title:	Redevelop Demo/Vacant Properties - Acquisition

Activity Category:

Acquisition - general

Project Number:

NSP3 OKC

Projected Start Date:

03/09/2011

Benefit Type:

Area Benefit (Census)

National Objective:

NSP Only - LMMI

Activity Status:

Planned

Project Title:

Oklahoma City, City of

Projected End Date:

03/09/2014

Completed Activity Actual End Date:

Responsible Organization:

City of Oklahoma City

Overall	Oct 1 thru Dec 31, 2012	To Date
Total Projected Budget from All Sources	N/A	\$2,950,000.00
Total Budget	\$0.00	\$2,950,000.00
Total Obligated	\$0.00	\$2,950,000.00
Total Funds Drawdown	\$2,950,000.00	\$2,950,000.00
Program Funds Drawdown	\$2,950,000.00	\$2,950,000.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$2,950,000.00	\$2,950,000.00
City of Oklahoma City	\$2,950,000.00	\$2,950,000.00
Match Contributed	\$0.00	\$0.00

Activity Description:

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The target site is within the Bricktown warehouse redevelopment district. A recent downtown housing study indicates high residential appeal for the district among moderate income groups, and cites Bricktown as a prime location for affordable housing development.

Activity Progress Narrative:

Processed Pay #1 2,850,000.00 drawn and expended this quarter. Processed Payment #2 100,000 expended this quarter.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	0/1

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/26
# of Multifamily Units	0	0/26



Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

Address	City	County	State	Zip	Status / Accept
400 E Sheridan Ave	Oklahoma City		Oklahoma	73104-4237	Match / Y

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

