



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 02/11/2025

REQUESTER: Jane Hudson, Director of Planning

PRESENTER: Lora Hoggatt, Planning Services Manager

TITLE: CONSIDERATION OF ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF AWARDING A GRANT IN THE AMOUNT OF \$1,000,000 THROUGH THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PATHWAYS TO REMOVING OBSTACLES TO HOUSING GRANT PROGRAM TO BE USED TO UPDATE VARIOUS PLANS, CODES, ORDINANCES AND STUDIES TO REMOVE BARRIERS TO AFFORDABLE HOUSING, AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE CONTRACT K-2425-98 AND RELATED GRANT DOCUMENTS, AND APPROVE THE APPROPRIATION OF FUNDS AS OUTLINED IN THE STAFF REPORT.

BACKGROUND:

The Federal Department of Housing and Urban Development (HUD) Pathways to Removing Obstacles to Housing (PRO Housing) Grant (FR-6800-N-98) makes federal funding resources available to states and direct recipients to actively take steps to remove barriers to affordable housing, such as: barriers caused by outdated zoning, land use policies, or regulations; inefficient procedures; gaps in available resources for development; deteriorating or inadequate infrastructure; lack of neighborhood amenities; or challenges to preserving existing housing stock such as increasing threats from natural hazards, redevelopment pressures, or expiration of affordability requirements. Funding is provided through the competitive grant process. Grantees may use awards for sustainable actions to further develop, evaluate, and implement housing policy plans, improve housing strategies, and facilitate affordable housing production and preservation. Eligible activities include: Planning and policy activities supporting affordable housing, development activities, infrastructure activities, and preservation activities.

On January 14, 2025 the City of Norman was recognized by HUD as an eligible recipient of federal funds and the PRO Housing Program. Eligible activities awarded, as defined in the grant application include a Zoning Code & Subdivision Regulation Overhaul, Neighborhood Pattern Book, Parking Study, and Affordable Housing Action Plan.

When a project is selected, funds remain available for obligation for five fiscal years. This includes the fiscal year in which the amount is made available or appropriated plus four additional years. Funds from Round 2 of the PRO Housing Grant are available for obligation until federal fiscal year 2029-2030 (FFY30). In October of 2024, City Council approved a grant application for PRO Housing approving a commitment of \$200,000 (20%) in leverage towards the total project cost of \$1,200,000. Total funding awarded from HUD was \$1,000,000.

DISCUSSION:

On January 14, 2025, HUD announced project selections through the 2024 PRO Housing Grant Program. A total of 18 applicants amounting to \$100,064,100 in funding were selected through this highly competitive grant program. In order for the project award to be formally programmed, the City will need to obligate the funds into a HUD grant. This will ensure once the City of Norman’s projects are complete, that the City will be eligible to receive reimbursement of the federal funding share of the project.

The application for the PRO Housing grant included four projects:

- Update the City of Norman Zoning Code and Subdivision Regulations
- Develop and Adopt a Neighborhood Pattern Book of Pre-Approved Housing Designs
- Conduct a Parking Study to Determine the Impact of Minimum-Maximum Regulations on Housing Affordability
- Produce an Affordable Housing Action Plan

Each project is described in detail in the application materials (pages 19-22).

Budget

The City of Norman committed to leveraging 20%, or \$200,000, worth of funding for these projects to display continued support for the ongoing efforts to remove obstacles to affordable housing and preservation within the city.

The expected costs associated with this award are as follows:

Project	Description	Estimated Costs
1	Zoning Code & Subdivision Regulation Update	\$500,000
2	Neighborhood Pattern Book	\$200,000
3	Parking Study	\$100,000
4	Affordable Housing Action Plan	\$200,000
-	Contingency	\$100,000
-	Administration Costs	\$100,000
Total		\$1,200,000
City of Norman Contributions (After Reimbursement)		\$200,000
Total Federal Award		\$1,000,000

This is a reimbursement grant. Funds received will be recorded into the Community Development Fund, revenue account PRO Housing Grant (Account 212-333380).

RECOMMENDATION:

1. Staff recommends that City Council approve Contract K-2425-98 accepting the award through the United States Department of Housing and Urban Development Pathways to Removing Obstacles to Housing grant program for funding to update the zoning code and subdivision regulations, creation of a neighborhood pattern book and associated pre-approved plans, a parking study, and creation of an affordable housing action plan, and authorizing the City Manager or his designee to submit, execute, and file a contract on behalf of the City of Norman with the United States Department of Housing & Urban Development to formally program the project award.
2. Staff recommends transferring \$400,000 from the Capital Fund, 718 North Porter project, Construction (Account 501933665-46101; Project BG0082; \$350,000) and Design (Account 50193365-46201; \$50,000) to:
 - a. \$150,000 to HUD Parking Study, Design (Account 21240003-46201; Project GC0101).
 - b. \$250,000 to HUD Affordable Housing Action Plan, Design (Account 21240003-46201; Project GC0102).
3. Staff recommends appropriating \$800,000 from General Fund Balance (Account 10-29000) and allocating to the Community Development Fund:
 - a. \$550,000 to HUD Zoning Code & Subdivision Update (Account 21240003-46201; Project GC0099).
 - b. \$250,000 to HUD Neighborhood Pattern Book, Design (Account 21240003-46201; Project GC0100).