



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 4/23/24

**REQUESTER:** Anthony Purinton, Assistant City Attorney

**PRESENTER:** Anthony Purinton, Assistant City Attorney

**ITEM TITLE:** CONSIDERATION OF ACCEPTANCE, APPROVAL, REJECTION, AMENDMENT AND/OR POSTPONEMENT OF CONTRACT K-2324-175: AN AGREEMENT BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA AND SMC CONSULTING ENGINEERS IN THE AMOUNT OF \$103,000 FOR PROFESSIONAL SERVICES FOR THE CRIMSON FLATS AFFORDABLE HOUSING PROJECT AS OUTLINED IN THE STAFF REPORT.

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### **BACKGROUND:**

The City of Norman has contracted with Milestone Property Development, LLC (K-2324-94) for the development of an affordable housing project using SLFRF funds and Low Income Housing Tax Credit (LIHTC) funding. The City previously engaged SMC Consulting Engineers when developing the preliminary plat and site plan during the rezoning of the property for this use. K-2324-175 is for additional engineering services related to the site's final plat, public improvements, and private site development plans.

### **DISCUSSION:**

Due to SMC's previous work on the property and knowledge of the underlying project, SMC is the recommended firm to prepare these engineering documents. The contract with the developer, Milestone Property Development, also explicitly states that SMC shall be the firm to conduct the engineering. The City's expenditure of funds for these engineering services will be applied to the City's obligation under the contract with the developer, which requires the City to expend \$500,000.00 in site preparation on the property prior to purchase by the developer.

While there will not be a final award of LIHTC funds by the Oklahoma Housing Finance Agency (OHFA) until May 15, 2024, which is a requirement for the further development of the property, entering into this contract with SMC for engineering services puts the City in a position to quickly move forward on the project in the event the project is awarded. However, City Staff does believe the project will be awarded funding due to preliminary data released by OHFA. Given the multiple layers of State and Federal deadlines impacting both the City and the Developer, it is in the City's best interest to begin positioning itself to perform the necessary site work as soon as possible. If the project is not awarded federal funding, the City can request SMC to either

suspend or terminate services under this contract and the City will be obligated to pay for services actually performed.

Funds are already available for this contract in the Imhoff & Oakhurst Property Prep Project (Project BG0091, Account No. 50193395-46201 DESIGN), as City Council previously re-allocated funds for the \$500,000.00 for the City's contribution to the property's site work when it approved item K-2324-94. These funds will be sufficient to fully fund the proposed contract fee of \$103,000.

**RECOMMENDATION:**

Staff recommends that City Council approve Contract K-2324-175 with SMC Consulting Engineers in the amount of \$103,000 for engineering services for the Crimson Flats Affordable Housing Project.