

CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 06/28/2022

REQUESTER: Lisa Krieg, CDBG/Grants Manager

PRESENTER: Kathryn Walker, City Attorney

ITEM TITLE: CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT OR

POSTPONEMENT OF CONVEYANCE OF TITLE BY QUIT CLAIM DEED FOR PROPERTY LOCATED AT 531 EAST SYMMES STREET TO THE NORMAN AFFORDABLE HOUSING CORPORATION FOR USE AS RENTAL HOUSE FOR HOUSEHOLDS AT OR BELOW THE 80% MEDIAN

FAMILY INCOME THRESHOLD.

BACKGROUND:

For many years, the City of Norman has contracted with the Norman Affordable Housing Corporation ("NAHC") for the acquisition of affordable housing. Most recently, Council approved Contract K-2122-16 that provided NAHC \$100,000 in Community Development Block Grant funds for the specific purpose of acquiring property for the development of affordable housing.

The structure at 531 E. Symmes is a 780 square foot structure that was constructed in 1978 as an Acquisition/Rehabilitation Project (A/R) by the Community Development Block Grant Program. The A/R program historically was pursued when a structure was not a candidate for a rehabilitation project due to structural issues. The client qualified and was temporarily relocated while the existing structure was demolished and a replaced with this structure. This was completed at no cost to the owner with the only restriction being that if they elected to sell within the first five years, the City of Norman had the first option to buy at the appraised value. The Owner that participated in this A/R project passed away after occupying the structure for four years and the City of Norman purchased the properties from the heirs.

The City of Norman utilized this structure as a location to temporarily relocate a household to allow for rehabilitation or reconstruction for many years. In addition, the structure was utilized by Food and Shelter for temporary housing for households experiencing homelessness. In 2019, Food and Shelter notified the City of Norman that it was no longer needed for this use. The structure has be unused since that time. A rehabilitation project was recently completed to repair the damage from the previous uses.

DISCUSSION:

Staff now proposes to convey this property to NAHC via quitclaim deed to be utilized as rental housing for households at or below 80% Median Family Income. NAHC will be responsible for

insurance and maintenance from this point forward. A Deed Restriction for a period of ten years will be filed to insure the continued affordability of the structure. This disposal of this property for this use was reviewed and approved by the Oklahoma City HUD Field Office.

RECOMMENDATION:

Staff recommends approval of the conveyance of 531 E. Symmes via quitclaim deed to the Norman Affordable Housing Corporation.