City of Broken Arrow

Request for Action

File #: 19-1402, **Version:** 1

Broken Arrow Municipal Authority
Meeting of: 11-18-2019

Title:

Consideration, discussion, and possible approval of and authorization to execute an Economic Development Agreement between the Broken Arrow Economic Development Authority, an Oklahoma Public Trust (together with its successors and assigns, "BAEDA") and the Broken Arrow Municipal Authority (together with its successors and assigns, "BAMA"), Collectively the "City", and DHTC Development, LLC ("DHTC"), for an affordable senior housing project to be located near 37th and Kenosha Street in Broken Arrow

Background:

DHTC Development, LLC specialize in providing seniors and families with better living since 2008. DHTC have been a part of and developed over 750 units of single family and multi-family housing. Debra Shantz Hart and Tammi Creason are the principle owners of DHTC Development. LLC. Currently DHTC has six (6) joint projects under construction in Oklahoma, Arkansas and Missouri. The have been extensively involved in historic preservation and downtown revitalization. They provide quality affordable housing in collaboration with civic leaders, public and private financial partners, and non-profit agencies.

Recently DHTC leadership approached Broken Arrow City Manager Michael Spurgeon requesting to enter into a Public / Private Partnership to build affordable senior housing at approximately 37th and Kenosha Street, in the City of Broken Arrow, County of Wagoner to be named Timber Ridge Cottages. The Developer is a private for-profit developer whose specialty is in the development of affordable housing for low-income seniors. The Developer has applied for and been awarded allocation of housing tax credits by the Oklahoma Housing Finance Agency.

The proposed project includes 14 buildings containing a total of 74 housing units. Timber Ridge Cottages will specifically include the construction of a four (4) story apartment building, containing 28 units and an additional 46 units designed as 4-plex to duplex units with garages. The Developer estimates the total investment, including the land purchase, for the project is $11,785.544.

The City at its sole discretion will purchase the construction materials and equipment rentals for the infrastructure improvements and the Developer agrees to reimburse the City for all actual cost for the construction materials and equipment rentals and will remit such payments within thirty (30) days of the invoice being submitted by the City. The Developer agrees to reimburse the City for all labor costs for the construction of the asphalt road, not to exceed $86,000.00. The Developer is responsible for all design cost.

The City agree to provide labor for the following infrastructure improvements:

- Approximately 1,500 linear foot sanitary sewer, including manholes and appurtenances, to construct said line to site located at 37th Street.

- Approximately 1,300 linear feet of sanitary sewer main line through the site including manholes and appurtenances necessarily to construct said line, but not to include lateral lines to individual units.

- Approximately 1,700 linear feet of asphalt road with concrete curb and gutter, 7.5" thick and 8"

compacted or modified subgrade.

A representative of DHTC will provide an overview of the project and answer questions related to the overall benefit of the affordable senior housing development.

Cost: $26,376.00 labor cost for installation of sanitary sewer installation

Funding Source: Broken Arrow Municipal Authority

Requested By: Norman Stephens, Economic Development Manager

Approved By: City Manager's Office

Attachments: Economic Development Agreement between the City of Broken Arrow and DHTC Development, LLC

Recommendation:
Approve and authorize the Economic Development with DHTC Development, LLC, for an affordable senior housing project to be located near 37th and Kenosha Street in Broken Arrow