
**TULSA DEVELOPMENT AUTHORITY
STAFF REPORT**

MEETING DATE: June 7, 2018
TO: CHAIRMAN & BOARD MEMBERS
FROM: O.C. Walker
SUBJECT: Amend Existing Contract with Capital Homes
LOCATION: Lots on East Latimer Project

Background:	Redeveloper:	Capital Homes, LLC
	Owner:	N/A
	Location:	East Latimer
	Size of Tract:	0.6 Acres
	Fair Market Value:	\$140,000.00
	Zoning:	Single Family Residential
	Development Area:	Brady Heights Neighborhood
	Fair Market Value	N/A
	Executive Director:	O.C. Walker

Relevant Info: On April 5, 2018, the TDA Board of Commissioners approved Resolution No. 6428, for the First Amendment to the Contract with Capital Home, LLC for the sale of land for Private Redevelopment. The amendment allowed for TDA to assist in the form of down payment assistance funds in the amount of \$32,000.00 from TDA's Fund No. 712 (Rehab Loan and Grant Fund) to the Housing Partners of Tulsa, solely for the use as Down Payment Assistance for home buyers for the East Latimer Project, with the stipulation that the homes must be Owner-Occupied.

This is a request for an additional amendment to the Contract with Capital Homes, LLC for the sale of Land for Private Redevelopment. According to the original Contract, Section 5 Minimum Project Requirements for Redevelopment Project (2) (a), speaks to the homes having a base price of \$140,000.00 to \$170,000.00. Since our RFP response in the fall of 2016 and the negotiation of this Contract, Capital Homes has incurred significant cost increases in material and labor that affects the price of the homes. In addition, there is a need for substantial lot preparation to the lots due to the drastic changes in topography that exists on these single-family lots. These combined factors will cause the cost of the base price of the homes to increase by at least 10%.

The suggested price point will be approximately \$154,000.00 to \$187,000.00 for single-family homes, containing approximately 1400-1600 square feet. Two-story homes, if any, approximately 2,000 square feet in size, will have a base price of approximately \$210,000.00. Lastly, the market place is suggesting that

Capital Homes provide one and two-story floor plans with multiple children living near Emerson Elementary School.

Attachments: A letter from Capital Homes dated May 23, 2018

Recommendation: Staff recommends this item be approved as presented.

Reviewed By: **O.C. Walker**