

# INVESTMENT CONNECTION



FEDERAL RESERVE BANK *of* KANSAS CITY

Community Development Investment and Lending Partnership



Investment Connection Oklahoma  
November 21, 2024



Welcome



Access  
Collaboration  
Impact

# INVESTMENT CONNECTION



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Funder Response Forms—*Your  
Interest and to Learn More*

Evaluations—*Your Input*



## **Collective Futures**

**Katrina Washington, Executive Director  
Neighborhood Housing Services Oklahoma City, Inc.  
405-209-9416 / [katrinaw@nhsokla.org](mailto:katrinaw@nhsokla.org)**

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## ABOUT US

## Neighborhood Housing Services Oklahoma

### Mission:

To increase the availability of affordable, safe housing options for low-to-moderate income families, by assisting those who wish to become renters or homeowners through a variety of wealth-building programs.

### Vision:

To create a positive impact on our community through financial counseling and homebuyer education, new home construction and renovation, and real estate development- resulting in affordable housing options for all.

## Our Services

### Housing Development

By actively participating in rental housing development, the agency has contributed to **the expansion of over 2400 additional low-income affordable rental housing units within the community.**

### Home Ownership Center

Empower individuals and families with the knowledge, financial tools, and personalized support through pre-purchase, post-purchase, foreclosure prevention, and financial counseling needed to achieve and sustain homeownership.

### Real Estate/ Property Management

The agency excels in property management, ensuring that its **77** rental housing units are well-maintained, affordable, and accessible to individuals and families seeking housing options

### Title Services

Our bilingual title services will provide comprehensive and accessible support in both English and Spanish, ensuring that all clients, regardless of language preference, receive clear, effective assistance with title searches, insurance, and settlement services.

### Shared Equity/ CLT

Our shared equity model community land trust ensures long-term affordability and community stewardship by allowing residents to purchase homes at reduced prices while retaining shared ownership of the land, thereby fostering stability and investment in our neighborhoods.



# OUR IMPACT 2019-2023

Initiative	Key Metrics	Achievements
<b>Affordable Housing Development</b>	<b>Number of Units Built: 163</b>	Community Partnerships Strengthened
<b>Property Management</b>	<b>Occupancy Rate: 95%</b>	Tenant Satisfaction Increased
<b>Financial Literacy Programs</b>	<b>Homeownership Rate: 80%</b> <b>DPA Assistance \$1,321,454</b>	Foreclosure Rates Decreased Homes Over 450 homeowners created
<b>LIHTC Projects</b>	<b>Total Tax Credits: \$25 million FY2023</b>	Families Served: 2400
<b>Total Investments</b>	<b>\$131,506,937</b>	<b>Job Created 508</b>

# THE NEED

- Oklahoma City faces a significant shortage of affordable housing. According to the 2021 Housing Affordability Study, 42% of renter households and 19% of owner households are cost-burdened, spending more than 30% of their income on housing.
- Additionally, the National Low Income Housing Coalition reports that Oklahoma has over 133,000 extremely low-income households but only 55,700 affordable rental homes available, indicating a substantial gap in affordable housing statewide.

# SOLUTION

- To increase the amount of affordable, safe housing options for low-moderate income families
- Provide gap funding for current and alternative housing options for low-moderate housing options





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# OUR ASK

# \$1,500,000

Neighborhood Housing Services Oklahoma seeks \$1,500,000 in grant funding for the first Shared Equity Community Land Trust (CLT) in Oklahoma. This initiative aims to address critical housing needs by providing affordable housing solutions for low to moderate-income families earning 80% or below the Area Median Income (AMI). The project will focus on providing housing that will ensure long-term affordability and community empowerment through equitable access to land and housing.

What activities would the funds be used for?

1. Property acquisition and development
  - Identify and purchase suitable properties **(3)**
  - Repair and resale units to qualified buyers **(2)**
2. Gap funding
  - Provide gap funding to families to make **(10)** homeownership affordable

## Shared Equity CLT Program

Shared equity homeownership is a self-sustaining model that takes a one-time public investment to make a home affordable for a lower-income family and then restricts the home's sale price each time it is sold to keep it affordable for subsequent low-income families who purchase the home. The model balances wealth building for families who would otherwise be unable to afford to own a home while preserving the community's investment.



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## **REI Oklahoma Home100 Down Payment Assistance Fund**

**Dena Sherrill, VP of Housing  
Rural Enterprises of Oklahoma, Inc. and  
REI Capital Access Fund, Inc.  
580-924-5094 / [dsherrill@reiok.org](mailto:dsherrill@reiok.org)**

# About Us

REI Oklahoma, Inc. is a statewide 501(c)3 non-profit organization of over 40 years. We are a Charter Member of NeighborWorks America. Our mission is to expand economic opportunities for Oklahomans by providing flexible financing and development services to individuals, businesses, and entrepreneurs with limited access to resources.



@reioklahoma



@rei\_oklahoma



@reioklahoma



@reiofok



reiofok.org

- ❑ REI and its subsidiary, REI Capital Access Fund, Inc. have served over 9,300 families with Down Payment and Closing Cost Assistance (DPA) since 1998. This is accomplished through partnerships with mortgage lenders, including banks and mortgage companies.
- ❑ Since 2022, 490 borrowers have utilized our DPA program— 46% of borrowers had incomes at or below 80% AMI (50 borrowers were at or below 50% AMI). The program is available to first-time homebuyers and repeat homebuyers
- ❑ The need is great! The current environment includes low inventory and higher first mortgage interest rates. In addition, the new real estate rules have borrowers finding that they must pay all or a portion of the borrower's realtor fees related to the home purchase which increases the borrowers out of pocket expenses at closing.

# Fund Usage & Reporting

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- ❑ The funds will be used for both Conventional and Government First Mortgage secondary market financing.
- ❑ The CRA funds will be utilized to create a loan pool to finance amortizing 2<sup>nd</sup> mortgages or combination gifts and amortizing 2<sup>nd</sup> mortgages for qualified low-moderate income borrowers.
  - Term – 10 Years
  - Interest Rate – 5% of loan amount
  - Average 2<sup>nd</sup> Mortgage – \$7,445
  - Target Borrower – 80% and below AMI
- ❑ Borrowers will receive the benefit of a near market rate first mortgage, lower MI costs for conventional financing, and no pre-payment penalty on the 2<sup>nd</sup> mortgage.
- ❑ Outcomes can be tracked by number served, income, household size, ethnicity, and census tract.

Saving for a downpayment is a barrier to homeownership for many households, particularly for low-to-moderate income and minority households, millennials, and first-time homebuyers.

# The ASK!

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- ❑ \$500,000 grant, investments or *low* interest loan.
- ❑ Interested in multiple investors to create a loan fund.
- ❑ \$500,000 would allow us to serve approximately 67 low-moderate income borrowers and families purchase a home.
- ❑ REI currently funds amortizing second mortgages out of our earned revenue and capital grants from NeighborWorks America. The volume is at a level warranting the need to supplement our internal funds to serve more borrowers.

Dena Sherrill

Vice President of Housing

[dsherrill@reiok.org](mailto:dsherrill@reiok.org)

580-924-5984 Ext. 237

## Borrower Quote

(Single mom of 3 – income at  
51% of the AMI)

“When you have 3 kids as a single mom, they always have needs...school needs. It would have been very hard to achieve homeownership without REI’s help.

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## **Boys and Girls Club of the Seminole Nation of Oklahoma**

**Shaina Moon, CEO**

**Boys and Girls Club of the Seminole Nation of Oklahoma**

405-584-0426 / [bgcceo@hasnok.org](mailto:bgcceo@hasnok.org)

# Boys & Girls Club of the Seminole Nation of Oklahoma

## Service Area Description

- Ages 8-24 *plus* Community Impact Programs targeting communities at large
- Enrollment representative of 15 school districts and 13 tribal nations
- 100% free and reduced lunch rate at main site school district
- Bachelor's degree attainment at only 8% of population of main site community
- Seminole county poorer than 95% of counties across America. (2978/3143)

## Key Services

- Provision of safe and nurturing environment during critical non-school hours
- High quality mentoring services
- Nutrition
- Financial literacy training and financial aid assistance
- Career exploration, college tours, and work-based learning opportunities
- High-quality tutoring services



# Long-Term Community Impact

## **Financial and Academic Empowerment Among Youth and Families**

- Youth will gain essential skills in budgeting, saving, and credit management
- Improved grades and attendance rates at school through access to high-quality mentors and certified tutors
- Increased college readiness and post-secondary graduation rates among club members

## **Career Development and Work-Based Learning Experiences for LMI populations**

- Exposure to diverse career paths and required skills
- Mentors will guide personal growth, goal-setting and career planning
- Youth will network with community leaders and industry professionals for future opportunities

## **Enhanced Economic Stability and Growth among Low-Income Communities**

- Programs produce more stable and prosperous neighbors that contribute to local economy
- Cultivate engaged, contributing citizens for a stronger, more prosperous society
- Increased financial literacy, improved graduation rates, and college enrollment directly correlate with stronger, more economically stable communities



# Grant Proposal for Asset Building

## **Need for Grant Funding**

- *Steady and Consistent Growth:* Enrollment of 295 children (increase of 195 children since November 2023)
- *Growing Demand for Services:* Additional resources needed to enhance programs and infrastructure
- *Requested Amount:* **\$150,000** to support continued growth and expanded services

## **Key Areas of Investment**

- *Staff Expansion:* Increased capacity to serve more youth and families with personalized attention and support
- *Stabilization Funds:* Enables the maintenance of high-quality programs to a growing membership
- *Technology for Tutoring:* Investment in technology providing better educational resources for youth in need

## **Goal: To Serve More Youth & Families Each Year**

- *Enhanced Services:* Financial investment expands our reach through mobile club services
- *Sustainable Growth:* Investment allows for the continuity of our services in a sustainable and impactful way

## **Investment in BGCSNOK = Long-Term Impact**

- *Your investment empowers the next generation to thrive*

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## **ESL (English as a Second Language) Class Expansion**

**Sharron Glover, Executive Director  
Community Literacy Centers, Inc.**

405-361-0676 / [sharron@communityliteracy.com](mailto:sharron@communityliteracy.com)



# OUR REQUEST \$15,000

ENGLISH AS A SECOND LANGUAGE (ESL)  
CLASSES AT TWO VARIETY CARE  
LOCATIONS IN OKLAHOMA CITY





# OUR MISSION AND WHO WE SERVE

**Mission Statement:** TO ENCOURAGE AND SUPPORT ADULT LITERACY IN OUR COMMUNITY

**Services:** Adult Basic Education (ABE), English as a Second Language (ESL), High School Equivalency (HSE), U.S. Citizenship, Workplace Learning Solutions (WLS-fee for service)

**84%** of CLC participants **report earned wages at or below the poverty line**

Classes are ***always free*** for CLC adult learners

**4,144 Participants** served from 2018-2024



# Community Impact

- Improve communication & employability
- Increase the number of work-ready adults
- Increase engagement in society
- Reduce the need for state assistance
- Encourage a literate family home

**Average income increase:**

**12% after achieving U.S. Citizenship and  
20% after completing HiSET (High School Equivalency  
Test) Certification**





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## **Bridging the Gap: Supporting Registered Apprentices with Essential Resources for Success**

**Ashley Sellers, CEO**  
**Central Oklahoma Workforce Innovation Board**  
405-642-8924 / [ashleysellers@cowib.org](mailto:ashleysellers@cowib.org)

# Bridging the Gap: Supporting Registered Apprentices with Essential Resources for Success

- Who We Serve
  - Low Income Adults (18 +) with Barriers
- Our Goal
  - Help Individuals Reach a Higher Level of Self-Sufficiency
- How We Are Doing It
  - Providing Financial Assistance for Tools Needed for Skilled Training in Electrical Apprenticeships
    - Boots ~\$150, Laptop ~\$850, Tools ~\$275, Books ~\$785



# The Data

## WAGE OUTLOOK

\$17.54

- Starting average hourly wage

\$24.68

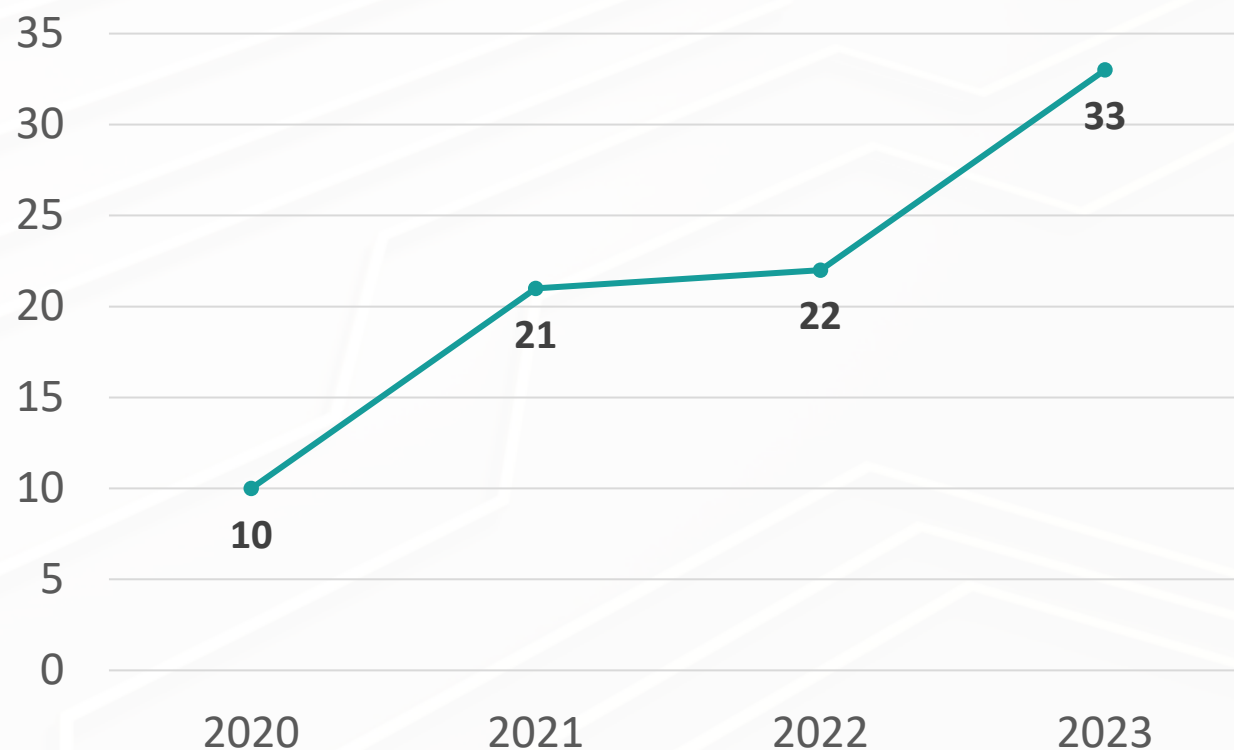
- Average wage after Year 1

\$28.03

- Average wage for Electrician

## NUMBERS SERVED

Electrical Apprenticeships





# The Future

## THE GOAL

Provide support to 50 individuals entering into an electrical apprenticeship with the tools and supplies needed for training.

## OUR ASK

Funds Needed: \$50,000

Purpose: To cover half the cost of tools and supplies needed for training.

Our Pledge: COWIB will cover the other half.

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## **Achieving Innovative or Complex CRA Activity through CDFI Collaboration**

**Maurianna Adams, Chief Community Investment Officer  
MetaFund Corporation**

405-816-8786 / [madams@metafund.org](mailto:madams@metafund.org)

# How MetaFund Collaborates with Partner Banks

## Community Reinvestment Act (CRA) Compliance

As a CDFI, MetaFund's Equity-Like Investment (EQ2) is an eligible CRA qualifying activity. In addition, MetaFund can help create additional CRA qualified investments in LMI areas or to the benefit of LMI individuals/households. A loan with MetaFund serving as a participant lender may receive positive CRA consideration as an innovative and complex activity.

## Credit Enhancement

MetaFund participates with member banks, often on a subordinated basis to improve the senior LTV and DSCR on an otherwise unbankable loan.

Although we strive to be as flexible as possible, we generally require the following attributes for credit enhancement transactions:

- Must be CDFI-qualifying (generally this means a transaction in a low-income census tract)
- Global LTV of 100% or less
- Global DSCR of 1.10 or greater
- MetaFund portion: \$100,000 to \$1,000,000
- We prefer to participate as opposed to being a co-lender (subordination can be structured in the participation agreement if necessary)

# Work, Housing, and Health

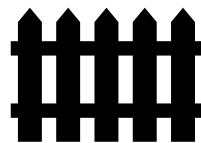


Business acquisition of a failing **childcare company serving 90 children from low-income families**. Borrower had successful track record with another local childcare facility.

## **\$260,000 Sub-debt**

To both the senior lender and a 2<sup>nd</sup> lien by the SBA in structure

MetaFund's deeply subordinated loan enabled borrower to meet SBA equity requirements.

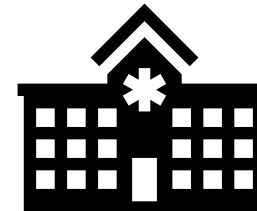


Borrower requested \$275,000 to purchase 12-unit multifamily building in low-income census tract which cost \$320,000. Good cash-flow and net-worth, but low liquidity.

## **\$50,000 Sub-debt**

alongside \$225,000 senior debt by partner bank

Created acceptable LTV for bank of 70%.



Borrower requested \$1,799,000 to refinance and renovate a health center serving uninsured in low-income census tract with an approx. as-completed value of \$2.26M. Solid operating track record but inconsistent cash flows.

## **\$899,500 Pari passu**

alongside \$899,500 debt by partner bank

Reduction of credit risk.



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# MetaFund, a Community Development Partner

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## Creating Opportunities across Oklahoma

Interested in becoming a Partner Bank?

- Floor \$250,000
- Semi-perpetual debt; floating 1-year CMT rate; 10-year maturity, with automatic extensions
- Bank Enterprise Award (BEA) Program eligibility

Are you an existing Partner Bank?

Let's meet before year-end to discuss our loan participation and referral program.

## Contact Us

Maurianna Adams, Community Investment Officer

Email [madams@metafund.org](mailto:madams@metafund.org)

Or call (405) 949-0001

<https://www.metafund.org/bank-investors>

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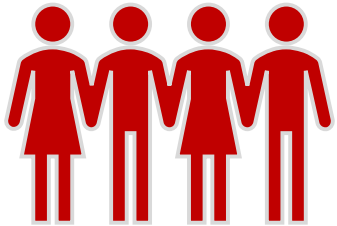
## **Home, Hope, and Healing: Martha's House & Gatewood's New Campus for Unhoused Families**

**Stacey Ninness, President and CEO  
Neighborhood Services Organization**  
405-236-0452 / [sninness@nsookc.org](mailto:sninness@nsookc.org)

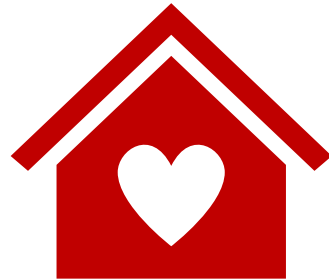
# NSO MISSION & IMPACT

## Our Mission:

Transforming lives and encouraging independence through safe, healthy homes, dental care and nutrition.



**Annual Impact:**  
303,000 service units.



**Housing:** Permanent supportive, transitional housing, rental assistance, Eviction Prevention Program.



**Dental:**  
Low-Cost Dental Clinic and Oral Health Outreach Program.



**Nutrition:** Oklahoma's largest independent WIC Clinic.



# Proposal: Expansion of Martha's House & Gatewood Programs

- **Objective:** Secure a **\$2.5M investment** to purchase land, develop plans, and secure additional grant support for a new facility.
- **Project Need:** 313 moms and children are on the waiting list, but **our existing facilities are outdated and unable to expand.**
- **Proposed Facility:** A **44,000 sq. ft. apartment building with 30 units** in a safe, amenity-rich neighborhood, designed for stability and independence.







## Long-Term Impact – Transforming Lives, Strengthening Community



- **Short-Term (1 Year):** Secure a site and begin construction to address the critical need for stable housing.
- **Medium-Term (3 Years):** Provide housing and resources for 150 moms and children; achieve a 60% rate of permanent housing retention for 24+ months post-program.
- **Long-Term (30 Years):** Positively impact over 4,500 moms and children, contributing to Oklahoma City's fight against homelessness.
- **Evaluation:** Success measured through case plans, access to life skills classes, and health services. NSO's history of outcomes-driven programming guarantees meaningful, lasting impact.

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## **Caritas Casitas: An Affordable Housing Pocket Neighborhood Development Project**

**Patrick Raglow, Executive Director  
Catholic Charities of the Archdiocese of  
Oklahoma City, Inc.**

405-637-9279 / [praglow@ccaokc.org](mailto:praglow@ccaokc.org)

# Catholic Charities of Oklahoma City

## WHO WE ARE

- 501(c)(3) nonprofit corporation
- Established in 1912
- Social Impact:
  - 14 Social Service Programs
  - 221 affordable housing units
  - over 30 years of experience in affordable housing

**Affordable Housing = Better Social Health**

The single **MOST**  
preventive action for every  
social determinant of health!

## OKLAHOMA'S AFFORDABLE HOUSING CHALLENGES

- Minimum wage earners must work **88 hours/week** to afford a 1-bedroom rental at Fair Market Rent (FMR)  
*(Source: Out of Reach 2024)*
- **42% of households** are cost-burdened (spend more than 30% of their income on housing)  
*(Source: Out of Reach 2024)*
- Oklahoma is short **over 54,000 affordable housing units**  
*(Source: NLIHC, 2023)*

# CARITAS CASITAS - A PILOT PROJECT

12-unit pocket neighborhood using

**BOXABL Casitas**  
Stockyard City

**Project Cost:**  
\$1.4M total

## ***Per-Unit Details:***

- **361 sq. ft.** studio-style units
- Energy efficient
- Full kitchen, bathroom, living, and sleeping area
- **9'6" ceilings, 6 ft windows, and 8 ft doors**
- Designed to be unfolded in under 1 hour.

## **Efficient Construction:**

Reduces time and helps  
solve rural contractor shortages.

## **Versatility:**

Ideal for seasonal workers  
and various community needs.

## **Projected Benefits**

Provides **87,600 bed nights** over the project lifespan

Sustainment revenue of \$7,500 per month



# WHAT WE ARE ASKING FOR

<b>Funding needed to complete project</b>	<b>\$200,000</b>
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<b>Full Cost Per Unit Including Foundation, Steel Racks and Stairs, Landscaping, and Finishes</b>	<b>\$117,000</b>
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<b>One BOXABL unit</b>	<b>\$65,000</b>
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<b>Foundations, Roofs, Finishes, Metal Railings and Stairs, Utilities, and Landscaping</b>	<b>\$52,000</b>
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<b>Foundations, Roofs, and Finishes</b>	<b>\$25,000</b>
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<b>Landscaping and fences</b>	<b>\$10,000</b>
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***Help Us Make This Vision a Reality!***

***Together we can provide affordable, high-quality housing for those in need.***

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## Urban Pathway to Affordable Homes Program

**Dr. Valerie Thompson, President and CEO**  
**Urban League of Greater Oklahoma City, Inc.**  
405-650-2589 / [vrthompson@urbanleagueok.org](mailto:vrthompson@urbanleagueok.org)

# WLOK



## 80 years of Impact



### The Ask:

\$525,000 to buy and rehabilitate four homes in NE OKC for 60% - 80% AMI Families.



### Goal:

- Educated kids.
- Living in healthy communities.
- With stable housing.



### Developer:

- Own/operate 113 housing units.
- Developed/sold 15 homes in NE OKC.
- Own 5 single-family homes (13 MWC & 2NEOKC).

# The Need

## Challenges:

- Renters earning <\$50K face poor housing and vulnerable to eviction.
- Houses in NEOKC with serious rehab needs.
- Clients with limited/no savings and poor credit.

## Who We Serve:

- Intake application for income verification.
- 50% - 80% AMI families.
- Rent Average: \$650-\$700.
- Wraparound services.



Urban League of  
Greater Oklahoma City



## Funding Breakdown:

**Ask:** \$525,000 forgivable loan (grant)

**ULOKC:** \$100,000 to leverage with Investment Connection funds

**United Way 2024-2025:** \$119,900 program support

**Total: Proposal:** \$744,900

## Proposed Outcomes:

- Housing stock improvement.
- Increased affordable housing options
- Economic revitalization.



Urban League of  
Greater Oklahoma City

# Leverage & Outcomes

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Funder Response Forms—*Your Interest  
and to Learn More*

Evaluations—*Your Input*

*Share Your Connections!*



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## *Community Conditions* SURVEY

Does your organization work to help low- and moderate-income (LMI) populations? If so, the Kansas City Fed invites you to take part in the **Community Conditions Survey**.

**What is it?** It's a twice-yearly (April and October) survey of organizations helping LMI populations. It tracks community conditions and informs monetary policy decisions and community development activities.

**Learn more:** [www.KansasCityFed.org/  
communityconditions](http://www.KansasCityFed.org/communityconditions)

**Contact:** [Steven.Howland@kc.frb.org](mailto:Steven.Howland@kc.frb.org)

*Sign up for*  
**THE SURVEY**



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**Steven Shepelwich**

**[Steven.Shepelwich@kc.frb.org](mailto:Steven.Shepelwich@kc.frb.org)**

**405-270-8675**

***Share Your Connections!***

**Investment Connection Website:**

**<https://www.kansascityfed.org/community/investmentconnection>**

**CRA OneSource Website:**

**<https://www.kansascityfed.org/community/cdi/craonesource>**



***Thank you for participating in  
Investment Connection Oklahoma!***