



**Exhibit F Leverage**

**City of Stroud**

**Stroud PRO Housing Grant Project**



## **Leverage**

### **Factor (d): Leverage**

#### ***Leverage and Matching***

The City of Stroud completed its fiscal budget preparation and approvals. Each department took the appropriate cuts to ensure the balanced budget was presented to Stroud City Council. Unfortunately, there are no matching funds available for any grants. This is another example of why the HUD PRO Housing Grant is imperative to developing the Salt Creek Manufactured Housing Community to help promote growth and opportunity in the Stroud community.

It is important to note that the lack of matching or leverage does not reflect the Stroud City Council's dedication and desire to be awarded the HUD PRO Housing Grant. It reflects how poor rural communities do not have the funds available to be utilized as matching. However, when it comes to leveraging help and assistance from the community of construction professionals, if there is an unexpected funding risk at any time, we will pull together to support the contingency plan to ensure the project is successful, demonstrating Oklahoma Strong. Throughout this application, we have been asked to describe the plans to support low to moderate-income families. This is the HUD CDBG PRO Housing Selection Committee to support the low-income community of Stroud, Oklahoma.

#### ***Funding Risk and Contingency Plan***

There is a funding risk with all project budgets that are prepared before a formal competitive bid process is completed. To address this funding risk, the City of Stroud and its community supporters are dedicated to ensuring the Stroud PRO Housing Project is successful. The Stroud City Administrator has a tremendous amount of support from the community. Suppose at any time it is determined that the originally proposed budget will not cover the activity's costs. In that case, the Stroud City Administrator, working collaboratively with the Stroud Grant Administrator/Project Manager, will reach out to various construction professionals in the Stroud community to request In-Kind assistance. The Stroud Grant Administrator/Project Manager will thoroughly document these In-Kind activities so that a detailed report of the In-Kind Matching totals can be presented for review and evaluation. Other cities that have more funds available have the advantage of identifying these In-Kind or matching contributions in advance. However, poorer rural communities have learned to work with neighbors, friends, and businesses to help each other when needed.

#### **SubFactor (d)(i): Leveraging Contributions**

The total projected budget for the Stroud PRO Housing Project to develop the new Salt Creek Manufactured Home Community is \$17,915,000.00. The Stroud Industrial Authority plans to reinvest the sale of the 37 new manufactured homes into the project, providing \$10,915,000.00 in additional leveraging contributions. Therefore with the grant award of \$7,000,000.00 plus the projected profits of \$10,915,000.00, the overall total budget of \$17,915,000.00 is balanced.