

EM SUBMISSION NO.: 2012em080

PRESENTED: 2-2-12

ADOPTED: 2-4-12

BY THE EMERGENCY MANAGER:

RESOLUTION

Resolution is to enter into a third change order to extend term of current contract number 10-003 with Operation Unification, to acquire, rehabilitate and sell, for the Neighborhood Stabilization Program (NSP) Area 3 until December 31, 2012.

The goal of the City's Neighborhood Stabilization Program 1 (NSP-1) is to restore vitality to distressed neighborhoods by facilitating the acquisition, rehabilitation and resale of vacant and foreclosed single family homes.

Operation Unification is a non-profit developer for the City's Neighborhood Stabilization Program and received a contract award (10-003) in the amount of \$510,438 for the purpose of implementation of a redevelopment plan to address abandoned and foreclosed homes in the NSP-1 Area 3. The NSP-1 Area 3 is bounded by North Saginaw Street, East and West Russell Street, DuPont Street and Carpenter Road.

The first contract change order (10-003A) added an additional six (6) units and increased the contract amount to \$1,282,168 that expired on December 31, 2010.

The second contract change order (10-003B) that extended the agreement for an additional year, ended on December 21, 2011. Operation Unification has requested a second extension to its initial developer contract due to many obstacles faced by both the City and Operation Unification which prevented the development corporation from expending funds within the time frame outlined in the developer agreement. An additional one year time extension is necessary for the City and Operation Unification to meet the goals and objectives of the NSP-1 program.

Funding available to reimburse Operation Unification for the NSP-1 eligible and reasonable expenses is available in the expense account 297-747.457-805.327.

IT IS RESOLVED, to enter into a third change order to extend term of current contract number 10-003 with Operation Unification, to acquire, rehabilitate and sell, for the Neighborhood Stabilization Program (NSP) Area 3 until December 31, 2012.

APPROVED AS TO FORM:



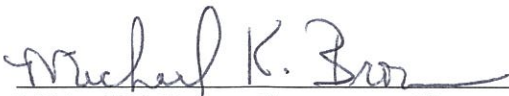
Peter M. Bade, Chief Legal Officer

EM DISPOSITION:

ENACT ☒

FAIL ☐

DATED 2-4-12



Michael K. Brown, Emergency Manager

RESOLUTION STAFF REVIEW

DATE: January 24, 2012,

Agenda Item Title:

Resolution is to enter into a third change order to extend term of current contract number 10-003 with Operation Unification, to acquire, rehabilitate and sell, for the Neighborhood Stabilization Program (NSP) Area 3 until December 31, 2012.

Prepared By: The Department of Community and Economic Development

Author: Kevin L. Miller

Requestor: Karen A. Morris 

Background/Summary of Proposed Action:

Operation Unification is a non-profit developer for the City's Neighborhood Stabilization Program and received a contract award (10-003) in the amount of \$510,438 for the purpose of implementation of a redevelopment plan to address abandoned and foreclosed homes in the NSP-1 Area 3. The NSP-1 Area 3 is bounded by North Saginaw Street, East and West Russell Street, DuPont Street and Carpenter Road.

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Financial Implications:

This third contract extension obligates \$435,166.58 which is the balance remaining on the \$1,282,168 developer agreement. The financing source for this project is the Neighborhood Stabilization Program 1 grant funding from the U.S. Department of Housing and Urban Development.

Budgeted Expenditure? Yes ☒ No ☐ Please explain if no:

Account No. Revenue: 297-747.457-502.747 and Expense: 297-747.457-805.327

Reviewed and approved by: _____ **Date:** _____

Pre-encumbered? Yes ☒ No ☐ **Requisition #:** _____ **P.O. #:** _____

Other Implications (i.e., collective bargaining):

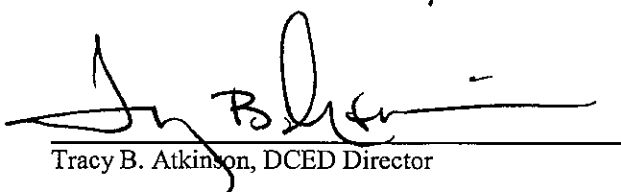
There are no known implications

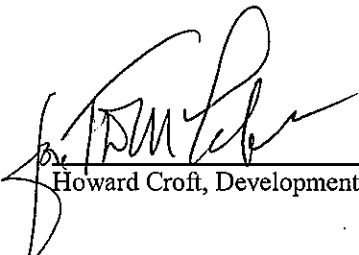
Staff Recommendation:

Staff recommends approval of this resolution

Supervisor Approval:

(Signature required)


Tracy B. Atkinson, DCED Director


Howard Croft, Development and Infrastructure Director