

EM SUBMISSION NO.: 2013EFM014

PRESENTED: 1-8-13

ADOPTED: 1-10-13

BY THE EMERGENCY MANAGER:

RESOLUTION

Resolution is to enter into a sixth 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 March 18, 2013 and increase the contract amount by \$233,472.25.

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 \$1,282,168.00 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.

During 2009, The City of Flint solicited proposals from interested parties to develop affordable housing using Neighborhood Stabilization Round 1 Funding. Operation Unification was one of the successful bidders that met all requirements included in the Request for Proposal. A development agreement was executed with the developer that provided the financing to redevelop homes in areas that have been devastated by mortgage and tax foreclosures.

This sixth contract change order (10-003) will extend this agreement until March 18, 2013. Operation Unification has requested an extension to its initial developer contract due to many obstacles faced by Operation Unification which prevented the development corporation from expending funds within the time frame outlined in the developer agreement. Additional time is necessary for 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. Increase contract amount by a total of \$233,472.25 and funds available from unallocated budget appropriations account 297-747.100-700.100.

IT IS RESOLVED, to enter into a sixth 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 March 18, 2013 and increase the contract amount by \$233,472.25.

APPROVED AS TO FORM:

APPROVED AS TO FINANCE:

Peter M. Bade, Chief Legal Officer 1-7-13
Date

Jerry Ambrose, Finance Director
Date

Michael K. Brown, City Administrator 1-10-13
Date

EFM DISPOSITION:

ENACT REFER TO COUNCIL FAIL

Edward J. Kurtz, Emergency Financial Manager

DATED: 1-10-13

RESOLUTION STAFF REVIEW

DATE: December 17, 2012,

Agenda Item Title:

Resolution is to enter into a sixth 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 March 18, 2013 and increase the contract amount by \$233,472.25.

Prepared By: The Department of Community and Economic Development

Author: Kevin L. Miller

Requestor: Karen A. Morris

Background/Summary of Proposed Action:

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 \$1,282,168.00 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.

This sixth contract change order (10-003) will extended this agreement until March 18, 2013. Operation Unification has requested an extension to its initial developer contract due to many obstacles faced by Operation Unification which prevented the development corporation from expending funds within the time frame outlined in the developer agreement. Additional time is necessary for 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. Increase contract amount by a total of \$233,472.25 and funds available from unallocated budget appropriations account 297-747.100-700.100.

Financial Implications:

There are no known financial implications.

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

Account No. Revenue: 297-747.457-502.747 and Expense: 297-747.457-805.327 Unallocated: 297-747.100-700.100

Reviewed and approved by: Cynthia Chesler **Date:** 12/28/12

Pre-encumbered? Yes ☒ No ☐ **Requisition #:** 12-01860 **P.O. #:** NA

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

Tracy B. Atkinson, DCED Director

David Solis

David Solis, Director ED

Howard Croft

Howard Croft, Development and Infrastructure Director