

EFM Submission: 2013EFM056

Presented: 1-30-13

Adopted: 1-30-13

By the Emergency Financial Manager

**Resolution Authorizing Change Order No. 2 to Increase the GDC Smith Village Phase I Contract Amount by \$12,315.00, Increase the Developer Fee, Change the Benchmarks by which the Developer Fee is Paid and Extend the Contract Term until February 10, 2014**

MSHDA applied for and was awarded funding and allocated \$15,772,344 to the City of Flint to fund NSP2 eligible activities and cover costs associated with the stabilization and redevelopment of the eligible census tracts.

In August 2012, the City of Flint entered into Contract No. 12-085 with GDC Smith Village L.L.C. to utilize NSP2 funds to complete Phase I, the first 30 homes within the Smith Village Development area. The contract was amended in November 2012 to expand the scope and increase the contract amount.

In preparation for the NSP2 grant closeout on February 10, 2013, this change order will increase the contract by \$12,315.00 for homebuyer construction modifications in accordance with Americans with Disabilities Act (ADA) codes, increase the developer fee by 3.4%, reduce the number of benchmarks, and extend the contract term until February 10, 2014. This contract will no longer fund benchmarks related to the Certificate of Occupancy and sale of 5 units and the sale of 23 additional units. Expenditures for these benchmarks will be paid from NSP3 and or HOME contracts or proceeds of sale.

**Developer Fee Pay-out**

50 percent - \$2,500.00

25 percent - \$1,250.00

25 percent - \$1,250.00

**Payment Benchmark**

at 50% construction completion (All 30 homes)

at Certificate of Occupancy (25 homes)

at sale of unit (2 homes)

After the end of the NSP2 grant period, February 10, 2013, additional expenditures needed to complete and sell the remaining units will be paid for using sales proceeds from the NSP2 homes or the Developers NSP3 contract (No. 12-086) and or HOME contract (No. 12-087).

**IT IS RESOLVED**, that the appropriate City officials are hereby authorized to do all things necessary to enter into change order number two to the Phase I NSP2 funded contract with GDC Smith Village L.L.C to increase the contract amount by \$12,315.00, increase the developer fee by 3.4%, reduce the number of benchmarks, and extend the

term of the contract. NSP2 funds available for the contract increase are available at 297-743.112-805.276.

APPROVED AS TO FORM:

  
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Peter M. Bade, City Attorney

  
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Michael K. Brown, City Administrator

APPROVED AS TO FINANCE:

  
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Gerald Ambrose, Finance Director  
For

EFM DISPOSITION:

ENACT  REFER TO COUNCIL \_\_\_\_\_ FAIL \_\_\_\_\_

  
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Edward J. Kurtz, Emergency Financial Manager

DATED: 1 - 30 - 13