

EFM Submission: 2013EFM074

Presented: 2-11-13

Adopted: 2-11-13

By the Emergency Financial Manager

Resolution Authorizing Change Order No. 2 to the GDC Smith Village Phase II Contract to Change the Benchmarks by which the Developer Fee is Paid and Extend the Contract Term until March 14, 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.

Resolution No. 2012EM330 adopted June 20, 2012 approved the City entering into a development agreement with GDC Smith Village LLC for the construction of new homes in Phase II of the Smith Village development. The current proposed change order will change the developer fee and use existing funds to cover the cost of a fence to be installed where the residential properties along Wood St. abut the abandoned commercial properties along Martin Luther King Blvd.

To maximize the potential use of NSP2 funds, which are set to expire on February 10, 2013, the City proposes to increase the developer fee for all four benchmarks in Phase II of Smith Village as detailed in the table below and to the extent any of the benchmarks are not paid using NSP2 funds under this contract, proceeds of sale from NSP2 will be used, or NSP3 and/or HOME funds will be used as outlined under a separate contract.

Developer Fee Pay-out

25 percent - \$10,000 per home

25 percent - \$10,000 per home

25 percent - \$10,000 per home

25 percent - \$10,000 per home

Payment Benchmark

at execution of this change order

at 50 percent construction completion of each home


at Certificate of Occupancy of each home

at sale of each home

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 II NSP2 funded contract with GDC Smith Village L.L.C to change the benchmarks by which the developer fee is paid and extend the contract term until March 14, 2014.

APPROVED AS TO FORM:


for 

Peter M. Bade, City Attorney

APPROVED AS TO FINANCE:



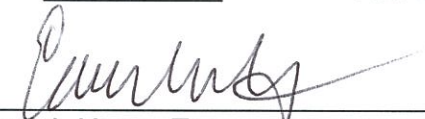
Gerald Ambrose, Finance Director

 2/11/13

Michael K. Brown, City Administrator

EFM DISPOSITION:

ENACT ☒ _____ REFER TO COUNCIL _____ FAIL _____



Edward J. Kurtz, Emergency Financial Manager

DATED: 2-11-13

RESOLUTION STAFF REVIEW FORM

DATE

January 22, 2012

Agenda Item Title:

Resolution Authorizing Change Order No. 2 to the GDC Smith Village Phase II Contract to Change the Benchmarks by which the Developer Fee is Paid and Extend the Contract Term until March 14, 2014

Prepared By

The Department of Community and Economic Development

Background/Summary of Proposed Action:

This resolution will change the benchmarks by which the developer fee is paid and extend the contract term until February 10, 2014

Resolution No. 2012EM330 adopted June 20, 2012 approved the City entering into a development agreement with GDC Smith Village LLC for the construction of new homes in phase II of the Smith Village development. The current proposed change order will change the developer fee and use existing funds to cover the cost of a fence to be installed where the residential properties along Wood St. abut the abandoned commercial properties along Martin Luther King Blvd.

To maximize the potential use of NSP2 funds, which are set to expire on February 10, 2013, the City proposes to increase the developer fee for all four benchmarks in Phase II of Smith Village as detailed in the table below and to the extent any of the benchmarks are not paid using NSP2 funds under this contract, proceeds of sale from NSP2 will be used, or NSP3 and/or HOME funds will be used as outlined under a separate contract.

Developer Fee Pay-out

25 percent - \$10,000 per home

25 percent - \$10,000 per home

25 percent - \$10,000 per home

25 percent - \$10,000 per home

Payment Benchmark

at execution of this change order

at 50 percent construction completion of each home

at Certificate of Occupancy of each home

at sale of each home

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).