

EM Submission: 2013EM038

Presented: 4-30-13

Adopted: 4-30-13

By the Emergency Manager

Resolution Authorizing Change Order No. 3 to the GDC Smith Village Phase II Contract to Cancel Spending Authority and Revenue Recognition in the Amount of \$90,000

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 (GDC) for the construction of new homes in Phase II of the Smith Village development. The contract was amended again in February 2013 to allow for a change in the developer fee and to cover the cost of a fence to be installed behind the Wood St. homes.

The City proposes to cancel spending authority and revenue recognition in the amount of \$90,000 on the GDC Phase II contract to make funds available to the construction of modular homes under the Phase I contract. These funds are currently budgeted for the payment of developer fees. Per the Phase II GDC development agreement, contract provision 11 e., *Scope of Service*, allows for the payment of developer fee out of sales proceeds.

Cancellation of Spending Authority for Budgeted Developer Fee at Closing

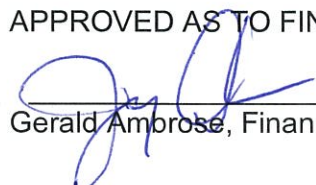
Phase II \$10,000 per home @ 9 homes \$90,000

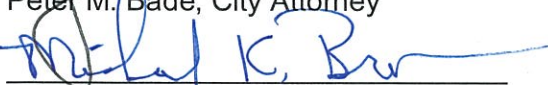
IT IS RESOLVED, that the appropriate City officials are hereby authorized to do all things necessary to cancel spending authority 297-743.115-805.276 and revenue recognition 297-743.115-502.743 associated with the GDC Smith Village L.L.C. contract for Smith Village and establish like funding in the NSP2 unallocated account number 297-743.100-700.100.

APPROVED AS TO FORM:

APPROVED AS TO FINANCE:


Peter M. Bade, City Attorney


Gerald Ambrose, Finance Director


Michael K. Brown, City Administrator

EFM DISPOSITION:

ENACT 

REFER TO COUNCIL _____

FAIL _____

Edward J. Kurtz, Emergency Manager

DATED: 4-30-13

RESOLUTION STAFF REVIEW FORM

DATE

April 26, 2013

Agenda Item Title:

Resolution Authorizing Change Order No. 3 to the GDC Smith Village Phase II Contract to Cancel Spending Authority and Revenue Recognition in the Amount of \$90,000

Prepared By

The Department of Community and Economic Development

Background/Summary of Proposed Action:

This resolution will cancel spending authority and revenue recognition in the amount of \$90,000 on the Phase II GDC Smith Village L.L.C. contract to make the funds available for an increase in the Phase I GDC contract for construction of three modular homes.

As a result, the City proposes to cancel spending authority and revenue recognition in the amount of \$90,000 on the GDC Phase II contract to make funds available for the construction of modular homes under the Phase I contract and pay the budgeted developer fee out of sales proceeds as allowed for in paragraph 11 e of the development agreement.

Cancellation of Spending Authority for Budgeted Developer Fee at Closing

Phase II \$10,000 per home @ 9 homes \$90,000

Financial Implications (Analysis):

None.

Budgeted Expenditure: Yes _____ No _____ **Please explain, if no: N/A**

Account #:

Reviewed and approved by C. Cheshier _____

Date

Pre-encumbered: Yes _____ No _____ **Requisition #** _____

Suspension/Debarment (EPLS) Yes _____ N/A _____

Please complete the *Suspension and Debarment Disclosure Form*. It is available in the shared drive for grants administration: \DCED\Forms\Good Standing Form-EPLS.
Attach relevant information to the resolution per form instructions.

Other Implications (i.e., collective bargaining:

There are no known implications

Staff Recommendation:


Staff recommends approval.



for Tracy Atkinson, Chief Officer



David Solis, Director
Economic Development



Howard Croft, Director
Infrastructure and Development