

EM SUBMISSION NO.: EM181 2013

PRESENTED: 10-7-13

ADOPTED: 10-7-13

**RESOLUTION TO INCREASE CONTRACTUAL AMOUNT AND
EXTEND CONTRACT DATE WITH URBAN BUILDERS FOR
COMPLETION OF NSP1 HOUSING**

BY THE EMERGENCY MANAGER:

On May 21, 2013, 2013EM076, authorized the Department of Community and Economic Development to enter into contract #13-027, with Urban Builders for general contractor services to complete two, NSP1 development homes. It has been determined a contract extension through December 31, 2013 and \$20,000.00 in additional funds are necessary to complete the homes.

An environmental process and an amendment has been completed. DCED has identified \$10,255.54 in unallocated CDBG funds in FCDBGPRIOR accounts 274-748.102-502.748 and 274-748.102-805.327 and \$9,744.46 in General Fund account number 101-690.100-801.000.

IT IS RESOLVED, That proper City Officials are authorized to enter into Change Order #1 to #13-034, with Urban Builders, to increase contract amount by \$20,000.00 for a total contractual amount of \$50,000.00 and to extend contract through December 31, 2013 as well as establish spending authority and revenue recognition in the amount of \$10,255.54 in FCDBGPRIOR accounts 274-748.102-502.748 and 274-748.102-805.327 and \$9,744.46 in General Fund account 101-690.100-801.000.

APPROVED AS TO FORM:

APPROVED AS TO FINANCE:


Peter M. Bade, Chief Legal Officer


Gerald Ambrose, Finance Director

EM DISPOSITION:

ENACT

FAIL

DATED

10-7-13



Michael K. Brown, Emergency Manager

RESOLUTION STAFF REVIEW

Date

September 16, 2013

Agenda Item Title:

RESOLUTION TO INCREASE CONTRACTUAL AMOUNT AND EXTEND CONTRACT DATE WITH URBAN BUILDERS FOR COMPLETION OF NSP1 HOUSING

Author: Suzanne Wilcox, Program Manager

Requestor: Department of Community and Economic Development

Background/Summary of Proposed Action:

During the fall of 2012, Urban Builders was selected as the general contractor to complete rehabilitation of two homes (3513 Keyes and 3506 Winona Street) originally being developed by Operation Unification using Neighborhood Stabilization Funds. Although the NSP 1 program ended on March 19, 2013, the City is required to complete all NSP 1-assisted homes in order to comply with HUD's national objective. CDBG funds were determined to be an appropriate alternate source to complete the two structures. Funds were identified and reserved. A contract was executed with Urban Builders in the amount of \$30,000, however that amount only covered the amount of the outstanding invoices.

Funds are also needed for additional work required by not originally spec'd out and for property maintenance and operating costs. These items are all CDBG-eligible. However, funds are also needed to replace items stolen. Federal funds can not be used to pay for items previously purchased or for labor previously undertaken. Therefore, General Funds are now also needed to complete the projects.

Authorization has now been received to complete rehabilitation on the houses so that they can be sold and the City can meet a HUD national objective and close the projects. The attached resolutions authorize the additional work needed to complete renovations at the two addresses

TOTAL CDBG NEEDED: \$10,255.54
TOTAL GF NEEDED: \$ 9,744.46

Financial Implications (i.e., budget, account information)

Financial implications do exist for the City if houses are not completed and sold/rented to income eligible households. All federal funds invested in the project would have to be repaid to HUD.

Budgeted Expenditure: Yes No **Please explain, if no:**

Account #:

Reviewed and approved by C. Dotson *C. Dotson 9-25-13*

CDBG funds in the amount of \$10,255.54

FCDBGPRIOR revenue account 274-748.101-502.748
FCDBGPRIOR expense account 274-748.101-805.327

General funds in the amount of \$9,744.46

From: expense account 101-690.100-801.000

Pre-encumbered: Yes No **Requisition # will be encumbered upon approval**

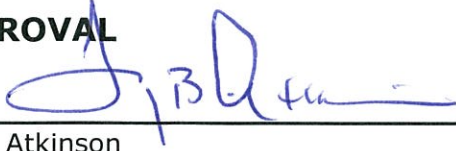
Other Implications (i.e., collective bargaining)

None

Staff Recommendation:

Staff recommends approval of the attached resolutions so that houses may be completed.

APPROVAL



Tracy Atkinson
Chief Officer



David Solis
Planning and Development Director