

EM SUBMISSION NO.: EMEC562014

PRESENTED: 12-10-14

ADOPTED: 12-10-14

**Resolution to Authorize the Sale of 645 W. Ruth, Flint, Michigan,
A Neighborhood Stabilization Program-Supported Property, and
Servicing of the Mortgage Associated with the Sale of the Real Property**

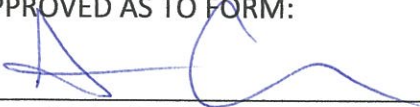
BY THE EMERGENCY MANAGER:

The City of Flint executed grant agreements with the U.S. Department of Housing and Urban Development to build and sell homes in eligible census tracts in the City of Flint using Neighborhood Stabilization Program (NSP) funds I, II and III. This resolution provides the Emergency Manager of the City of Flint the authority sell the real property located at 645 W. Ruth, Flint, Michigan and service the mortgage associated with the sale of that property through the Community and Economic Development Division; and

Community and Economic Development will execute all closing accommodations, upon such terms and conditions as the title insurance institution may require. The Division will collect interest, principal and escrow payments from the borrower and pay appropriate taxes and insurance from escrowed funds, receipting principal and interest payments as program income to the City of Flint's U. S. Department of Housing and Urban Development's treasury account. The department will also monitor delinquencies, workouts or restructurings and execute foreclosures, as necessary, in alignment with the department's loan policies and guidelines; and

IT IS RESOLVED, that the Emergency Manager authorizes the appropriate City of Flint officials to do all things necessary to execute the sale and service the loan associated with the mortgage for the property located at 645 West Ruth. The Emergency Manager also authorizes the necessary budget amendments for all program income to be made available for reprogramming in the appropriate accounts.

APPROVED AS TO FORM:


Peter M. Bade, Chief Legal Officer

APPROVED AS TO FINANCE:


Jerry Ambrose, Finance Director

EM DISPOSITION:

ENACT ✓ FAIL _____


Darnell Earley, Emergency Manager

DATED 12-10-14

RESOLUTION STAFF REVIEW FORM

DATE: 12/5/14

Agenda Item Title:

Resolution to Authorize the Sale of 645 W. Ruth, Flint, Michigan, a Neighborhood Stabilization Program-Supported Property, and Servicing of the Mortgage Associated with the Sale of the Real Property

Prepared By:

Suzanne Wilcox, Program Manager
Department of Community and Economic Development

Background/Summary of Proposed Action: The City of Flint received Neighborhood Stabilization Program (NSP1) funds from the U.S. Department of Housing and Urban Development for the purpose of stabilizing distressed neighborhoods by the acquisition, rehabilitation, and resale of vacant and foreclosed homes. The City has an investment in several properties being rehabilitated with funding authorized through this program.

A home, 645 W. Ruth, has been completed and a qualified buyer has been identified. This resolution provides the Emergency Manager of the City of Flint the authority sell the real property located at 645 W. Ruth, Flint, Michigan and service the mortgage associated with the sale of that property through the Community and Economic Development Division. Community and Economic Development will execute all closing accommodations, upon such terms and conditions as the title insurance institution may require. The Division will collect interest, principal and escrow payments from the borrower and pay appropriate taxes and insurance from escrowed funds, receipting principal and interest payments as program income to the City of Flint's U. S. Department of Housing and Urban Development's treasury account. The department will also monitor delinquencies, workouts or restructurings and execute foreclosures, as necessary, in alignment with the department's loan policies and guidelines

Financial Implications: Approval of this resolution will allow the sale of the NSP1 homes to continue, the City to complete and close out activities and the NSP1 grant, and the property located at 645 W. Ruth to be returned to the City tax rolls.

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

Reviewed and approved by C. Dotson

C. Dotson 12-9-14

Expense account number: To be determined by Finance, Mortgage Escrow

Revenue account number: To be determined by Finance, Principal Program Income

To be determined by Finance, Interest Program Income

Pre-encumbered: Yes ☒ No ☐ Requisition # _____

Other Implications: No other implications are known at this time.

Staff Recommendation: Staff recommends approval of this resolution.

APPROVAL

Tracy Atkinson

Tracy Atkinson, Chief Officer, DCED