



Legislation Text

File #: 10-1005, **Version:** 1

Resolution to Approve Housing Rehabilitation Agreement with Johnnie Seeley at 203 Beakes (\$90,508.00 CDBG Funds and \$34,337.00 HOME Funds)

Attached for your review and approval is a resolution to authorize a Housing Rehabilitation Agreement with Johnnie Seeley to complete rehabilitation assistance to the owner-occupied, multiple-unit dwelling at 203 Beakes.

This income-eligible applicant initially contacted Community Development in October, 2009 for assistance with new windows, insulation, and a furnace and other repairs to the four (4) unit dwelling where she resides in one of the units. The application for assistance was processed and approved by Community Development in February, 2010. The City will address the following housing rehabilitation work on this property including but not limited to: rebuilding the front porch to code, new vinyl siding (lead remediation), replace exterior doors (lead remediation), replace staircase leading to the basement, upgrade electric service to 150 AMPs, rewire electrical system in each unit to code, new kitchen cabinets and flooring in the owner's unit, install new bathtub/shower in the owner's unit, repair plumbing leaks, replace interior doors, install new energy efficient windows, pour new concrete steps, landings, and handrails, and install glass block windows in the basement.

On September 13, 2010, the Office of Community Development received two (2) bids for the housing rehabilitation project. The lowest bid amount was submitted by LaSant Building, Inc. with a base bid of \$113,495.00 to which a 10% contingency of \$11,350.00 was added, bringing the total amount to \$124,845.00. The \$124,845.00 will be allocated as \$90,508.00 in CDBG funds and \$34,337.00 in HOME funds in the form of a 0% simple interest, deferred payment loan to be repaid in full after 30 years or at the time the property changes ownership either by sale, gift, mortgage, land contract, or inheritance.

Community Development staff recommends that City Council approve the Housing Rehabilitation Agreement for the work with Johnnie Seeley in the amount of \$124,845.00 allocated as \$90,508.00 in CDBG funds and \$34,337.00 in HOME funds as a 0% simple interest, deferred payment loan for improvements to the owner-occupied, multiple unit dwelling at 203 Beakes.

Prepared by: Damon E. Thompson, Operations Manager

Reviewed by: Mary Jo Callan, Community Development Director, Sumedh Bahl, Community Services Administrator

Whereas, An application was received from Johnnie Seeley for housing rehabilitation assistance for her owner-occupied, multiple unit dwelling located at 203 Beakes;

Whereas, The homeowner meets the City's criteria for participation in the Housing Rehabilitation Program; and

Whereas, Two (2) bids were received on September 13, 2010, and Johnnie Seeley will be executing an agreement with LaSant Building, the lowest responsible and responsive bidder, who has Human Rights and Living Wage Approval as of April 29, 2010, to complete the rehabilitation work;

RESOLVED, That City Council approve the Housing Rehabilitation Agreement with Johnnie Seeley in the amount of \$124,845.00 allocated as \$90,508.00 in CDBG Funds and \$34,337.00 in HOME Funds as a 0% simple interest, deferred payment loan, to be repaid in full after 30 years or at the time the property changes ownership either by sale, gift, mortgage, land contract, or inheritance;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute a Housing Rehabilitation Agreement with Johnnie Seeley consistent with this resolution, subject to approval as to substance by the City Administrator and approval as to form by the City Attorney with funds to be available without regard to fiscal year;

RESOLVED, That as a condition of loan disbursement, Johnnie Seeley will execute a mortgage and promissory note, subject to approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator, or his designee, be authorized to take necessary administrative actions and to execute any documents necessary to complete this transaction and to implement this resolution.