



Legislation Text

File #: 09-0729, **Version:** 1

Resolution to Approve Housing Rehabilitation Agreement with Erna Nielsen at 2082 Champagne (\$29,332.00 HOME Funds)

Attached for your review and approval is a resolution to approve a Housing Rehabilitation Agreement with Erna Nielsen to complete rehabilitation assistance to her home at 2082 Champagne.

This income-eligible applicant initially contacted Community Development in February, 2009 for assistance with exterior and interior repairs to the property including the bathroom, kitchen, siding, attic and crawlspace insulation. The application for assistance was processed and approved by Community Development in April, 2009. The City will address the following housing rehabilitation work on this property: wrap home with new vinyl siding, install an Energy-Star rated aluminum storm door, demolition of outbuilding to remediate lead hazard, replace outbuilding with storage shed, remove and dispose of deteriorated sidewalks, form and pour new sidewalks, rebuild front porch to code, rewire electric service to code, install a new 40 gallon water heater, and insulate attic and crawlspace.

On June 4, 2009, the Office of Community Development received three (3) bids for the housing rehabilitation project. The lowest bid amount was submitted by Qualified Construction Company with a base bid of \$26,665.00 to which a 10% contingency of \$2,667 was added, bringing the total amount to \$29,332.00. The \$29,332.00 in HOME funds will be provided in the form of a 0% 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, conversion to rental property, inheritance or change of the use of the property from a single-family residence.

Community Development staff recommend that City Council approve the Housing Rehabilitation Agreement for the rehabilitation work with Erna Nielsen in the amount of \$29,332.00 in HOME funds as a 0% interest, deferred payment loan for improvements to her home at 2082 Champagne. The project was approved by the Urban County Executive Committee at the June 23, 2009 meeting.

Prepared by: Damon E. Thompson, Operations Manager

Reviewed by: Mary Jo Callan, Community Development Director, Jayne Miller, Community Services Administrator

Approved by: Roger Fraser, City Administrator

Whereas, An application was received from Erna Nielsen for housing rehabilitation assistance for her owner-occupied dwelling located at 2082 Champagne;

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

Whereas, Three (3) bids were received on June 4, 2009, and Erna Nielsen will be executing an agreement with Qualified Construction Company, the lowest responsible bidder, which received Human Rights and Living Wage Approval on June 17, 2009, to complete the rehabilitation work;

RESOLVED, That City Council approve the Housing Rehabilitation Agreement with Erna Nielsen in the amount of \$29,332.00 in HOME Funds as a 0% 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, conversion to rental property, inheritance, or change of the use of the property from a single-family residence;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute a Housing Rehabilitation Agreement with Erna Nielsen 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, Erna Nielsen 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.