

CITY COUNCIL COMMUNICATION 97-198  
APRIL 21, 1997 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
HOME RENTAL REHABILITATION FUNDS FOR OAKRIDGE NEIGHBORHOOD	◆ RESOLUTION ORDINANCE RECEIVE/FILE	JAMES GRANT COMMUNITY DEVELOPMENT DIRECTOR

**SYNOPSIS —**

The Oakridge Neighborhood has requested \$200,000 in HOME rental rehabilitation funds to fund Phase II of a multi-phase renovation project.

**FISCAL IMPACT —**

City HOME Rental Rehabilitation funds in the amount of \$200,000 would be utilized in conjunction with State HOME funds and funds from other agencies. No General Fund dollars will be allocated to this project.

**RECOMMENDATION —**

Approval.

**BACKGROUND —**

City staff has received a request from Margaret Toomey, Executive Director of the Oakridge Neighborhood, to utilize \$200,000 in City HOME Rental Rehabilitation funds for Phase II of a multi-phase renovation project.

On May 28, 1996, by Roll Call No. 96-1999, the City Council approved funding Phase I of the renovation project. Homes of Oakridge satisfied all of the City of Des Moines' requirements, and it is anticipated that the City and the State HOME Agreements for Phase I of the project will be signed by May 1, 1997. Rehabilitation work will commence immediately.

Because of the magnitude of this project, City staff has begun to plan for Phase II of the project. Only one-third of the units in the development will be rehabilitated in the first phase. The remaining 21 buildings are also in need of extensive repair. Phase II will address the deficiencies of 10 or 11 of these structures. The City is poised to conditionally commit an additional \$200,000 to fund Phase II of the project if the following requirements are met:

1. The Homes of Oakridge obtains a commitment for HOME funds from the State of Iowa Department of Economic Development.
2. Phase I of the rehabilitation is successfully completed on schedule and within budget.
3. Phase I of the rehabilitation is completed in compliance with the Davis-Bacon Act and other relevant federal regulations.
4. The rehabilitation contract for Phase II would be competitively bid and would contain a bonding requirement.

There is significant need for rehabilitation of these units. Much of the flooring, counter tops and kitchen and bathroom cabinets are original.

At its April 2, 1997, meeting, the City's Neighborhood Advisory Board recommended approving the request for HOME funds to be used for Phase II of the project.