

Memorandum

To: Joint Committee on Redevelopment of Abandoned and Foreclosed Homes

From: Amy E. Turim

Date: October 17, 2018

Subject: Rehab-to-Rent Program update

Program Summary:

Idea suggested at Strong Neighborhoods budget hearing: 2014 budget

\$1,000,000 Capital budget amendment (Sponsors Coggs and Stamper): 2015 budget

Request for Proposals: issued August 2015 – due October 2015

Common Council Committee Hearing to authorize expenditure of funds: December 2015

Contract fully executed: June 2016

Renovation work started: July 2016

First lease start: November 2016

Account balance: \$575,000* including contingency funds in balance, \$475,000 adjusting for \$100,000 emergency contingency fund (does not include rental income or expenses)

Home Renovation: Completed homes to date: 5 single family homes

- 1116 West Keefe Avenue - 4 Bedroom (District 6)
- 3342 North 12th Street - 3 Bedroom (District 6)
- 3336 North 17th Street - 4 Bedroom (District 6)
- 2744 North 24th Street - 2 Bedroom (District 15)
- 2309 West Cherry Street - 3 Bedroom (District 15)

Workforce Measures	Required per contract	Reported	Percent of goal
SBE Participation	40%	64%	160%
RPP Hours	40%	51%	127.5%

Total Funds Paid to SBE Contractors \$280,000 (rounded)

Average expenses per completed housing unit: \$82,000 (rounded)

Average construction cost (scope only) of completed housing unit (house): \$78,000 (rounded)

Property Management

Rented properties: 4 single family homes

Current vacancy: 1 single family home (3336 North 17th Street)

Average Rent: \$760.00

Upcoming work:

Major Repair: Replace sewer lateral and lead service line at 2309 West Cherry Street

Expense total for sewer and water repair is at least \$16,000

Net income year to date - not including repairs to 2309 West Cherry Street (as of July 2018): \$21,000 (rounded)

*some renovation invoices still outstanding, some repair work has not been billed