

Memorandum

To: Joint Committee on Redevelopment of Abandoned and Foreclosed Homes

From: Amy E. Turim

Date: May 29, 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: \$588,000 not including contingency funds, \$488,000 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 (District 6)
- 3342 North 12th Street (District 6)
- 3336 North 17th Street (District 6)
- 2744 North 24th Street (District 15)
- 2309 West Cherry Street (District 15)

Workforce Measures (as of January 5, 2018)	Required per contract	Reported	Percent of goal
SBE Participation	40%	64%	160%
RPP Hours	40%	51%	127.5%

Estimated average cost of completed housing unit (house): \$75,000 (rounded)

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

Property Management

Rented properties to date: 5 single family homes (100% of completed homes are leased and occupied)

Average monthly rent per home: \$760

Preliminary financial summary:

Figure	Amount
Monthly rental income (5 homes)	\$3,800
Gross potential rent 2018*	\$44,825

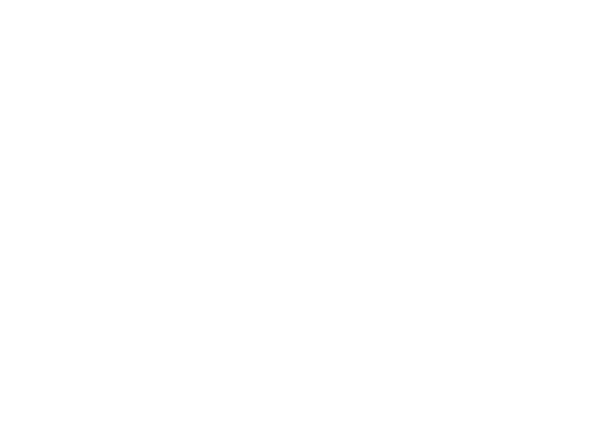
*Figure does not include vacancy loss, collections loss or concessions.

Figure also does not include any operating expenses.

Net operating income, March 2018, was approximately \$2,000

REHAB TO RENT PROGRAM
SAMPLE PHOTOS

2309 WEST CHERRY STREET

BEFORE	AFTER & IN PROGRESS
 A two-story house with a gambrel roof, grey siding, and a front porch with a wooden railing and stairs. The house is in good condition before renovation. <p data-bbox="207 951 776 955"></p>	 The same house is shown during renovation. The front porch is under construction with wooden framing. Workers in hard hats are visible in the yard. Some windows are boarded up with plywood. <p data-bbox="865 951 1388 955"></p>
 A room with peeling yellow paint on the walls and a window with a wooden frame. Construction materials like wood planks and bags are on the floor. A date stamp '12/12/2016' is visible in the bottom right corner. <p data-bbox="191 1451 792 1455">12/12/2016</p>	 A kitchen area with dark wood cabinets, a granite countertop, and a sink. The walls are white. A date stamp '2018/02/05' is visible in the bottom right corner. <p data-bbox="833 1451 1421 1455">2018/02/05</p>
 An empty room with white walls and a window with a dark frame. The floor is covered with brown carpeting. A date stamp '2018/02/05' is visible in the bottom right corner. <p data-bbox="191 1921 792 1925">2018/02/05</p>	 An empty room with white walls and a window with a dark frame. The floor is covered with brown carpeting. A date stamp '2018/02/05' is visible in the bottom right corner. <p data-bbox="841 1921 1409 1925">2018/02/05</p>



REHAB TO RENT PROGRAM
SAMPLE PHOTOS FROM PORTFOLIO



