

Memorandum

To: Joint Committee on Redevelopment of Abandoned and Foreclosed Homes

From: Amy E. Turim

Date: September 23, 2019

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)

Deposit to the General Fund: \$45,000

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	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)

RPP Hours – Percent of Goal: 127%

SBE Hours – Percent of Goal: 160%

Property Management

Rented properties to date: 5 single family homes

Current vacancy: None

Major Repair: Replace sewer lateral at 2309 West Cherry Street*

Gross Income Year to Date (August 2019): \$30,200

Bad Debt Year to Date (August 2019): \$6,731

Operating expenses year to date (August 2019): \$7,599.82

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