



CITY HALL • 100 STATE STREET • BELOIT, WI 53511

MEETING NOTICE AND AGENDA
Community Development Authority
May 15, 2013 at 4:15 pm
Third Floor Conference Room
Beloit City Hall
100 State Street

1. Call to Order and Roll Call
2. Citizen Participation
3. Housing Authority
 - a. Review and Consideration of Resolution 2013-13, Authorizing the Community Development Authority to Award the Scattered Site Roof Replacement Contract to Successful Bidder (Cole)
 - b. Review and Consideration of Resolution 2013-14, Authorizing the Community Development Authority to Award the Scattered Site Gutter Replacement Contract to Successful Bidder (Cole)
4. Community Development
 - a. Review and Consideration of Resolution 2013-15, Authorizing the Community Development Authority to Reaward the Rehabilitation Contract for 1310 W. Grand Avenue (Schneider)
 - b. Review and Consideration of Resolution 2013-16, Awarding the Marketability Contract for 932 Ninth Street (Downing)
5. Adjournment

*If you are unable to attend this meeting, notify Julie Christensen at 364-6703 **no later than 4:00 PM the day before the meeting.***

Notice E-Mailed: May 10, 2013

Approved: Julie Christensen, Ex. Director

** Please note that upon reasonable notice, at least 24 hours in advance, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information or to request this service, please contact the City Clerk's Office at 364-6680, 100 State Street, Beloit, WI 53511.



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REPORT TO THE BELOIT COMMUNITY DEVELOPMENT AUTHORITY

AGENDA ITEM: 3a

TOPIC: Replacement of roofs at Beloit Housing Authority's scattered site public housing units.

REQUESTED ACTION: Recommendation that the Community Development Authority approve the roof replacement contract for Beloit Housing Authority's scattered site public housing units.

PRESENTER: Clinton Cole

STAFF REPORT:

On April 14, 2013, the Beloit Housing Authority advertised a solicitation for bids to replace the roofs at its scattered site public housing units. A public bid opening was held at 3:00 p.m. on May 1, 2013, with two bids received. The bids received were from Custom Design Cabinetry and Construction in the amount of \$139,424.50, and Genesis Construction, Ltd. in the amount of \$136,500. Both bidders completed the requirements as specified in the bid packet, and both are bonded and insured.

STAFF RECOMMENDATION:

Staff recommends approval of Resolution 2013-13: Recommendation that the Beloit Community Development Authority Approve Awarding Scattered Site Roof Replacement Contract To Successful Bidder, Genesis Construction, Ltd. in the amount of \$136,500.

ATTACHMENTS: Resolution 2013-13

RESOLUTION NO. 2013-13

**BELOIT HOUSING AUTHORITY
RECOMMENDATION THAT THE BELOIT COMMUNITY DEVELOPMENT
AUTHORITY APPROVE AWARDDING SCATTERED SITE ROOF
REPLACEMENT CONTRACT TO SUCCESSFUL BIDDER**

WHEREAS, the Beloit Housing Authority Staff reviewed and evaluated the following bids:

Custom Design Cabinetry and Construction	\$139,424.50
Genesis Construction, Ltd.	\$136,500

WHEREAS, after consideration of the bid amount and proof of liability insurance;

THEREFORE BE IT RESOLVED that the Community Development Authority Board of Commissioners authorize awarding said Contract to the lowest responsible bidder, Genesis Construction, Ltd., in the amount of \$136,500.

Adopted this 15th day of May, 2013

Thomas Johnson, Chairman
Beloit Community Development Authority

ATTEST:

Julie Christensen, Executive Director
Beloit Community Development Authority



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REPORT TO THE BELOIT COMMUNITY DEVELOPMENT AUTHORITY

AGENDA ITEM: 3b

TOPIC: Replacement of gutters at Beloit Housing Authority's Housing scattered site public housing units.

REQUESTED ACTION: Recommendation that the Community Development Authority approve gutter replacement contract for Beloit Housing Authority's scattered site public housing units.

PRESENTER: Clinton Cole

STAFF REPORT:

On April 14, 2013, the Beloit Housing Authority advertised a solicitation for bids to replace the gutters at its scattered site public housing units. A public bid opening was held at 2:00 p.m. on May 8, 2013, with one bid received. The bid received was from Custom Design Cabinetry and Construction in the amount of \$40,089.00. The bidder completed the requirements as specified in the bid packet, and is bonded and insured.

STAFF RECOMENDATION:

Staff recommends approval of Resolution 2013-14: Recommendation that the Beloit Community Development Authority Approve Awarding Scattered Site Gutter Replacement Contract To Successful Bidder, Custom Design Cabinetry and Construction in the amount of \$40,089.00.

ATTACHMENT: Resolution 2013-14

RESOLUTION NO. 2013-14

**BELOIT HOUSING AUTHORITY
RECOMMENDATION THAT THE BELOIT COMMUNITY DEVELOPMENT
AUTHORITY APPROVE AWARDDING SCATTERED SITE GUTTER
REPLACEMENT CONTRACT TO SUCCESSFUL BIDDER**

WHEREAS, the Beloit Housing Authority Staff reviewed and evaluated the following bid:

Custom Design Cabinetry and Construction \$40,089

WHEREAS, after consideration of the bid amount and proof of liability insurance;

THEREFORE BE IT RESOLVED that the Community Development Authority Board of Commissioners authorize awarding said Contract to the lowest responsible bidder, Custom Design Cabinetry and Construction in the amount of \$40,089.

Adopted this 15th day of May, 2013

Thomas Johnson, Chairman
Beloit Community Development Authority

ATTEST:

Julie Christensen, Executive Director
Beloit Community Development Authority



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REPORT TO THE BELOIT COMMUNITY DEVELOPMENT AUTHORITY

AGENDA ITEM: 4a

TOPIC: Resolution 2013-15 Reawarding the Rehabilitation Contract for 1310 W Grand Avenue

ACTION: Approve Resolution 2013-15

PRESENTER: Scott Schneider

STAFF REPORT:

The Wisconsin Neighborhood Stabilization Program 3 (WNSP 3) is authorized under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. The Department of Housing and Urban Development awarded \$5,000,000 in NSP 3 funds to the State of Wisconsin Department of Commerce. \$1,293,000 of these NSP 3 grant funds were awarded to the Rock County NSP Consortium of which \$655,750 will be utilized in Beloit’s Census Tract 16, one of the areas most affected by foreclosures. These funds are used to buy foreclosed houses and either rehabilitate and resell them or demolish them.

The property at 1310 W Grand is the fourth and final of our contractually obligated houses to be rehabbed by the Community Development Authority under the NSP3 program. The CDA recently awarded the contract to Ballou General Construction & Consulting LLC for \$70,498.00. However, this contractor was unable to secure sufficient bonding as required by the City Attorney. The next lowest bidder has been contacted and is willing to honor his bid, which is approximately \$2000 higher than the lowest bid. We expect to be able to sell this house upon completion for \$60,000 - \$65,000.

A summary of the bids are below:

Contractor	Bid	Notes
Ballou General Construction & Consulting LLC	\$70,498.00	Unable to secure bonding
Legendary Construction	\$72,280.00	
DBR Builders	\$73,490.00	
Mark’s Construction	\$73,630.00	
Double D Builders	\$74,298.00	
Heartland Restoration	\$92,115.00	

Attached is Resolution 2013-15, Reawarding the Rehabilitation Contract for 1310 W Grand Avenue. This resolution, if approved, would award the bids to the 2nd lowest bidder for the rehab.

STAFF RECOMENDATION:

Staff recommends that the Community Development Authority approve Resolution 2013-15.

ATTACHMENTS: Resolution 2013-15

RESOLUTION 2013-15

AUTHORIZING THE COMMUNITY DEVELOPMENT AUTHORITY TO REAWARD THE REHABILITATION CONTRACT FOR 1310 W GRAND AVENUE

WHEREAS, the City of Beloit has received \$655,750 for the Neighborhood Stabilization Program 3 (NSP3) from the Wisconsin Department of Commerce under Title III of Division B of the Housing and Economic Recovery Act (HERA), 2008 for emergency assistance for redevelopment of abandoned and foreclosed homes and residential properties; and

WHEREAS, the City Council passed a resolution designating the Community Development Authority as the oversight agency for Beloit's NSP3; and

WHEREAS, requests bids for the rehabilitation of 1310 W Grand, an NSP3 property, resulted in 6 bids being submitted, and

WHEREAS, Ballou General Construction & Consulting LLC submitted the low bid of \$70,498.00, but was unable to secure sufficient bonding and is no longer considered a qualified bidder, and

WHEREAS, Legendary Construction submitted the next lowest bid of \$72,280.00;

NOW THEREFORE BE IT RESOLVED THAT the Community Development Authority does hereby complete a contract for rehabilitation with Legendary Construction per the following:

Main body of contract	\$72,280.00
+10% contingency	\$7,228.00

CONTRACT AWARD **\$ 79,508.00**

NOW THEREFORE BE IT FURTHER RESOLVED, that the amount of \$79,508.00 be, and hereby is, funded as follows:

FUNDING:

73675200-524023-10471 - NSP3 Resale – Beloit	\$ 79,508.00
TOTAL AVAILABLE FUNDING	<u>\$ 79,508.00</u>

NOW THEREFORE BE IT FURTHER RESOLVED, that the CDA Executive Director has authority to complete all necessary paperwork needed in awarding this contract.

Adopted this 15th day of May, 2013.

Community Development Authority

Thomas Johnson, Chairperson

ATTEST:

Julie Christensen
Executive Director



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REPORT TO THE BELOIT COMMUNITY DEVELOPMENT AUTHORITY

AGENDA ITEM: 4b

TOPIC: Resolution 2013-16 Awarding Marketability Contract for 932 Ninth Street

ACTION: Approve Resolution 2013-16

PRESENTER: Teri Downing

STAFF REPORT:

The Neighborhood Stabilization Program (NSP) is authorized under Title III of Division B of the Housing and Economic Recovery Act (HERA), 2008 for emergency assistance for redevelopment of abandoned and foreclosed homes and residential properties. The Department of Housing and Urban Development awarded \$38,779,123 in NSP funds to the State of Wisconsin. \$772,111 of these NSP grant funds were awarded to the City of Beloit and will be utilized in Beloit's neighborhoods most affected by foreclosures. These funds will be used to buy foreclosed houses and either rehabilitate and resell them or demolish them.

932 Ninth was a house that was rehabbed under NSP. It has been on the market now for about two years without an offer. The NSP program is nearing the end of its 5 year life cycle. The cities of Beloit and Janesville were monitored by the State of Wisconsin in October of last year. On October 29, 2012, they sent a letter to the City of Beloit expressing concern with the length of time the NSP houses have been for sale (see attached letter). They directed us to bring these houses to a marketable state and actively market the houses. They specifically cited installing energy efficient appliances and improving the curb appeal. Consequently, we have developed a list of items to be completed for each house. For 932 Ninth Street, they are the following:

- Replace the driveway
- Provide risers on the open porch stairs
- Provide a half bath on the first floor
- Remodel the kitchen, to include a dishwasher
- Replace the existing carpeting
- Provide a central air conditioning unit

The property is current listed for \$69,900. The state is suggesting that we not increase the asking price. The goal of the program is to stabilize neighborhoods and to provide good houses for low- to moderate-income families.

A summary of the bids are below:

Contractor	Bids
Mark's Construction of Beloit, Inc	\$28,890.00
Legendary Construction	\$29,300.00
D.B.R. Builders Inc.	\$29,750.00
Genesis Construction LTD.	\$37,665.00

Attached is Resolution 2013-16, Awarding the Marketability Contract for 932 Ninth Street. This resolution, if approved, would award the bid for 932 Ninth Street to Mark's Construction of Beloit, Inc.

STAFF RECOMENDATION:

Staff recommends that the Community Development Authority approve Resolution 2013-16.

ATTACHMENTS: Resolution 2013-16 and monitoring letter



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

SCOTT WALKER
GOVERNOR
MIKE HUEBSCH
SECRETARY

Division of Housing
101 E. Wilson Street, Floor 5
P.O. Box 7970
Madison, WI 53707-7970

October 29, 2012

RECEIVED
OCT 31 2012

BY: _____

Teri Downing
Director of Community and Housing Services
City of Beloit
100 State St.
Beloit, WI 53511

Re: NSP3 Monitoring Visit Contract NSP 11-04

Dear Teri,

Thanks to you, Josh, Jennifer and Laureen and for taking the time on October 9th and 10th for the NSP3 site visit with myself and Joanna Balsamo-Lilien.

The most significant concern from our visit concerns the length of time that your NSP3 resale properties have been on the market, and the reluctance of Beloit to improve the houses sufficiently to increase market demand, bolster neighborhood housing prices, and stabilize the neighborhoods. The purpose of these NSP funds is specifically to prevent equity slippage in neighborhoods blighted with foreclosed and abandoned homes. This is accomplished by significantly rehabbing these homes, increasing their curb appeal, and bringing the homes to an energy efficient and marketable state so that these homes can be quickly sold and the properties put back on the tax rolls.

We'll expect to see that those NSP homes that Beloit is currently holding, and has been holding vacant and for sale, in some cases for one to two years, are brought to a marketable state (installation of energy efficient appliances, improving curb appeal, etc.), and that there is active marketing of these properties, including open houses, increases in realtor commissions/bonuses for sale, and potential sales price discounts to enable these homes to be under contract within the next 4-6 months.

We found your program files and also specific property files to be, for the most part, in good order, well organized and with sufficient documentation. There were, however, some items that require additional documentation or modification, or that must be added to the files. Please respond with an outline of how each of these items will be addressed:

PROGRAM FILES:

- No verification of vacancy was included in the file.
4. Beloit – 122 Hackett –
 - Please verify the title insurance was obtained for this property.
 - URA/ voluntary acquisition letter not sent along with offer. Please put note to file as to why this was not done.
 5. Beloit – 745 Vernon –
 - The acquisition checklist was not completed for this property.
 - URA/ voluntary acquisition letter not sent along with offer. Please put note to file as to why this was not done.
 6. Janesville – 270 S. Franklin –
 - No documentation of vacancy was in file. Please put note to file explaining that the winterizing of the home and the inspection of the property both indicated vacancy. For future purchases document vacancy with proof of water/utilities shut-off for minimum of 90 days or other suitable documentation.
 - 275 Rockport – no documentation of vacancy – see above for remedy.
 - Offer to purchase didn't include contingency for ER approval. OTP was executed on 4/26/12, Statutory checklist on 5/2/12. Confirm that all NSP3 project files will have your complete ER packet, which has been signed/dated prior to offer to purchase.
 7. Janesville – 378 Wilson –
 - No documentation of vacancy was in the file.

Thank you again for your time to meet with us, and more importantly for participating in the NSP program.

Please feel free to call if you have any questions (608-264-7838),

Sincerely,



Kate Blood
NSP Program Manager

Cc: Julie Christensen, Director of CDA, City of Beloit
Jennifer Petruzello, Director, Janesville Neighborhood Services
Larry Arft, City Manager, City of Beloit

RESOLUTION 2013-16

AWARDING MARKETABILITY CONTRACT FOR 932 NINTH STREET

WHEREAS, the City of Beloit has received \$772,111 for the Neighborhood Stabilization Program under Title III of Division B of the Housing and Economic Recovery Act (HERA), 2008 for emergency assistance for redevelopment of abandoned and foreclosed homes and residential properties; and

WHEREAS, the City Council passed a resolution designating the Community Development Authority as the oversight agency for Beloit's NSP; and

WHEREAS, 932 Ninth Street is an NSP house that has gone about two years without a single offer, and selling the house is a critical aspect to the NSP program, and

WHEREAS, Mark's Construction of Beloit Inc. submitted the low bid of \$28,890, and has successfully worked on projects for the City of Beloit Community and Housing Services Division;

NOW THEREFORE BE IT RESOLVED THAT the Community Development Authority does hereby complete a contract for rehabilitation with Mark's Construction of Beloit Inc. per the following:

Project as bid	\$28,890.00
+10% contingency	\$2,889.00

CONTRACT AWARD **\$ 31,779.00**

NOW THEREFORE BE IT FURTHER RESOLVED, that the amount of \$31,779.00 be, and hereby is, funded as follows:

FUNDING:

73675200-524023-10479	NSP Resale – Beloit	\$ 31,779.00
TOTAL AVAILABLE FUNDING		<u>\$ 31,779.00</u>

NOW THEREFORE BE IT FURTHER RESOLVED, that the CDA Executive Director has authority to complete all necessary paperwork needed in awarding this contract.

Adopted this 15th day of May, 2013.

Community Development Authority

Thomas Johnson, Chairperson

ATTEST:

Julie Christensen
Executive Director