RESOLUTION BY THE
COMMUNITY DEVELOPMENT/HUMAN RESOURCES COMMITTEE **02-R-0338**

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO A CONTRACT WITH THE SUMMECH DEVELOPMENT CORPORATION (SUMMECH) TO IMPLEMENT ACQUISITION ACTIVITIES UNDER THE MECHANICSVILLE URBAN REDEVELOPMENT/SECTION 108 PROJECT IN AN AMOUNT NOT TO EXCEED $1,250,000, AND FOR OTHER PURPOSES.

WHEREAS, Ordinance 99-O-1345 adopted by the City Council on September 7, 1999 and signed by the Mayor on September 15, 1999, anticipated and appropriated $4,400,000 in Section 108 Loan Guarantee Funds and $1,252,350 in Economic Development Initiative funds for the implementation of the Mechanicsville Urban Redevelopment Project; and

WHEREAS, Resolution 00-R-0285, adopted March 6, 2000 authorized the City to enter into a contract with the Atlanta Development Authority to implement the Mechanicsville acquisition activities and the contract authorization is no longer needed; and

WHEREAS, through a Community Input Process with the Mechanicsville neighborhood, the Mechanicsville Civic Association has recommended that SUMMECH Development Corporation begin implementation of the acquisition phase of the Mechanicsville Urban Redevelopment project which calls for the acquisition of approximately thirty-four vacant lots; and

WHEREAS, the acquisitions are located within the area covered by the Mechanicsville Redevelopment Plan, which provides for the right to acquire, by exercise of the power of eminent domain, real property deemed necessary to implement the plan; and

WHEREAS, the SUMMECH Development Corporation is ready to implement the acquisition activities of the Mechanicsville Urban Redevelopment project.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA as follows:

Section 1. The Mayor is authorized to execute a Contract Agreement with the SUMMECH Development Corporation in the amount not to exceed $1,250,000 to implement acquisition activities for the Mechanicsville Urban Redevelopment Project. The contract amount shall be charged to and paid from Account 3P06 529002 Y52Q0273A7K0.

Section 2. The Council of the City of Atlanta approves the use of the power of eminent domain by the City, as necessary, to acquire any interest that may exist in the real property identified for acquisition in the Mechanicsville Redevelopment Plan.

Section 3. That the City Attorney is hereby directed to prepare an appropriate contract agreement for execution to be approved by the City Attorney as to form.

Section 4. This contract agreement shall not become binding on the City and the City shall incur no liability upon same until such time as the contract has been signed by the Mayor and delivered to the contracting parties.

DRAFT

CITY OF ATLANTA
CONTRACT AGREEMENT
COMMUNITY DEVELOPMENT BLOCK GRANT/SECTION 108 LOAN PROGRAM

MECHANICSVILLE URBAN REDEVELOPMENT/SECTION 108 PROJECT
(Project Title)

Account No.: 3P06 529002 Y52Q0273A7K0 **$1,250,000.00**

STATE OF GEORGIA
COUNTY OF FULTON

AGREEMENT

PART I

This agreement made and entered into this _____ day of _____, 2002 by and between the City of Atlanta, a municipal corporation of the State of Georgia, hereinafter referred to as "City" and the SUMMECH Development Corporation, a 501(c)(3) not-for-profit corporation of Fulton County, State of Georgia, hereinafter referred to as "Contractor".

WITNESSETH:

Whereas, the City of Atlanta is the recipient of a Section 108 Trust Fund Loan and an Economic Development Initiative Grant from the US Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974 as amended, for the implementation of the Mechanicsville Urban Redevelopment Plan; and

Whereas, the City desires to engage the Contractor to carry out certain acquisition activities funded under said Section 108 Loan; and

Whereas, this agreement is authorized by Resolution _____ adopted by the City Council on _____, 2002 and approved by the Mayor on _____, 2002 and made a part hereof by reference; and

Whereas, the Contractor has indicated its ability and desire to perform said activities for a sum not to exceed One Million, Two Hundred and Fifty Thousand Dollars ($1,250,000.00).

NOW THEREFORE, for and in consideration of the mutual covenants and undertakings hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, the City and the Contractor agree as follows:

THE CONTRACTOR AGREES:

a) The Contractor shall carry out all project activities in accordance with all applicable laws, ordinances, codes, regulations and requirements of the federal, state, county and city governments.

b) The Contractor shall, in satisfactory and proper manner as determined by the City, perform the activities detailed in Part II, Work Program, and Part III, General Provisions, attached hereto and made a part hereof for a sum not to exceed Three Hundred Forty-eight Thousand, One Hundred Ninety-nine and 18/100 Dollars ($348,199.18).

c) The work to be performed shall commence as of July 1, 2001 and shall be completed on or before December 31, 2003.

d) The Contractor shall make no requests for payment under this contract agreement later than 90 days after the termination or expiration of the contract period shown in c) above. After that date, no further payments shall be made under this agreement.

e) The Contractor agrees to provide written evidence that the acquisition of property under this agreement constitutes a voluntary sale and that all existing tenants, if any, shall be entitled to all benefits as prescribed under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended by the Uniform Relocation Act Amendments of 1987.

f) Contractor further agrees to perform the activities detailed herein, in accordance with and subject to all the stipulations, terms, conditions and clauses specifically set forth in, or referenced by the contract document.

THE CITY AGREES:

a) The City agrees to pay the Contractor in accordance with the terms and provisions of Part II, Work Program and Part III, General Provisions.

b) The City shall abide by and be subject to all the terms, conditions, clauses and stipulations set forth in this Agreement.

c) The City agrees to provide technical assistance to the Contractor in its effort to complete the acquisition of the designated properties identified in Exhibit __.

THE CITY AND CONTRACTOR AGREE:

a) This agreement shall be construed and enforceable in accordance with the laws of the State of Georgia.

b) This agreement supercedes all previous agreements and contracts.

c) Time is of the essence in this agreement and each and every obligation and undertaking set forth herein.

d) This agreement contains the entire agreement of the parties, and no representations or agreements oral or otherwise, among the parties not embodied herein shall be of any force or effect.

e) The City shall have the right to terminate this contract if, after giving the Contractor at least thirty (30) days written notice specifying any alleged breach of this Contract by Contractor, Contractor fails to correct said deficiencies to the satisfaction of the City within (30) days of receipt thereof, or for good cause.

f) The parties hereby designate the following persons, or their successors in title, as their representatives to whom all notices, documents, requests and inquiries shall be addressed:

CITY:

Philip Smith
City of Atlanta
Department of Planning, Development
And Neighborhood Conservation
68 Mitchell Street, Suite 1200
Atlanta, Georgia 30335

CONTRACTOR:

Janis Ware, Executive Director
SUMMECH Community
Development Corporation
633 Pryor Street
Atlanta, Georgia 30315

[Remainder of Page left intentionally blank]
[Signature Page follows]

IN WITNESS WHEREOF, duly authorized officers of the City and Contractor have caused their hands and seals to be hereto affixed the day and year first above written.

ATTEST:

_____
Municipal Clerk

CITY OF ATLANTA:

_____
Mayor (SEAL)

ATTEST:

_____
Secretary/Assistant Secretary

CONTRACTOR:

_____
President/Vice President (SEAL)

APPROVED:

_____
Commissioner, Department of Planning, Development & Neighborhood Conservation

RECOMMENDED:

_____
Chief Operating Officer

APPROVED AS TO FORM:

_____
City Attorney

APPROVED:

_____
Director, Bureau of Purchasing and Real Estate

APPROVED AS TO INTENT:

_____
Chief Financial Officer

PART II

WORK PROGRAM

MECHANICSVILLE URBAN REDEVELOPMENT/SECTION 108 PROJECT

PROJECT OBJECTIVE

This Work Program shall have as its objective for the Contractor to acquire approximately 33 lots within the Mechanicsville Neighborhood as designated under the Mechanicsville Urban Redevelopment Plan and to provide for reimbursement to the Contractor for one lot already acquired from Fulton County. The lots acquired will be utilized for activities specified within the Mechanicsville Urban Redevelopment Plan including the construction of single and multi-family housing, commercial redevelopment, transportation and circulation improvement and environmental enhancement. The City and Contractor recognize that the Mechanicsville neighborhood is gentrifying with rapidly increasing property values that may limit acquisition activities. As a result, the use of eminent domain to acquire properties within the Mechanicsville Urban Redevelopment Area has been authorized by the Redevelopment Plan and by the City Council through Resolution _____.

PROJECT DESCRIPTION

Properties to be acquired shall be restricted to the Mechanicsville Urban Redevelopment Area bounded by Interstate 20 on the north, Interstate 75/85 on the east, and the Southern Railroad on the west and south. Specific properties to be acquired are listed at Exhibit ___ and shown on Figure ____ of the Mechanicsville Urban Redevelopment Plan. The Contractor will acquire fee simple title to all real property.

The Contractor will acquire the properties in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the City of Atlanta Uniform Act Acquisition/Relocation Manual (See Exhibit ___). The use of eminent domain, where necessary, will be conducted only by and through the City of Atlanta. The Contractor hereby agrees that its use of section 108 funds shall be limited to CDBG-eligible pre-acquisition/ acquisition expenses. Some specific eligible acquisition expenses include but are not limited to, option agreements, acquisition of real estate property, costs of appraisal, surveys, title searches, acquisition consultants and other related acquisition and closing costs.

Where the relocation of occupants of the acquired property is necessary all such relocation and the provision of relocation assistance shall be performed in strict conformance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the City of Atlanta Uniform Act Acquisition/Relocation Manual (See Exhibit ___).

The Contractor will perform or cause to be performed services related to the protection, operation, management and maintenance of all acquired properties in order to maintain such

properties in a clean, safe and sanitary condition. Maintenance will include lawn care and boarding of properties of an as needed basis.

SPECIAL CONSIDERATIONS

Bonding and Insurance – The Contractor must satisfy all insurance requirements for the project, naming the City of Atlanta as an additional insured and loss payee, as its interest may appear in the contract agreement. Since Payment Assignment shall be made directly to the sellers, agents and contractors for each property acquired, the Contractor shall not be required to secure a fidelity bond.

Assignment of Payment – The Contractor shall provide to the City for processing an Assignment of Payment Request Form (Exhibit __) if payment needs to be made directly to a service or construction subcontractor. The Contractor shall provide the City with a Board resolution naming the selected contractor(s). Additionally, the resolution shall state that the Board agrees to assign payment to the construction contractor(s) for the amount of work completed under the construction contract agreement.

Lead Based Paint – The Contractor agrees to comply with 24 CFR Part 35, sub-part J, Construction, Requirements for Notification, Evaluation and Reduction of lead-based paint hazards in federally-owned residential property and housing receiving federal assistance; Final Rule, effective September 15, 2000.

Program Income – The Contractor agrees that proceeds from the sale of land and houses and rent collected from rental properties funded under this contract agreement will be realized as program income. The program income, less Contractor expenses, will be returned to the City for use in repaying the City's Section 108 loan and/or other project activities.

ADMINISTRATION

The Bureau of Housing Finance and Economic Development (BHFED) shall administer the project on behalf of the City. BHFED shall be shall be responsible for project monitoring and processing requests for payment as detailed herein:

Disbursement of Funds – Prior to the disbursement of funds to cover the cost of acquisition, the City requires the following:

a) The Execution of a pre-contract agreement between buyer and seller which provides evidence of meeting the requirements of an Uniform Relocation Act acquisition, and that requires the seller to provide a list of all residents, if any, to allow the buyer to survey residents to determine relocation costs and housing needs;
b) Submission of a CD-1 form identifying the actual costs of acquiring the property;
c) A copy of the property appraisal which states the "As Is' value of the property to be acquired; and
d) Copies of the sales contract agreement, title report and property settlement statement

Copies of option agreements should also be provided when requesting funds for the payment of options.

Procurement – The Contractor may utilize the services of the Bureau of Purchasing and Real Estate (BPRE) or conduct its own procurement process for the selection of contractors and design consultants in accordance with OMB Circular A-110, Uniform Administrative Requirements. Selection of all contractors must be open, fair and competitive and reflected in the files of the Contractor. BHFED shall work with the Contractor to provide technical assistance regarding acquisition policies and the use of eminent domain.

Project Monitoring – The Contractor agrees to review and maintain project records and policies as specified under Monitoring/Compliance Review.

The Contractor agrees to permit the City of Atlanta to conduct on-site, annual Performance Reviews of its overall performance. The Contractor will be notified in writing thirty (30) days prior to the City's monitoring visit in order that all essential documents can be organized and made available for review.

At the conclusion of the annual project performance review, the Contractor shall be provided with a written report identifying any concerns outlined by the City. Non-compliance with any of the requirements, terms and conditions of this agreement shall constitute substandard performance. To correct such conditions, the Contractor shall be provided reasonable time by wherein it must comply, or (a) be denied the use of additional CDBG funds, and (b) subjected to the repayment of any disbursed funds on any incomplete project.

CITY OF ATLANTA

MECHANICSVILLE URBAN REDEVELOPMENT/SECTION 108 PROGRAM

PROJECT BUDGET

Mechanicsville Urban Redevelopment Plan-Acquisition Activities

Account No: 1P06 529002 Y52Q0273A7K0

Cost Category	Description	Estimated Cost
A. Acquisition	Acquisition/Options of identified vacant houses and lots; costs for appraisals, surveys, acquisition consultants and other related costs.	$ 1,010,000.00
B. SUMMECH Parcels	Reimbursement to SUMMECH CDC for the Garibaldi parcel previously purchased from Fulton County.	$ 165,000.00
B. Pre-Development/Project Costs	Costs for property maintenance, demolition, engineering services, environmental, architectural, assessments, physical needs assessments and site development improvements, insurance and bonding.	$ 45,300.00
C. Project Management Costs	Costs associated with management, coordinating, negotiating, preparation of contract agreements, fiscal/expense reports and other required documentation, services and activities for the project	$ 29,700.00
TOTAL		**$ 1,250,000.00**

Type of Entity

_____City Department

__XX_Private Not-for-Profit

_____Other (Specify)

____Public Agency

____Private For Profit

SUMMECH CDC PROPSED NON TAX DELINQUENT PROPERTY AQUISITIONS

PNG	Location	Property Type	Housing Type	Owner	Tel.
1400760010032	Formwalt St	vacant lot	Infill		
1400760010033	Formwalt St	vacant lot	Infill		
1400750001058	RDA	vacant lot	Infill		
1400750001021	Windsor Street	vacant lot	Infill		
1400860003159	Windsor Street	vacant lot	Infill		
1400860003042	Glenn Street	vacant lot	Infill		
1400860003040	Glenn Street	vacant lot	Infill		
1400860003058	IRA Street	vacant lot	Infill		
1400860003012	IRA Street	vacant lot	Infill		
1400860003049	RDA	vacant lot	multi-family		
1400860003031	IRA Street	vacant lot	Infill		
1400860003028	IRA Street	vacant lot	Infill		
1400860003021	IRA Street	vacant lot	Infill		
1400850013100	Glenn Street	vacant lot	Infill		
1400850013095	IRA Street	vacant lot	Infill		

SUMMECH CDC LIST OF TAX DELINQUENT PROPOSED AQUISITIONS

PNC	Location	Property Type	Housing Type	Owner	Tel
1400750001061	628 Cooper Street	vacant lot	Infill	Henry L .Watson	(404)695-2917
1400750001059	634Cooper Street	vacant lot	Infill		
1400750001058	636 Cooper Street	vacant lot	Infill		
1400860003064	623 Windsor Street	vacant lot	multi-family		
1400860003065	629 Windsor Street	vacant lot	multi-family		
1400750003066	635 Windsor Street	vacant lot	multi-family		
1400860003080	630Garibaldi Street	vacant lot	multi-family		
1400860003078	636 Garibadi Street	vacant lot	multi-family		
1400860003076	642 Garibaldi Street	vacant lot	multi-family		
1400860003075	644 Garibaldi Street	vacant lot	multi-family		
1400860003074	648 Garibaldi Street	vacant lot	multi-family		
1400860003041	348 Glen Street	vacant lot	Infill		
1400860003043	349 Garibaldi Street	vacant lot	multi-family		
1400860003045	353 Garbaldi Street	vacant lot	multi-family		
1400860003056	632 IRA Street	vacant lot	Infill		
1400860003055	634 IRA Street	vacant lot	Infill		
1400860003022	623 IRA Street	vacant lot	Infill		
1400860003030	647 IRA Street	vacant lot	Infill		

26. ADDITIONAL EXHIBITS

The following additional exhibits as indicated are attached hereto, incorporated herein by reference and made a part thereof:

Exhibit Number	Exhibit Title
A.	Contract authorization legislation for contracts over $100,000; not included for contracts of $100,000 or less
B.	Insurance/Bonding Requirements: Professional Services
C.	Insurance Bonding Requirements: Pass Through Construction Contracts
D.	Certification Regarding Lobbying for Grants exceeding $100,000 or Loans Exceeding $150,000
E.	Federal Labor Standards Compliance Requirements
F.	Client Income Verification, CD-2 (To be updated to reflect 2002 incomes and submitted to BHFED per client served)
G.	Service Beneficiary Form CD-3 (To be completed and submitted to BHFED on a monthly basis
H.	City of Atlanta CDBG/HOME Program Assignment of Payment Request Form
I.	Security Deed
J.	City of Atlanta Uniform Act Acquisition/Relocation Manual
K.	Mechanicsville Urban Redevelopment Project Property Acquisition Site List

TRANSMITTAL FOR LEGISLATION

To Mayor's Office Greg Pridgeon
(for review & distribution to Executive Management)

Commissioner Signature [signature] Director Signature Philip E. Smith

From: Originating Dept. Planning, Development & Neigh. Conservation Contact (name) Philip E Smith 6915

Committee of Purview Community Development & Human Resources Committee Deadline 2/15/02

Committee Meeting Date(s) 2/26/02 City Council Meeting Date 3/4/02

CAPTION:

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO A CONTRACT WITH THE SUMMECH COMMUNITY DEVELOPMENT CORPORATION, INC. (SUMMECH) TO IMPLEMENT ACQUISITION ACTIVITIES UNDER THE MECHANICSVILLE URBAN REDEVELOPMENT/SECTION 108 PROJECT IN AN AMOUNT NOT TO EXCEED $1,250,000; AND FOR OTHER PURPOSES.

BACKGROUND/PURPOSE/DISCUSSION:

This legislation authorizes a contract between the City and SUMMECH Community Development Corporation for the property acquisition phase of the Mechanicsville Urban Redevelopment Plan. Acquisition activities will be funded from HUD Section 108 funds received for the Mechanicsville neighborhood.

FINANCIAL IMPACT (if any): $1,250,000 in Section 108 Loan funds

OTHER DEPARTMENT(S) IMPACTED:

Coordinated Review With:

Mayor's Staff Only

Received by Mayor's Office: 2/13/02 pr (date) Reviewed: (initials) (date)

Submitted to Council:

Action by Committee: ___Approved ___Adversed ___Held ___Amended ___Substitute ___Referred ___Other