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MEMORANDUM Planning and Development – Staff Memo No. RS07-09

DATE: 10 April 2007

TO: MAYOR AND CITY COUNCIL

THRU: W. MARK PENTZ, CITY MANAGER
DOUG BALLARD, PLANNING & DEVELOPMENT DIRECTOR
JEFF KURTZ, ASST. PLANNING AND DEV. DIRECTOR

FROM: PAT TYRRELL, COMMUNITY DEV. COORDINATOR

SUBJECT: AWARD OF \$56,000.00 IN FY 06/07 CDBG FUNDS TO THE SALVATION ARMY FOR THE RENOVATION OF THEIR FACILITY LOCATED AT 85 E. SARAGOSA ST.

RECOMMENDATION: Staff recommends that Mayor and Council approve the use of \$56,000.00 in FY 06/07 CDBG funds for the purpose of improvements at the Salvation Army Center located at 85 East Saragosa Street.

BACKGROUND AND DISCUSSION:

In January of this year, Mayor and Council set aside app. \$220,240.00 in CDBG funds to be placed in a “flexible” pool to be used by local non-profit agencies to fix and/or upgrade their facilities. Staff met with local agencies and compiled a list of needs. Staff then worked with the agencies to prepare specifications and solicit bids from licensed contractors. Contractors were asked to bid each facility renovation, keeping in mind the varied schedules the agencies had and when construction work could take place (i.e. youth programs are generally at their busiest during Summer Break). Once bids were received, staff and the agencies reviewed and determined whether a single Contractor should be used or multiple Contractors. By dividing the work per project, the lowest total cost can be achieved.

The Salvation Army (85 East Saragosa St.) provides emergency financial assistance, daycare, meal programs and a food pantry to Chandler moderate Income residents in need. The Salvation Army’s facility (originally built in the 1920’s) is in need of renovation due to age and a necessity to increase capacity, particularly their meal services.

Improvements to the facility will include:

- Remodel existing kitchen to accommodate more congregate meals. Remodel includes new, commercial kitchen equipment and storage as well the installation of cooling.
- Exterior stucco repair and painting of both buildings located on the property.
- Replace existing electrical service and upgrade to 200 amp service

Bid Amount: \$50,007.86

Total Award Recommended (contingency/A&E/Permits): \$56,000.00

Plans for the project have been approved and permits are ready to be issued to the Contractor selected.

FINANCIAL IMPLICATIONS: All costs associated with the Community Development Block Grant Program will be paid by the U.S. Department of Housing and Urban Development and do not require repayment on the part of the City of Chandler

PROPOSED MOTION: Move to award no more than \$56,000.00 in FY 06/07 CDBG funds to the Salvation Army for facility renovation at its Chandler location and instruct staff to execute all documents necessary.