

## Meeting Agendas/Info

### CITY COUNCIL COMMUNICATION:

ITEM \_\_\_\_\_

01-495

### OFFICE OF THE CITY MANAGER CITY OF DES MOINES, IOWA

### AGENDA:

SEPTEMBER 24, 2001

### SYNOPSIS -

Authorization to sell a public housing single-family unit to a housing program participant.

### SUBJECT:

SALE OF PUBLIC  
HOUSING SINGLE  
FAMILY UNIT - 6015  
SW 5TH STREET

### FISCAL IMPACT -

Revenue derived from the sale of the property goes into the Section 5(h) Operating Budget to cover program costs. The Housing Service Department will net approximately \$53,600 after seller costs are paid. The second mortgage in the amount of approximately \$26,400 is, by program guidelines, held in abeyance for seven years. If the owner goes the full seven-year term, the second mortgage is forgiven.

### TYPE:

RESOLUTION  
RECEIVE/FILE

### RECOMMENDATION -

**Approval.**

### SUBMITTED BY:

MICHAEL MATTHES  
HOUSING SERVICES  
ACTING DIRECTOR

### BACKGROUND -

The Department of Housing Services is a participant in the Section 5(h) Affordable Homeownership Program which was approved on May 30, 2000, by the United States Department of Housing and Urban Development (HUD). Under this program, single-family homes in the public housing inventory are sold to eligible housing program participants.

A housing program participant has made application with Firststar Bank to purchase 6015 SW 5th Street. The appraised price of the property is \$80,000. The projected loan amount is \$53,600 with a second mortgage in the amount of \$26,400. The closing of the property is scheduled for October, 2001.

This application was presented to the Public Housing Board at their

meeting September 19, 2001. The Board recommended that the Governing Board approve the sale of the property.

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