

Meeting Agendas/Info

**CITY COUNCIL
COMMUNICATION:**

01-496

AGENDA:

SEPTEMBER 24, 2001

SUBJECT:

SALE OF PUBLIC
HOUSING SINGLE-
FAMILY UNIT - 2714
ADAMS AVENUE

TYPE:

RESOLUTION
RECEIVE/FILE

SUBMITTED BY:

MICHAEL MATTHES
HOUSING SERVICES
ACTING DIRECTOR

ITEM _____

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

SYNOPSIS -

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

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 \$46,900 after seller costs are paid. The second mortgage in the amount of approximately \$23,100 is, by program guidelines, held in abeyance for seven years. If the owner goes the full seven-year term, the second mortgage is forgiven.

RECOMMENDATION -

Approval.

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 U.S. Bank to purchase 2714 Adams, Des Moines, Iowa. The appraised price of the property is \$70,000. The projected loan amount is \$46,900 with a second mortgage in the amount of \$23,100. 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.
