



Agenda Item:

MHGB4

MHGB COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: October 25, 2004
524

Communication No.: 04-

Agenda Item Type: Resolution

Roll Call No:

Submitted by: Chris Johansen, Director, Housing Services Department

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SUBJECT—

Disposition Sale of 16 SW Davis, to Home Opportunities Made Easy, Inc.

SYNOPSIS—

Authorization to sell Des Moines Municipal Housing Agency disposition property to Home Opportunities Made Easy, Inc.

FISCAL IMPACT—

The Housing Services Department will receive \$68,250.00 from the sale and a five (5) year restrictive covenant of affordability.

The proceeds from the sale will be used accordingly:

- Affordable Housing Endowment Fund (75%)
- Physical Improvements to Existing Manors (25%)

RECOMMENDATION—

Approval

BACKGROUND—

The Housing Services Department received approval for its application to dispose of 394 Public Housing units at Fair Market Value, via a public bid on August 19, 2003. Where there is a commensurate public benefit, according to federal regulations, sales can be negotiated with a specific buyer.

HOME, Inc., an Iowa nonprofit corporation, has a long history of providing affordable housing in the City of Des Moines, of meeting the requirements of federally funded housing programs, and has the ability to meet the requirements of DMMHA's disposition plan. HOME, Inc. intends to use this property for their lease/purchase model of homeownership for a household below 50% of HUD median income guidelines. DMMHA has received HUD approval for this negotiated sale.