



Agenda Item:

MHGB3

## **MHGB COMMUNICATION**

### **City Manager's Office**

#### **GENERAL INFORMATION**

Agenda Date: 07/25/05  
Agenda Item Type: Resolution

Communication No.: 05-409  
Roll Call No:

Submitted by: Chris Johansen, Housing Services Director

#### **SUBJECT—**

Authorizing the Municipal Housing Agency to Negotiate with The Home Connection for the Disposition Sale of 12 Public Housing Units.

#### **SYNOPSIS—**

Authorizing the Municipal Housing Agency to Negotiate with The Home Connection for the Disposition Sale of 1303 College Avenue, 1427 8<sup>th</sup> Street, 1809 22<sup>nd</sup> Street, 1539 18<sup>th</sup> Street, 2316/2318 Indianola Avenue, 3752/3754 Indianapolis Avenue, 900/902 SE Herold Avenue, and 906/908 SE Herold Avenue.

#### **FISCAL IMPACT—**

Future revenue derived from the sale of these properties will be allocated accordingly:

- 75% - Affordable Housing Endowment Fund
- 25% - Physical Improvements to existing Manors

#### **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.

The Home Connection, 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. The Home Connection intends to use this property for affordable rental units to families under 60% of HUD median income guidelines.

The Home Connection is interested in purchasing a total of 25 units over a three-year period. The remaining units will return for Governing Board approval when The Home Connection is ready to proceed and these 12 units have been sold. Community Housing Initiatives (CHI) will assist The Home Connection in the development of these units.