



MHGB
Communication
Office of the City Manager

Date

April 10, 2006

Agenda Item No. MHGB2
Roll Call No. 06-
Communication No. 06-206
Submitted by: Chris M. Johansen, Housing
Services Director

AGENDA HEADING:

Approval of Conveyance of 1423 Stewart Street, City-owned Municipal Housing Agency Property, pursuant to Affordable Homeownership Program.

SYNOPSIS:

Recommend approval to sell a public housing single-family unit to an eligible buyer.

FISCAL IMPACT:

Amount: \$59,630

Funding Source: Revenue derived from the sale of the property goes into the Section 5(h) Operating Budget to cover program costs. The Housing Services Department will net approximately \$59,630 after seller costs are paid. The second mortgage in the amount of approximately \$29,370 is, by program guidelines, held in abeyance for seven (7) years. If the owner goes the full seven (7) year term, the second mortgage is forgiven.

ADDITIONAL INFORMATION:

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. Under this program, single-family homes in the public housing inventory are sold to eligible housing program participants.

An eligible buyer has made application with Bankers Trust for a loan to purchase the Property.

The appraised price of the property is \$89,000. The projected loan amount is \$59,630 with a second mortgage in the amount of \$29,370.

PREVIOUS COUNCIL ACTION(S): NONE

Date: February 21, 2000

Roll Call Number: 00-508

Action: Revised Municipal Housing Agency Affordable Homeownership Plan for submission to HUD. (Council Communication No. 00-062). Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

Date:

Roll Call Number:

Action:

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE