



**MHGB**  
**Communication**  
Office of the City Manager

**Date**

January 8, 2007

**Agenda Item No.**

**MHGB3**

**Roll Call No.**

**07-**

**Communication No.**

**07-019**

**Submitted by: Chris M. Johansen, Housing Services Director**

**AGENDA HEADING:**

Authorizing the Des Moines Municipal Housing Agency (DMMHA) to negotiate with Community Housing Initiatives, Inc. for the disposition sales of 5301 and 5307 SW 9<sup>th</sup> St.; 1218-1220, 1219-1221, 1225-1227, 1231-1233, 1237-1239, and 1236-1238 Highview Drive; 4225-4227 and 4231-4233 Hull Avenue; 2419-2421 and 2425-2427 E. 36<sup>th</sup> Court; 4125-4127, 4137-4139, and 4141-4143 Dubuque Avenue; 4209-4211 Ovid Avenue; 1108-1110 and 1114-1116 SE McKinley Avenue; and 6211-6213 and 6215-6217 SW 14<sup>th</sup> St.

**SYNOPSIS:**

Recommend approval for the Des Moines Municipal Housing Agency to negotiate with Community Housing Initiatives, Inc. (Doug LaBounty, Executive Director, 14 West 21<sup>st</sup> Street, Spencer, Iowa 51301) for the disposition sales of 5301 and 5307 SW 9<sup>th</sup> St.; 1218-1220, 1219-1221, 1225-1227, 1231-1233, 1237-1239, and 1236-1238 Highview Drive; 4225-4227 and 4231-4233 Hull Avenue; 2419-2421 and 2425-2427 E. 36<sup>th</sup> Court; 4125-4127, 4137-4139, and 4141-4143 Dubuque Avenue; 4209-4211 Ovid Avenue; 1108-1110 and 1114-1116 SE McKinley Avenue; and 6211-6213 and 6215-6217 SW 14<sup>th</sup> St.

**FISCAL IMPACT:**

Amount: \$1,556,250 (Total sale price for the 44 units).

Funding Source: 2006-07 Operating Budget, pg. 225, Housing Services – Maintenance, SP350 HSG070000.

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

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

**ADDITIONAL INFORMATION:**

On August 19, 2003, the Housing Services Department received approval of its application to dispose of 394 public housing units at fair market value via public bid. According to federal regulations, sales can be negotiated with a specific buyer when there is a commensurate public benefit.

On October 23, 2006, the Municipal Housing Governing Board authorized the Des Moines Municipal Housing Agency to negotiate with Community Homes, L.P. This authorization should be amended to reflect the correct legal entity that will be purchasing the units: Community Housing Initiatives, Inc.

Community Housing Initiatives, Inc. has a long history of providing affordable housing in Iowa and meeting the requirements of federally funded housing programs. It has the ability to meet the requirements of DMMHA's disposition plan. After the properties are acquired and fully rehabilitated, Community Housing Initiatives, Inc. intends to use them for affordable rental units for households with incomes below 80% of HUD median income guidelines.

**PREVIOUS COUNCIL ACTION(S): NONE**

**BOARD/COMMISSION ACTION(S):**

Date: October 23, 2006

Roll Call Number: 06-2053

Action: Authorizing negotiations with Community Homes, LP for the disposition sale of twenty (20) properties. (Council Communication No. 06-680) Moved by Vlassis to approve. Motion Carried 7-0.

Date: October 6, 2003

Roll Call Number: 03-2267

Action: Authorizing implementation and approving procedures, notification and form of documents for disposition of scattered site units. (Council Communication No. 03-499). Moved by Vlassis to adopt. Motion Carried 5-3.

Date: November 4, 2002

Roll Call Number: 02-2579

Action: Approving disposition application of 394 Public Housing Units for submittal to the U.S. Department of Housing and Urban Development. (Council Communication No. 02-559). Moved by Vlassis to approve. City Manager to provide Board with an implementation plan and timeline. Motion Carried 5-3. Absent: Daniels, McPherson and Clark.

Date: March 4, 2002

Roll Call Number: 02-531

Action: Hearing and adoption of proposed Municipal Housing Agency Annual Budget for the fiscal year ending June 30, 2003. Moved by Hensley to adopt, and as more specifically set out in the attached detailed motion. Motion Carried 5-1-2. Nays: Brooks. Absent: Cownie and Clark.

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**