



MHGB
Communication
Office of the City Manager

Date | January 22, 2007

Agenda Item No. MHGB2D
Roll Call No. 07-
Communication No. 07-037
Submitted by: Chris M. Johansen, Housing
Services Director

AGENDA HEADING:

Sale of Public Housing Single-Family Unit, 1240 E. 24th Street, to Arthur J. McElwee.

SYNOPSIS:

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

FISCAL IMPACT:

Amount: \$69,680 (sale proceeds).

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

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 \$69,680 after seller costs are paid. By program guidelines, the second mortgage, in the amount of approximately \$34,320, is held in abeyance for seven years. If the owner goes the full seven year term, the second mortgage is forgiven.

ADDITIONAL INFORMATION:

The Housing Services Department participates 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). Through this program, single-family homes in the public housing inventory are sold to eligible housing program participants.

An eligible buyer has made application with US Bank for a loan to purchase the property.

The appraised price of the property is \$104,000. The projected loan amount is \$69,680, with a second mortgage in the amount of \$34,320.

PREVIOUS COUNCIL ACTION(S):

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

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE