



MHGB
Communication
Office of the City Manager

Date February 12, 2007

Agenda Item No. MHGB-5B
Roll Call No. 07-
Communication No. 07-071
Submitted by: Chris Johansen, Housing
Services Director

AGENDA HEADING:

Disposition sale of 3040 Raccoon Street to Home Opportunities Made Easy, Inc.

SYNOPSIS:

Recommend approval to sell Des Moines Municipal Housing Agency (DMMHA) disposition property to Home Opportunities Made Easy, Inc. (HOME, Inc.) (Pam Carmichael, Executive Director, 1111 9th Street, Suite 210, Des Moines, IA 50314).

FISCAL IMPACT:

Amount: \$68,250 (sale proceeds) and a (5) year restrictive covenant of affordability.

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

The proceeds from the sale will be used accordingly:

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

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.

HOME, Inc., an Iowa not-for profit corporation, has a long history of providing affordable housing in the City of Des Moines and meeting the requirements of federally funded housing programs. It has the ability to meet the requirements of DMMHA's disposition plan. HOME Inc. intends to use this property for its lease/purchase model of homeownership for a household below 80% of the HUD median income guidelines.

DMMHA has received HUD approval for this negotiated sale.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S):

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