



MHGB
Communication
Office of the City Manager

Date

March 12, 2007

Agenda Item No. MHGB2
Roll Call No. 07-
Communication No. 07-143
Submitted by: Chris M. Johansen, Housing
Services Director

AGENDA HEADING:

Sale of Public Housing Single-Family Unit, 2707 College Avenue, to David L. Mills.

SYNOPSIS:

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

FISCAL IMPACT:

Amount: \$63,650 (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 \$63,650 after seller costs are paid. By program guidelines, the second mortgage in the amount of approximately \$31,350 is 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 (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 the Neighborhood Finance Corporation (NFC) for a loan to purchase the property.

The appraised price of the property is \$95,000. The projected loan amount is \$63,650, with a second mortgage in the amount of \$31,350.

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