



MHGB
Communication
Office of the City Manager

Date

September 24, 2007

Agenda Item No. MHGB2
Roll Call No. 07-
Communication No. 07-590
Submitted by: Chris M. Johansen, Housing
Services Director

AGENDA HEADING:

Amending the authorization for the Des Moines Municipal Housing Agency (DMMHA) to negotiate with Preservation ROSE LLLP for the disposition sales of 1338 Clark Street, 1511 18th Street, 1539 18th St., 1463 5th St., 1709 Gillette St., 1158 MLK Pkwy., 1163 MLK Pkwy., 1160 9th St., 1809 9th St., 1246 10th St., 1400 10th St., 1404 10th St., 1061 21st St., and 1809 22nd St.

SYNOPSIS:

Recommend approval of an amendment to the authorization for the Des Moines Municipal Housing Agency to negotiate with Preservation ROSE LLLP for the disposition sales of 1338 Clark Street, 1511 18th Street, 1539 18th St., 1463 5th St., 1709 Gillette St., 1158 MLK Pkwy., 1163 MLK Pkwy., 1160 9th St., 1809 9th St., 1246 10th St., 1400 10th St., 1404 10th St., 1061 21st St., and 1809 22nd St. This amendment extends the deadline for Preservation ROSE, LLLP to submit a Low Income Tax Credit Application, and if awarded, complete resident relocation and property acquisition. If approved by Council, the new deadline will be September 30, 2008.

FISCAL IMPACT:

Amount: Total purchase price is \$922,125 (proceeds from the sales)

Funding Source: 2007-2008 Operating, Housing Services, Maintenance, pg. 175, SP350 HSG070000 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:

The Housing Services Department received approval for its application to dispose of 394 Public Housing units at Fair Market Value via a public bid on August 19, 2003. According to federal regulations, sales can be negotiated with a specific buyer when there is a commensurate public benefit.

On October 23, 2006, by Roll Call # 06-2052, the Municipal Housing Governing Board authorized DMMHA to negotiate the sale of the above properties with Preservation ROSE, LLLP. Subsequently, this negotiated sale was approved by HUD on January 25, 2007. This amendment extends the deadline for submittal of Preservation ROSE, LLLP's Low Income Tax Credit Application, resident relocation, and property acquisition to September 30, 2008.

For many years, Preservation ROSE, LLLP and the National Affordable Housing Foundation (Developer) has provided affordable housing in Iowa and met the requirements of federally funded housing programs. It also has the ability to meet the requirements of DMMHA's disposition plan.

Once the single family homes have been acquired and rehabbed, Preservation ROSE, LLLP intends to use them in its Renter to Owner Savings Equity (ROSE) program for income-limited households.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S):

Date: October 23, 2006

Roll Call Number: 06-2054

Action: authorization for the Des Moines Municipal Housing Agency (DMMHA) to negotiate with Preservation ROSE LLLP for the disposition sales of 1338 Clark Street, 1511 18th Street, 1539 18th St., 1463 5th St., 1709 Gillette St., 1158 MLK Pkwy., 1163 MLK Pkwy., 1160 9th St., 1809 9th St., 1246 10th St., 1400 10th St., 1404 10th St., 1061 21st St., and 1809 22nd St. (Council Communication No. 06-679). Moved by Vlassis to adopt. 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