

 <p style="text-align: center;">MHGB Communication Office of the City Manager</p>	Date	January 11, 2010
	Agenda Item No. MHGB2 Roll Call No. 10- Communication No. 10-016 Submitted by: Chris M. Johansen, Assistant City Manager	

AGENDA HEADING:

Approval of Conveyance of 2420 Holcomb Ave., City-owned Municipal Housing Agency Property, pursuant to Affordable Homeownership Program.

SYNOPSIS:

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

FISCAL IMPACT:

Amount: \$78,390

Funding Source: 2009-10 Operating Budget: Housing Services Department – Sec 5(h) Homeownership SP350 HSG021600, Page 137.

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 \$78,390.00 after seller costs are paid. The second mortgage in the amount of approximately \$38,610.00 is, by program guidelines, 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. Under this program, single-family homes in the public housing inventory are sold to eligible housing program participants.

An eligible buyer has made application with Bankers Trust for a loan to purchase the Property.

The appraised price of the property is \$117,000. The projected loan amount is \$78,390 with a second mortgage in the amount of \$38, 610.

PREVIOUS COUNCIL ACTION(S): NONE

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

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