

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: August 29, 2011
	Agenda Item No. MHGB3 Roll Call No. [_____] Communication No. <u>11-574</u> Submitted by: Douglas C. Romig, Housing Services Director

AGENDA HEADING:

Approving Issuance of bids for construction of ten (10) single family Public Housing homes.

SYNOPSIS:

Approval to issues bids for construction of ten (10) single family Public Housing homes to be added to the housing inventory of the Des Moines Municipal Housing Agency

FISCAL IMPACT:

Amount: \$1,633,156 estimated costs

Funding Source: U.S. Department of Housing and Urban Development Replacement Housing Factor Funds.

ADDITIONAL INFORMATION:

On March 16, 2011, by Roll Call No. PH 11-19, the Public Housing Board awarded RFP-V11-053 to Wells + Associates Architects to provide design and construction documents for the development of ten (10) new single family homes. Funding for this project comes from the U.S. Department of Housing and Urban Development (HUD) through their Replacement Housing Factor funding program.

The Replacement Housing Factor (RHF) fund is a Public Housing development fund from U.S. Department of Housing and Urban Development (HUD) available as a result of the sale of the Des Moines Municipal Housing Agency (DMMHA) scattered site housing units. These funds can only be used to develop or acquire new public housing units or the funding must be returned to HUD. This is a fund separate from the Affordable Housing Development Fund.

On November 8, 2010, the Municipal Housing Governing Board approved a recommendation to use RHF funding already received and future RHF funding DMMHA will receive from the remaining inventory of disposition and 5(h) homes to demolish and construct a minimum of ten (10) single family Public Housing units. DMMHA will own and maintain these units in its Public Housing inventory. Further DMMHA will offer supportive services to the families residing in these new units. (HUD approved plan)

Replacement Housing Factor (RHF) funding is available to the DMMHA to develop or acquire new Public Housing units with supportive services which will be rented in the Agency’s Public Housing

rental assistance program. Approximately \$1.6 million in first increment Replacement Housing Factor (RHF) funds are currently available. The fund is expected to grow to approximately \$2.9 million over the next five years.

The Polk County Housing Continuum and City of Des Moines Consolidated Plan have identified that there is a shortage of affordable housing within Des Moines/Polk County. Agency Management also believes that the Agency should not totally eliminate scattered site housing for families from its portfolio. There is a need within the community for larger bedroom units and green space (yards) to serve families. If the Agency completely disposed of all scattered site housing, the remaining properties would be the four apartment buildings designated for Senior Citizens and one mixed population apartment building with efficiency, one and two bedroom units. This development plan provides a public housing alternative for low income families within Polk County and balances the Agency’s offerings to the customers we serve.

In order to meet the Des Moines’ City Council’s goal of setting the standard for constructing and maintaining attractive buildings, parks and infrastructure that represent our world-class city and generate civic pride; fulfill the Agency’s mission and a expend the RHF funds; the Agency is recommending construction of a minimum of ten (10) single family homes to be located on existing property owned by the Agency. These replacement houses shall complement the existing housing stock within their respective neighborhoods.

The following properties shall be demolished and redeveloped:

Address	Zoning Structure		Ward	Neighborhood
1125 11th Street	R-3	Single Family	III	Cheatom
430 Orchard St.	R1-60	Single Family	I	Riverbend
1333 Mondamin	R1-60	Single Family	I	Mondamin
1431 Stewart St.	R-2A	Single Family	II	MLK Park
1248 McCormick St.	R-2A	Single Family	II	MLK Park
3308/3310 Kinsey Ave	R1-60	Duplex	II	Gray’s Woods
1817 Capitol Ave.	R1-60	Single Family	IV	Capital East
314 Indiana Ave.	R10-60	Single Family	I	River Bend
1423 17th St.	R1-60	Single Family	I	King Irving
1525/1527 E. 33rd St.**	R1-60	Duplex	II	Gray’s Woods
106 Astor	R1-60	Single Family	IV	Gray’s Woods

**Staff has received interest from an adjacent property owner desiring to acquire this parcel which staff supports as long as the Fair Market Value of the land and demolition costs are recouped with the resale of this parcel.

PREVIOUS COUNCIL ACTION(S):

Date: November 8, 2010

Roll Call Number: 10-1811

Action: [Approving](#) Des Moines Municipal Housing Agency (DMMHA) Replacement Housing Factor Fund Proposal and Agency Plan Amendments. ([Board Communication No. 10-659](#)) **Moved by Hensley to approve and adopt. Motion Carried 4-3.**

BOARD/COMMISSION ACTION(S):

Board: Public Housing Board

Date: October 20, 2010

Resolution Number: PH 10-40

Action: Approved recommendation of the Replacement Housing Factor Fund proposal.

Board: Public Housing Board

Date: March 16, 2011

Resolution Number: PH 11-19

Action: Approved RFP-V11-053 award to Wells + Associates Architects.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Award of construction contract.

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