

Council Communication

Office of the City Manager

Date: February 13, 2012

Agenda Item No. MHGB2

Roll Call No.

Communication No. <u>12-049</u>

Submitted by: Douglas C. Romig,

Housing Services
Director

AGENDA HEADING:

Approving the Des Moines Municipal Housing Agency's (DMMHA) request to the Department of Housing and Urban Development (HUD) to rescind six single family homes from the 2003 approved disposition plan. The six addresses are as follows: 1525 4th Street, 1400 10th Street, 1338 Clark Street, 1120 13th Street, 1158 Martin Luther King Pkwy, and 1440 4th Street.

SYNOPSIS:

Recommend approval for the Des Moines Municipal Housing Agency to request HUD rescission of six single family homes from the 2003 approved Disposition Plan

FISCAL IMPACT: [SELECT ONE]

Amount: \$22,970.00

Funding Source: HUD Operating subsidy that would take effect in FY13

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. Where there is a commensurate public benefit, according to federal regulations, sales can be negotiated with a specific buyer.

The six homes located at: 1525 4th Street, 1400 10th Street, 1338 Clark Street, 1120 13th Street, 1158 Martin Luther King Pkwy, and 1440 4th Street in Des Moines, Iowa have remained occupied since the original Disposition application and approval. The homes are three and four bedroom units which is consistent with the DMMHA's housing inventory goals. Since the DMMHA is already managing and maintaining these units they have determined it is in the best interest of the Agency and the tenants to keep these six homes and return them to the Agency's Annual Contributions Contract (ACC) to be maintained as Public Housing rental units.

In evaluating the Public Housing portfolio, disposition of all single family scattered site home would eliminate the Des Moines Municipal Housing Agency's ability to provide Public Housing opportunities to families. If all single family scatter site homes were sold, the Housing Agency would only have six (6) two-bedroom units available at Royal View Manor. By rescinding these units from the Disposition amp and returning them back to the ACC, the Agency will be able to serve larger family units through its Public Housing program. This effort is a continuation of the recently approved use of Replacement

Housing Factor funding from HUD whereby the Housing Agency demolished ten (10) single family homes and awarded a contract to construct ten (10) new three, four and five bedroom single family homes. Additionally, the Housing Agency is evaluating its remaining single family home inventory within its Disposition and 5h amps to finalize the future of these homes (disposition or rescission back to the ACC).

BOARD/COMMISSION ACTION(S):

Board: Municipal Housing Governing Board

Date: October 6, 2003

Resolution Number: 03-2267

<u>Action</u>: 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.

Board: Municipal Housing Governing Board

Date: November 4, 2002

Resolution Number: 02-2579

<u>Action</u>: 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.

Board: Municipal Housing Governing Board

Date: March 4, 2002

Resolution Number: 02-531

<u>Action</u>: 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.

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