

 Date:
 June 25, 2012

 Agenda Item No.
 MHGB4

 Roll Call No.
 12-0951

 Communication No.
 12-309

Submitted by: Douglas C. Romig,

Housing Services

Director

AGENDA HEADING:

Authorizing the Des Moines Municipal Housing Agency (DMMHA) to negotiate with Hawthorn Hill for the disposition sale of 1709 Gillette Street and 1427 8th Street.

SYNOPSIS:

Recommend approval for the Des Moines Municipal Housing Agency to negotiate and sell 1709 Gillette Street and 1427 8th Street to Hawthorn Hill.

FISCAL IMPACT:

<u>Amount</u>: Total purchase price for these two units is \$57,000 and a five year restrictive covenant of affordability.

<u>Funding Source</u>: 2012-2013 Operating Budget: Housing Services Department – Disposed Homes SP350 HSG021500. Page 118.

ADDITIONAL INFORMATION:

The Des Moines Municipal Housing Agency (DMMHA) received approval for its application to dispose of 394 Public Housing units at Fair Market Value, via a public bid on August 19, 2003. When there is a commensurate public benefit, according to federal regulations, sales can be negotiated with a specific buyer.

Hawthorn Hill an Iowa nonprofit corporation has a lot history of providing affordable housing in the City of Des Moines, of meeting the requirements of federally funded housing programs and has the ability to meet the requirements of DMMHA's disposition plan. Hawthorn Hill intends to rehab and rent these properties as permanent supportive housing units. Eligible participants must be a homeless family with children. Family rent will consist of 30% of the family's household income.

PREVIOUS COUNCIL ACTION(S):

Date: October 6, 2003

Roll Call 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.

Date: November 4, 2002

Roll Call 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.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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