

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b> July 23, 2012
	<b>Agenda Item No.</b> MHGB2 <b>Roll Call No.</b> <u>12-1138</u> <b>Communication No.</b> <u>12-387</u> <b>Submitted by:</b> Douglas C. Romig, Housing Services Director

**AGENDA HEADING:**

Authorizing the Des Moines Municipal Housing Agency (DMMHA) to negotiate with Community Housing Initiatives Inc. (CHI) for the disposition sale of 1061 21st Street, 1163 MLK Parkway, and 1933 24th Street, Des Moines, Iowa.

**SYNOPSIS:**

Recommend approval for the DMMHA to negotiate and sell 1061 21st Street, Des Moines, Iowa 50311, 1163 MLK Parkway, Des Moines, Iowa 50314, and 1933 24th Street, Des Moines, Iowa 50310 to CHI, President, Doug LaBounty, 500 East Locust Street, Suite 500, Des Moines, Iowa 50309.

**FISCAL IMPACT:**

Amount: Total purchase price for these three units is \$81,750 and a five (5) year restrictive covenant of affordability.

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

**ADDITIONAL INFORMATION:**

The 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.

CHI, an Iowa nonprofit corporation, has a long 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. CHI intends to rehab and sell these properties for affordable home ownership to low or moderate income families earning less than 80% of HUD median income guidelines.

Staff is recommending approval of this sale and authorization for the City Manager or his designee to negotiate and execute the sale of these properties to CHI subject to HUD approval. This action is a part of the DMMHA’s effort to improve its financial position within its Public Housing operations.

**PREVIOUS COUNCIL ACTION(S):**

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.

**BOARD/COMMISSION ACTIONS(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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