

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: August 12, 2013
	Agenda Item No. M3 Roll Call No. <u>13-1245</u> Communication No. <u>13-422</u> Submitted by: Douglas C. Romig, Housing Services Director

AGENDA HEADING:

Authorization for the City Manager to release mortgage and related security instruments for Nick and Tiffany Johnson, 5604 S. Union Street (5(h) Affordable Homeownership Program).

SYNOPSIS:

Recommend Municipal Housing Governing Board approval for the Des Moines Municipal Housing Agency to release the second mortgage and security instruments for Nick A. Johnson and Tiffany R. Johnson.

FISCAL IMPACT:

Amount: \$50.00 processing fee for Second Mortgage term reduction

Funding Source: 2013-204 Operating Budget: Housing Services Department – 5h Homeownership SP350 HSG021600, Page 122

ADDITIONAL INFORMATION:

Nick A. Johnson and Tiffany R. Johnson have successfully completed the program requirements of the Municipal Housing Agency’s 5(h) Affordable Homeownership Program and requirements for the forgiveness of the term of the second mortgage. They currently have a seven (7) year forgivable second mortgage in the amount of \$36,630 with the Des Moines Municipal Housing Agency. However, since they have owned the home for more than seven (7) years and completed program requirements, City Legal has prepared a Release and Satisfaction of the Second Mortgage and staff is requesting authorization to execute and record the document.

The Johnsons had requested early release of the mortgage in order to sell their home at 5604 S. Union Street, which release was approved by the Municipal Housing Governing Board on May 20, 2013, by Roll Call No. 13-0760, in exchange for payment by the Johnsons of the remaining prorated mortgage balance of \$5,232.90 toward DMMHA’s second mortgage. However, the Johnsons delayed the request following Municipal Housing Governing Board approval. DMMHA’s second mortgage and restrictive covenant on the Johnsons’ property expired on August 1, 2013.

PREVIOUS COUNCIL ACTION(S):

Date: May 20, 2013

Roll Call Number: [13-0760](#)

Action: [Authorization](#) for the City Manager to release mortgage and related security instruments for Nick and Tiffany Johnson, pursuant to 5(h) Affordable Homeownership Program. ([Board Communication No. 13-252](#)) Moved by Mahaffey to approve. Motion Carried 4-3. Absent: Coleman, Meyer and Moore.

Date: August 7, 2006

Roll Call Number: [06-1537](#)

Action: [Approval](#) of conveyance of 5604 S. Union Street, City-owned Municipal Housing Agency Property pursuant to Affordable Home Ownership Program. ([Council Communication No. 06-504](#)) Moved by Nesbitt to adopt. Motion Carried 7-1.

Date: May 3, 2004

Roll Call Number: 04-868

Action: Approval of Policy for the Reduction of the Term of Forgivable Second 5h Homeownership Mortgage. ([Council Communication No. 04-213](#)) Moved by Vlassis to approve. Motion Carried 6-2.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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