

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: December 9, 2013
	Agenda Item No. MHGB3 Roll Call No. <u>13-1865</u> Communication No. <u>13-576</u> Submitted by: Douglas C. Romig, Housing Services Director

AGENDA HEADING:

Authorizing the Des Moines Municipal Housing Agency (DMMHA) to the disposition sale of 1223 Wade Street and 3617 3rd Street at fair market value to Samann LLC; Steve Smith, owner.

SYNOPSIS:

Approving sale of 1223 Wade Street and 3617 3rd Street to Samann LLC; Steve Smith, owner in the amount of \$40,000.

FISCAL IMPACT:

Amount: \$40,000 (\$24,000 - 3617 3rd Street) and (\$16,000 - 1223 Wade Street) fair market values.

Funding Source: Sale proceeds from Samann LLC; Disposed Homes: SP350 HSG021500, page 121.

ADDITIONAL INFORMATION:

The DMMHA’s process for selling its disposed homes provides for offers to first be extended to area non-profits at 75% of fair market value and then through sealed bids for fair market value. In 2012 and 2013, the DMMHA provided notices to area non-profits on the availability of its remaining single family home inventory with no offers. In between the two (2) offers to non-profits, the DMMHA issued sealed bids that were due on March 6, 2012. No offers came in on the remaining inventory through this effort.

On November 27, 2013, Steve Smith, Samann LLC submitted written offers at fair market value for 1223 Wade Street and 3617 3rd Street. Due to the sale of these units under the DMMHA’s disposition program and that each sale is for the appraised fair market value no restrictions will be placed on these sales. In discussions with the U.S. Department of Housing and Urban Development (HUD), the DMMHA can proceed with this sale since the Agency will be receiving Fair Market Value based on a third party appraisal.

The Housing Services Department is requesting authorization for the Housing Services Director and Legal Department to prepare an Offer to Buy Real Estate and Acceptance and other closing documents for the sale of 1223 Wade Street and 3617 3rd Street. Staff is also requesting authorization for the City Manager or his designee on behalf of DMMHA subject to final approval of the document by the Legal Department and execution of the documents by the buyer, and DMMHA staff to proceed with closing on the sale of the properties.

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.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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