

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: April 6, 2015
	Agenda Item No. MHGB3 A-D Roll Call No. <u>15-0556</u> Communication No. <u>15-165</u> Submitted by: Douglas C. Romig, Housing Services Director

AGENDA HEADING:

Approving conveyance of real property by the Des Moines Municipal Housing Agency (DMMHA).

SYNOPSIS:

Approval to sell the remaining four (4) disposition approved scattered site single-family homes competitively bid through a sealed bid process.

FISCAL IMPACT:

Amount: \$55,579

Funding Source: Sealed bid sale awards deposited into Disposed Homes; SP350; HSG121000; page 113.

ADDITIONAL INFORMATION:

On August 19, 2003, the U.S. Department of Housing and Urban Development (HUD) approved the DMMHA’s disposition application of 394 units. Since 2003, the DMMHA has sold the majority of the scattered site single-family homes while maintaining a scattered site Public Housing inventory of 35 single-family units. The remaining vacant units had been publicly let for purchase through the DMMHA’s HUD approved disposition plan. However, there were four (4) units and one (1) vacant lot that never received interest either from the non-profits or private sector as all private bids were previously subject to Fair Market Value.

Since the DMMHA had not received any bids on multiple previous attempts, the DMMHA contacted HUD to verify that these remaining blighted units could be sold for less than Fair Market Value. HUD’s response was that as long as the Agency followed its procurement process, we could recommend the sale of our remaining vacant inventory for less than Fair Market Value subject to HUD review and approval by the Special Application Center.

The DMMHA issued sealed bids for its remaining four (4) units and one (1) vacant lot with bids due no later than 4:30 p.m. on February 27, 2015. Multiple bids were received for all of the units; however, no bids were received on the vacant lot at 430 Orchard. The four (4) successful bid awards and bid prices are as follows:

Property Address	Bid Award	Bid Amount
1125 11 th Street	Tiphani James	\$1,500
1545 DeWolf Street	Todd McClish	\$30,601
1618 Lincoln Avenue	Slashfrog d/b/a All Day Homes	\$10,051
1915 24 th Street	Martin Stonver	\$13,427

Staff is requesting approval for the Mayor to execute the Deed and related documents on behalf of DMMHA, and the City Clerk to attest to his signature, following HUD approval and preparation of the documents and final approval as to form from the Legal Department. Staff is also requesting the City Manager or his designee be authorized to execute any other related documents on behalf of DMMHA, subject to final approval of documents by the Legal Department and execution of the documents by the buyer, and DMMHA staff are authorized to proceed to closing on the sale of the properties.

PREVIOUS COUNCIL ACTION(S):

Date: January 12, 2015

Roll Call Number: [15-0002](#)

Action: [Approving](#) conveyance of real property by the Des Moines Municipal Housing Agency (DMMHA). ([Board Communication No. 15-001](#)) Moved by Moore to approve. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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