

# COUNCIL COMMUNICATION

 <p style="font-size: small; margin: 0;">CITY OF <b>DES MOINES</b> OFFICE OF THE CITY MANAGER</p>	Number: <b>23-420</b>	Meeting: <b>September 11, 2023</b>
	Agenda Item: <b>MHGB3</b>	Roll Call: <input style="width: 100px; height: 15px;" type="text"/>
	Submitted by: <b>Chris Johansen, Neighborhood Services Department Director</b>	

**AGENDA HEADING:**

Authorizing execution of Section 32 Homeownership Program Implementing Agreement with the U.S. Department of Housing and Urban Development (HUD) and authorizing actions necessary for the implementation of the program.

**SYNOPSIS:**

Recommend Municipal Housing Governing Board authorize the execution of Section 32 Implementing Agreement with HUD and authorization for the Housing Executive Director to implement the program upon execution of the agreement.

**FISCAL IMPACT:**

Amount: \$1,139,000

Funding Source: Sale proceeds, Housing Services Department – S350 HSG120130 – Public Housing, Page 103

**ADDITIONAL INFORMATION:**

- The Des Moines Municipal Housing Authority (DMMHA) has received approval of the Section 32 Homeownership Program plan from the Department of Housing and Urban Development which includes the following single family Public Housing units:
 

2403 Payne Road	1373 Idaho Street
2004 E 27th Street	3101 Fleming Avenue
3029 Indianapolis Avenue	2600 E 39th Court
1432 62nd Street	1440 Fourth Street
4239 E Euclid Avenue	3308 Kinsey Avenue
1158 MLK Parkway	1400 Tenth Street
1333 Mondamin	106 Astor Street
  
- The Section 32 Homeownership Program Plan will sell these units for less than fair market value to households earning no more than 80% of median income. The DMMHA will have a five (5)-year, interest free forgivable loan with a rate of forgiveness of 20% a year. First priority homebuyers are

the public housing residents currently living in the unit. The DMMHA will make application to HUD for 14 Tenant Protection Replacement Vouchers.

- The DMMHA is seeking authorization for the Chairman of the Municipal Housing Governing Board to sign the Section 32 Implementing Agreement with the Department of Housing and Urban Development. Upon execution of the Implementing Agreement, DMMHA will apply for 14 Tenant Protection Replacement Vouchers.

**PREVIOUS COUNCIL ACTION(S): NONE**

**BOARD/COMMISSION ACTION(S):**

Board: Municipal Housing Governing Board

Date: February 20, 2023

Resolution Number: [23-0193](#)

Action: [Authorizing](#) the DMMHA submission of a Section 32 Homeownership Program Plan to HUD for approval and authorizing actions necessary to secure HUD approval and implementation of the program. ([Board Communication No. 23-083](#)) Moved by Gatto to adopt. Second by Boesen. Motion Carried 6-1. Nays: Sheumaker.

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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