MHGB COMMUNICATION				
CITY OF DES MOINES CITY MANAGER'S OFFICE	Number:	25-369	Meeting:	September 29, 2025
	Agenda Item:	MHGB3	Roll Call:	25-1250
	Submitted by:	Chris Johansen, Neighborhood Services Department Director		

AGENDA HEADING:

Resolution accepting proposal from Rypma Properties as developer for Section 18 conversion of Royal View Manor.

SYNOPSIS:

On December 23, 2024, the Municipal Housing Governing Board (MHGB) selected Rypma Properties as the developer for the Rental Assistance Demonstration (RAD) program conversion of Royal View Manor. After due diligence, Rypma Properties is recommending submitting a Section 18 application to the U.S. Department of Housing & Urban Development (HUD) for their approval. The Des Moines Municipal Housing Agency (DMMHA) and developer can meet the same goals of redeveloping Royal View Manor through the Section 18 program as intended through the RAD program.

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

- On December 23, 2024, the MHGB selected Rypma Properties as the developer for the RAD conversion of Royal View Manor. One (1) of the requirements for the RAD program is that a land lease for the property would be required to be maintained between the DMMHA and the developer. This land lease would be problematic for potential funding opportunities.
- After due diligence, Rypma Properties is recommending submitting a Section 18 application to HUD for their approval. The DMMHA and developer can meet the same goals of redeveloping Royal View Manor through the Section 18 program as intended through the RAD program.
- The Section 18 application is the same process the DMMHA went through to dispose of 394 units of scattered site housing that was approved in the mid-2000s and currently used to dispose of 13 scattered site single family homes.

PREVIOUS COUNCIL ACTION(S):

Date: December 23, 2024

Roll Call Number: 24-1692

<u>Action</u>: <u>Approval</u> of Rypma Properties as developer for the RAD conversion of Royal View Manor. (<u>Board Communication No. 24-529</u>) Moved by Mandelbaum to approve. Second by Gatto. Motion Carried 6-0. Absent: Voss.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

The Section 18 application will be submitted to the MHGB for approval and authorization to submit to HUD.

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