

★ Roll Call Number

12-0529

Agenda Item Number

25

Date April 9, 2012

APPROVAL OF RECAPTURE AGREEMENT TEMPLATE FOR THE
HOME ASSISTED HOME BUYER PROGRAM

WHEREAS, the City of Des Moines Community Development Department administers HOME Investment Partnerships Program (24 CFR 92) funds to create affordable housing for low income home buyers by providing financial assistance to home buyers and developers; and

WHEREAS, the HOME program requires a period of affordability during which housing must be occupied by a low income family (below 80% of area median income) as their primary residence; and

WHEREAS, 24 CFR 92.254(a)(5) of the HOME program final rule requires that if a property is sold during the period of affordability the HOME funds must either be recaptured or the property must be sold to another low income household which is termed the resale option; and

WHEREAS, the City of Des Moines, has a recapture option for home buyers assisted with HOME funds as part of the 2012 Consolidated Plan,

WHEREAS, the recapture option for HOME funds is in the form of a lien wherein the HOME assistance disbursed to the home buyer is forgiven over a period of time but the amount not forgiven is recaptured if the house is sold or transferred during the period of affordability; and

WHEREAS, staff has prepared a revised Recapture Agreement, Lien, and Restrictive Covenant, for eligible purchasers that reflect the new recapture provisions; and

WHEREAS, staff recommends approval of the revised forms that are on file in the City Clerk's office.

(Continued on next page)

★ Roll Call Number

12-0529

Agenda Item Number

25

Date April 9, 2012

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Des Moines, Iowa that the revised HOME Recapture forms are hereby approved for use subject to final approval by the legal department and the Community Development Director of the City of Des Moines is authorized to execute the HOME Recapture forms on behalf of the City in administration of the HOME program.

City Council Communication No. 12-173)

MOVED BY Hensley TO ADOPT.

FORM APPROVED:

[Signature]
Michael F. Kelley
Assistant City Attorney

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, COLEMAN, GRIESS, HENSLEY, MAHAFFEY, MEYER, MOORE, and TOTAL (7).

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

[Signature: Diane Rauh]

City Clerk

[Signature: T. M. Franklin] Mayor