

★ Roll Call Number  
12-0951

✓  
Agenda Item Number

M.H.G.B. 4

Date June 25, 2012

AUTHORIZING NEGOTIATIONS AND APPROVING CONVEYANCE  
BY THE DES MOINES MUNICIPAL HOUSING AGENCY TO  
HAWTHORN HILL FOR THE DISPOSITION SALE OF  
1709 GILLETTE STREET AND 1427 8<sup>TH</sup> STREET

WHEREAS, on August 19, 2003, the U.S. Department of Housing and Urban Development (HUD) approved the Des Moines Municipal Housing Agency's (DMMHA) application for disposition of 394 scattered site units; and

WHEREAS, pursuant to the Housing Disposition plan, DMMHA may negotiate with prospective buyers for the sale of specific properties; and

WHEREAS, Hawthorn Hill has a long history of providing affordable housing in Des Moines, meeting the requirements of federally funded housing programs, and has the ability to meet the requirements of DMMHA's disposition plan; and

WHEREAS, Hawthorn Hill has made a request to purchase, through negotiated sale, which is attached hereto as Exhibit 1, and by this reference made a part hereof, the properties locally known as 1709 Gillette Street and 1427 8<sup>th</sup> Street (collectively "Properties") which will be rehabbed and sold for affordable homeownership to low-income families earning less than 50% of median income guidelines; and

WHEREAS, following HUD approval of the negotiated sale, an Offer to Buy Real Estate and Acceptance, a Special Warranty Deed with Restrictive Covenant, and a Declaration of Value and Groundwater Hazard Statement will be prepared by the Legal Department prior to closing on this sale; and

WHEREAS, pursuant to Section 403A.3(9) of the Code of Iowa, the requirements of Section 364.7 do not apply to the City when exercising its municipal housing powers, including the power to convey property.

NOW, THEREFORE, BE IT RESOLVED by the Municipal Housing Governing Board that:

1. We find that Hawthorn Hill has a successful history of providing affordable housing in Des Moines and is therefore eligible to participate in the negotiated sale process of the DMMHA Housing Disposition program.
2. The Housing Director is hereby authorized to enter into negotiations with Hawthorn Hill for the purchase and sale of the Properties listed above and further to seek approval from HUD of the proposed terms of the negotiated sale.
3. Upon approval of HUD of the proposed terms of a negotiated sale, the Housing Director or designee and Legal Department are authorized and directed to prepare an Offer to Buy Real Estate and Acceptance, Special Warranty Deed, and other closing documents for the above-described sale.
4. The Mayor is authorized to execute the Special Warranty Deed, and the City Clerk to attest to his signature, following preparation of the documents and final approval as to form of the Legal Department.

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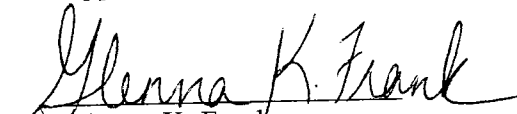
5. The City Manager or his designee is hereby authorized to execute all other related documents on behalf of the City subject to final approval of the documents by the Legal Department and execution of the documents by the buyer, and DMMHA staff are authorized to proceed to closing on the sale of the Properties.

BE IT FURTHER RESOLVED that should negotiations and/or property sale not be successfully concluded with Hawthorn Hill and approved by HUD by February 25, 2013, the Properties referenced above shall be considered immediately available for other sales options pursuant to DMMHA's Housing Disposition plan.

(Board Communication No. 12.309)

Moved by Griess to adopt.

Approved as to form:

  
 Glenna K. Frank  
 Assistant City Attorney

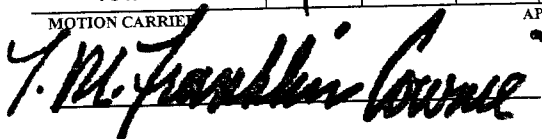
M.H.G.B. ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GRIESS	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MEYER	✓			
MOORE	✓			
TOTAL	7			

**CERTIFICATE**

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City of Des Moines, Municipal Housing Agency Governing Board, 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.

 City Clerk

 Mayor