

★ Roll Call Number

13-0273

Agenda Item Number

M.H.G.B. - 5

Date February 25, 2013

AUTHORIZING NEGOTIATIONS AND APPROVING CONVEYANCE
BY THE DES MOINES MUNICIPAL HOUSING AGENCY TO
GREATER DES MOINES HABITAT FOR HUMANITY INC. FOR THE DISPOSITION SALE OF
1227 E. 17TH STREET, 1233 E. 17TH STREET, 1239 E. 17TH STREET AND 1251 E. 17TH 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, Greater Des Moines Habitat for Humanity Inc. ("Habitat for Humanity") 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, Habitat for Humanity has made a request to purchase through negotiated sale, which is attached hereto as Exhibit 1 and by this reference made a part hereof, for the DMMHA-owned properties locally known as 1227 E. 17th Street, 1233 E. 17th Street, 1239 E. 17th Street, and 1251 E. 17th Street, Des Moines (collectively "Properties"), upon which the existing structures will be demolished, adjoining property will be re-parceled, and six (6) owner-occupied homes will be constructed and sold for affordable homeownership to low-income families earning less than 50% of median income guidelines; and

WHEREAS, DMMHA staff and Habitat for Humanity have negotiated a purchase price of \$5,000 per parcel for a total purchase price of \$20,000 for the Properties, and additional consideration in the form of demolition development of the existing residential structure at the DMMHA-owned property locally known as 1246 E. 17th Street, at Habitat for Humanity's sole expense and by its contractor pursuant to temporary license agreement between DMMHA and Habitat for Humanity, and payment by Habitat for Humanity of the architectural fees related to said demolition development; 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 related documents for the Properties, and a temporary license agreement related to demolition at 1246 E. 17th Street, 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 Iowa Code 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 Greater Des Moines Habitat for Humanity, Inc. 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 Greater Des Moines Habitat for Humanity Inc. for the purchase and sale of the Properties listed above, and for the demolition of the DMMHA-owned structure located at

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- 1246 E. 17th Street and all fees related thereto, 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.
 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, including but not limited to the temporary license agreement for demolition of the DMMHA-owned structure located at 1246 E. 17th Street, 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 Greater Des Moines Habitat for Humanity Inc. and approved by HUD by February 25, 2014, the Properties referenced above shall be considered immediately available for other sales options pursuant to DMMHA's Housing Disposition plan.

(Board Communication No. 13-075)

Moved by Mahaffey to adopt.

Approved as to form:

Glenna K. Frank
 Glenna K. Frank, Assistant City Attorney

| M.H.G.B. ACTION | YEAS | NAYS | PASS | ABSENT |
|-----------------|------|------|------|--------|
| COWNIE | ✓ | | | |
| COLEMAN | ✓ | | | |
| GRIESS | ✓ | | | |
| HENSLEY | ✓ | | | |
| MAHAFFEY | ✓ | | | |
| MEYER | | | | ✓ |
| MOORE | ✓ | | | |
| TOTAL | 6 | | | |

MOTION CARRIED APPROVED
T. M. Franklin Mayor

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.

Diane Rauh City Clerk