



**CITY COUNCIL  
COMMUNICATION:**

**ITEM \_\_\_\_\_**

**OFFICE OF THE CITY MANAGER  
CITY OF DES MOINES, IOWA**

**00-368**

**SYNOPSIS -**

**AGENDA:**

AUGUST 7, 2000

Requesting approval for submission of request for 118 housing vouchers to the U.S. Department of Housing and Urban Development (HUD).

**SUBJECT:**

APPLICATION FOR  
ADDITIONAL  
VOUCHERS FOR  
SECTION 8  
HOUSING  
PROGRAM

**FISCAL IMPACT -**

Grant application is for approximately \$400,284 over 12-month period.

**RECOMMENDATION -**

**Approval.**

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

**BACKGROUND -**

**SUBMITTED BY:**

BEN MONTIJO  
HOUSING SERVICES  
DIRECTOR

HUD is offering the Des Moines Municipal Housing Agency an additional 118 housing vouchers. These vouchers have become available because HUD has determined not to renew project-based housing voucher contracts it has had with Luther Park (106 vouchers) and Laurel Village (12 vouchers). Project based vouchers are tied to a physical unit and the subsidy stays with that unit. The particular tenant in that unit will vary as tenants move out and new tenants move in. The tenant that moves out does not take the subsidy (the voucher) with them. In offering these 118 vouchers, HUD is converting them to tenant-based vouchers. This means the voucher is issued to the tenant, rather than to the physical units. With a tenant-based voucher, the eligible tenant household is issued the voucher, and it goes with them wherever and however many times they choose to move. All our vouchers are tenant-based vouchers. These tenant-based vouchers must first be offered to the current tenants at Laurel Village and Luther Park. We believe most of them will choose to continue to reside in these rental apartments. However, they are

free to take their voucher elsewhere.

We believe HUD was willing to offer us the additional vouchers (they could have chosen to offer them to a state agency or other public, nonprofit, or private agency) because of the progress we have demonstrated in leasing up our Section 8 program.

In addition to serving more households in our community, this addition will generate more than \$60,000 in net income to the agency.