

**MUNICIPAL
HOUSING
GOVERNING
BOARD
COMMUNICATION:**

02-602

AGENDA:

NOVEMBER 18, 2002

SUBJECT:

AUTHORIZING
SUBMISSION OF
REVISED UTILITY
ALLOWANCE
SCHEDULES

TYPE:

RESOLUTION
RECEIVE & FILE

SUBMITTED BY:

MIKE MATTHES
ACTING DIRECTOR

ITEM -

**MHGB_2
OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

SYNOPSIS —

Requesting approval to submit to the U.S. Department of Housing and Urban Development (HUD), the proposed Payment Standards for the Section 8 Housing Choice Voucher Program

FISCAL IMPACT —

An estimated \$476,700 per year

RECOMMENDATION —

Approval

BACKGROUND —

The Des Moines Municipal Housing Agency (DMMHA) is required by the U.S. Department of Housing and Urban Development (HUD) to establish payment standards by bedroom size for the Section 8 Voucher Program. Further, the Federal regulations governing the Section 8 Voucher program require that Housing Agencies review their payment standards annually.

The payment standard is used to calculate the monthly housing assistance payment for a family under the Section 8 Voucher program. The range of possible payment standard amounts is based on HUD's published fair market rent schedules.

In an effort to ensure the payments standard amounts are high enough to allow families a reasonable selection of housing opportunities within Polk County, DMMHA has set its payment standards at 110% of the published fair market rents (FMRs).

The Department of Housing and Urban Development published an increase in the fair market rents for the Des Moines Metropolitan area on 9/30/02. The proposed payment standards, which are listed in the letter to the Kansas City HUD Office, which is attached to the roll call, are based on 110% of the newly published FMRs.

An increase in the payment standards as proposed will result in an

	estimated annual increase of \$476,700 in Housing Assistance Payments to Section 8 Landlords.
--	---