



Agenda Item:

MHGB-2

COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 11/22/04
04-587

Communication No.:

Agenda Item Type: Resolution
No.:

Roll Call

Submitted by: Chris Johansen, Housing Services Director

SUBJECT—

Authorizing Submission of the Des Moines Municipal Housing Agency's Revised Utility Allowance Schedules.

SYNOPSIS—

Requesting approval to submit to the U.S. Department of Housing and Urban Development (HUD) the Des Moines Municipal Housing Agency's proposed utility allowance schedules for Section 8 and Public Housing Programs.

FISCAL IMPACT—

None

RECOMMENDATION—

Approval

BACKGROUND—

The Des Moines Municipal Housing Agency (DMMHA) is required by HUD to provide utility allowances for Section 8 and Public Housing residents who pay their own utilities. Federal Regulations governing these programs require that housing agencies review their utility

allowances annually and make adjustments to the schedules if there is a change in the utility rate of 10% or more from the rate on which the allowance is based.

Each year staff sends correspondence to the utility companies requesting information on recent and proposed increases in monthly utility rates. The responses from these inquiries are reviewed and adjustments to the utility allowance schedules are made accordingly.

This year's responses from MidAmerican Energy indicate there were no current or anticipated increases in electric or gas charges. Therefore, no changes in the utility allowance for electric and gas utilities are being recommended at this time.

This year's responses from the City of Des Moines Public Works Department indicate an increase in trash collection fees from \$11.00 to \$12.00 per month and an increase in storm water rates from \$3.00 to

\$5.55 per month. For the first time this year residents are also paying a sewer availability charge of \$4.40 per month. Therefore, an increase in the utility allowances for these charges is being recommended. The effective date of these increases will be December 1, 2004, for the Section 8 Housing Choice Voucher Program in its entirety. For the Public Housing Program, the effective date of the increases will be implemented in accordance with HUD regulations.

Based on the information received from the utility companies and the Public Works Department, the following changes to the utility allowance schedules will be proposed: a \$1 increase in trash collection fees; a \$2.55 increase in storm water fees; and a \$4.40 increase in sewer availability fees.