



MHGB
Communication
Office of the City Manager

Date

November 19, 2007

Agenda Item No. MHGB2
Roll Call No. 07-
Communication No. 07-689
Submitted by: Chris M. Johansen, Housing
Services Director

AGENDA HEADING:

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

SYNOPSIS:

Recommend 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

Amount: N/A

Funding Source: N/A

ADDITIONAL INFORMATION:

The Des Moines Municipal Housing Agency (DMMHA) is required by the 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 in the utility allowance schedules are made accordingly.

This year's response from Mid American Energy indicates an estimated 2.9% increase in the utility for natural gas heat and no change in the electric utilities.

This year's response from the Des Moines Water Works indicates an increase in water rates of 1.486%. In addition, the City of Des Moines, Public Works Department reported an increase in storm water rates from \$6.12 to \$6.43 per month and an increase in sewer rates of 1.081%. Therefore, a revision to the utility allowances for these charges is being recommended at this time. The effective date of these revisions will be December 1, 2007, for both the Section 8 Housing Choice Voucher Program and Public Housing Program.

The Public Housing Program does not provide for an allowance for air conditioning and does not include mobile home units; therefore, the Des Moines Municipal Housing Agency has separated the utility

allowance schedules for the Section 8 Programs and the Public Housing Program to reflect these differences.

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: increase the utility allowance for natural gas heat by 2.9%, increase the allowance for water by 1.486%, increase the allowance for sewer by 1.081% and increase the allowance for storm water to \$6.43 per month.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S):

Date: November 6, 2006

Roll Call Number: 06-2148

Action: Approving City of Des Moines Municipal Housing Agency proposed Utility Allowance Schedules. (Council Communication No. 06-708) Moved by Hensley to approve. Motion Carried 7-0.

Date: November 21, 2005

Roll Call Number: 05-2733

Action: Approval of City of Des Moines Municipal Housing Agency proposed Utility allowance schedules. (Council Communication No. 05-647) Moved by Kiernan to approve. Motion Carried 8-0.

Date: November 22, 2004

Roll Call Number: 04-2475

Action: Approval of Des Moines Municipal Housing Agency Proposed Utility Allowance Schedules. (Council Communication No. 04-587) Moved by Nesbitt to approve. Motion Carried 7-1. Nays: Hensley.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE