

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: November 22, 2010
	Agenda Item No. M3 Roll Call No. <u>10-1907</u> Communication No. <u>10-696</u> Submitted by: Douglas C. Romig, Housing Services Director

AGENDA HEADING:

Approving the Des Moines Municipal Housing Agency proposed utility allowance schedules to become effective December 1, 2010.

SYNOPSIS:

Recommendation to the Des Moines Municipal Housing Governing Board to approve the proposed utility allowance schedules to become effective December 1, 2010.

FISCAL IMPACT:

Amount: \$55,685

Expense increase of approximately \$54,500 for Section 8

Expense increase of approximately \$1,185 for Public Housing

Funding Source:

- 2010 - 2011 Operating Budget: Housing Services Department – Section 8 SP350 HSG190000, Page 141.
- 2010 – 2011 Operating Budget: Housing Services Department – Disposed Homes SP350 HSG021500, Page 138.
- 2010 – 2011 Operating Budget: Housing Services Department – 5h Homeownership SP350 HSG021600, Page 139.

ADDITIONAL INFORMATION:

On November 17, 2010 by Resolution Number 10-48, the Public Housing Board approved a recommendation to adjust the Des Moines Municipal Housing Agency’s utility allowance.

The Des Moines Municipal Housing Agency (DMMHA) is required by the Department of Housing and Urban Development 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. DMMHA used the HUD Utility Schedule Model to figure the annual utility allowance amounts. Staff sent correspondence to the utility companies requesting information on current rates as HUD’s Utility Schedule Model accounts for summer/winter differences. Only one utility rate, water, increased by more than 10% resulting in the allowance for a typical two bedroom single family home or four bedroom duplex to increase by 2% or approximately \$6.00 per household.

As the utility allowance amount calculated for a type of utility increased by more than 10%, a revision to the utility allowances is being recommended at this time. The effective date of these revisions will be December 1, 2010, 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. The utility schedules are attached to the roll call as "Exhibit A".

PREVIOUS COUNCIL ACTION(S):

Date: November 9, 2009

Roll Call Number: 09-1983

Action: [Approving](#) City of Des Moines Municipal Housing Agency proposed utility allowance schedules. Moved by Mahaffey to approve. Motion Carried 5-2.

Date: November 10, 2008

Roll Call Number: 08-1933

Action: [Approving](#) City of Des Moines Municipal Housing Agency proposed utility allowance schedules. Moved by Coleman to approve. Motion Carried 5-3.

Date: November 19, 2007

Roll Call Number: 07-2167

Action: [Approving](#) City of Des Moines Municipal Housing Agency Proposed Utility Allowance Schedules. Moved by Nesbitt to approve. Motion Carried 7-1.

BOARD/COMMISSION ACTION(S):

Board: Public Housing Board

Date: November 17, 2010

Resolution Number: 10-48

Action: Approved recommendation to the Des Moines Municipal Housing Governing Board to adjust the Agency's utility allowance.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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