

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	May 23, 2011	
	Agenda Item No.	MHGB4	
	Roll Call No.	<u>11-851</u>	
	Communication No.	<u>11-316</u>	
	Submitted by:	Douglas C. Romig, Housing Services Director	

AGENDA HEADING:

Approving issuance of 50 Project Based Section 8 Vouchers and authorizing the Housing Services Director to submit a request to the U.S. Department of Housing and Urban Development (HUD) for capital funding to support the efficiency rental units as a part of Central Iowa Shelter and Services development project.

SYNOPSIS:

Recommendation from the Public Housing Board to issue 38 Project Based Section 8 Vouchers to Central Iowa Shelter and Services, 12 Project Based Section 8 Vouchers to the YMCA of Greater Des Moines and authorizing the Housing Services Director to submit a request for capital funding from Section 18 (proceeds from sales aka Development Fund) to support the efficiency rental units as a part of Central Iowa Shelter and Services development project.

FISCAL IMPACT:

Amount: \$274, 188 (Project Based Vouchers), Capital support TBD.

Funding Source: 2010-2011 Operating Budget: Housing Services Department – Section 8 SP350 HSG190000, page 141.

ADDITIONAL INFORMATION:

On May 18, 2011, by Roll Call No. 11- 05, the Public Housing Board approved a recommending to the Municipal Housing Governing Board the issuance of 38 Project Based Vouchers to Central Iowa Shelter and Services (CISS) and 12 Project Based Vouchers to the YMCA of Greater Des Moines. Additionally, the Board recommended that the Housing Services Director be authorized and directed to submit an official request to the U.S. Department of Housing and Urban Development (HUD) to use Section 18 (proceeds from sales aka Development Fund) to support the capital construction of the 38 efficiency units as a part of the CISS development project. On December 20, 2010, by Roll Call No. 10-2042, the Municipal Housing Governing Board approved the issuance of the Project Based Voucher Program Request for Proposals.

The Project Based Voucher (PBV) Program allows Housing Authorities which already administer a Tenant Based Voucher Program (Section 8) under an annual contributions contract (ACC) with the U. S. Department of Housing and Urban Development (HUD) to utilize up to 20 percent of its voucher program budget authority to attach the funding to specific units rather than using the funding for tenant-

based assistance. The City of Des Moines Municipal Housing Agency (DMMHA) may only operate a PBV program if doing so is consistent with the DMMHA's Annual Plan, the goal of de-concentrating poverty and expanding housing and economic opportunities. The DMMHA's current Agency Plan which has been approved by HUD includes the issuance of up to 50 Project Based Vouchers.

Project Based Vouchers are tied to the development and the voucher remains with the unit as long as the landlord is in compliance with the Housing Assistant Payment (HAP) Contract. Residents living within a PBV residence will qualify for a Tenant Based Voucher (Section 8) upon one-year of residence within the PBV location and at that time can choose to relocate using a Section 8 Voucher however, the PBV location shall still retain their voucher to provide assistance to another individual.

The RFP Selection Committee has evaluated and scored the qualified submittals with the YMCA of Greater Des Moines earning 82 points, Central Iowa Shelter and Services 80 points and Homes of Oakridge earning 54.5 points. The Committee is recommending that 38 PBV be awarded to Central Iowa Shelter and Services (CISS) and 12 PBV be awarded to the YMCA of Greater Des Moines. It is important to note that the YMCA of Greater Des Moines received the highest evaluation score however; they indicated that they would accept between 1 and 25 vouchers while CISS indicated that they would need all 38 vouchers requested for their development project. Since the DMMHA Agency Plan only allows for the issuance of 50 PBV, the Committee is recommending the above distribution. Upon issuance of these vouchers, this designation for project based use shall be available for a ten-year term.

With the award of these vouchers, CISS has also requested capital financial support for the construction of the efficiency units within their development project. Funds from the DMMHA Section 18 (proceeds from sales aka Development Fund) are an allowable expense to support Project Based Voucher developments. The funds are limited to only supporting the rental units and an equal percentage of common areas from the overall development. Additionally, HUD has established funding limits related to Total Development Costs and has numerous rules, regulations and contracts that will need to be followed and/or executed if this action is approved. The Public Housing Board recommends approval.

PREVIOUS COUNCIL ACTION(S):

Date: December 20, 2010

Roll Call Number: M.H.G.B. - 3

Action: Approval to issue Project-based Voucher request for proposals to provide rental assistance for eligible households who live in specific housing developments or units. (Board Communication No. 10-751) Moved by Mahaffey Carried 6-1. Absent: Coleman.

BOARD/COMMISSION ACTION(S):

Board: Public Housing Board

Date: May 18, 2011

Resolution Number: P.H. 11 - 05

Action: Approving recommendation to the Municipal Housing Governing Board to issue 50 Project Based Section 8 Vouchers (38 to Central Iowa and Shelter Services and 12 to the YMCA of Greater Des Moines) and authorizing the Housing Services Director to submit a request to the U.S. Department of Housing and Urban Development (HUD) for capital funding to support the energy efficient rental units as a part of Central Iowa Shelter and Services development project.

Board: Public Housing Board

Date: January 19, 2011

Resolution Number: PH 11-06

Action: Receive and file Project Based Voucher RFP Report. Moved by Judkins Motion Carried 5-0
Receive and file Project Based Voucher RFP Report. Moved by Judkins Motion Carried 5-0

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Execution of various agreements related to the issuance of capital funds to support the Project Based Vouchers issued.

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