

Council Communication

Office of the City Manager

Date: April 8, 2013

Agenda Item No. MHGB7
Roll Call No. 13-0530
Communication No. 13-187

Submitted by: Douglas C. Romig,

Housing Services

Director

AGENDA HEADING:

Accepting Award from the Iowa Finance Authority's HOME Investment Partnerships Program in the amount of \$1,100,000 for new Tenant Based Rental Assistance to Section 8 waiting list clients.

SYNOPSIS:

Acceptance of grant award in the amount of \$1,100,000 from the Iowa Finance Authority's HOME Investment Partnerships Program for new Tenant Based Rental Assistance to Section 8 waiting list clients that cannot be currently be served by Section 8.

FISCAL IMPACT:

Amount: \$1,100,000

\$1,000,000 Tenant Based Rental Assistance

\$100,000 Administration Assistance

<u>Funding Source</u>: Grant funding from Iowa Finance Authority; Central Office; SP350 HSG029000, page 126.

ADDITIONAL INFORMATION:

The Des Moines Municipal Housing Agency submitted a grant application to the Iowa Finance Authority for their HOME Investment Partnership Program. On April 5, 2013, the Des Moines Municipal Housing Agency was notified that the Agency was awarded \$1,100,000 for a new two-year Tenant Based Rental Assistance (TBRA) program that will provide temporary rental assistance to clients on the Agency's Section 8 waiting list. At this time there are over 4,500 families waiting for rental assistance and the funding from this program will provide immediate rental assistance to Polk County's low-income qualified families waiting to enter into the Section 8 program.

Participants on the Agency's Section 8 waiting list will be screened for eligibility to meet the guidelines of both funding sources and those that qualify will be awarded TBRA funding for up to two years while they wait to obtain their Section 8 Housing Choice Voucher. Staff anticipates being able to serve approximately 200 families from the grant award. Section 8 waiting list clients will be pulled in numerical order and through attrition these clients will move from the TBRA program to the Section 8 program during the two-year funding cycle.

This award will aid in the Agency's projected Section 8 Administrative budget deficit with an estimated \$50,000 in new Section 8 Administrative revenues in FY14. The funds will pay for the Leasing Division staff time used to screen eligible applicants. With similar screening criteria to the Section 8 program and fewer administrative restrictions, existing Leasing staff will process these applications as a part of their normal applicant screening processes. No additional costs will be incurred to the Section 8 program and as such the \$50,000 in revenues is a net benefit to the Section 8 Administration budget.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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