

# Council Communication

Office of the City Manager

**Date:** January 11, 2016

Agenda Item No. M-2

Roll Call No. <u>16-0002</u> Communication No. <u>16-001</u>

Submitted by: Jackie J. Lloyd, Acting

**Housing Services Director** 

### **AGENDA HEADING:**

Approving Des Moines Municipal Housing Agency's (DMMHA) revised payment standards for the Section 8 Housing Choice Voucher program.

# **SYNOPSIS:**

Approval of DMMHA's revised payment standards for the Section 8 Housing Choice Voucher program as required by the U.S. Department of Housing & Urban Development (HUD).

FISCAL IMPACT: NONE

# **ADDITIONAL INFORMATION:**

HUD provides an annual review of Fair Market Rents (FMR) for geographical locations throughout the United States. HUD has replaced the historical-based annualized change in gross rent (rent plus utilities) trend factor. Instead, HUD now uses a "forward-looking forecast" for the final Fiscal Year (FY) 2016 FMRs. The results of this change show a sufficient increase in the FMRs for the metropolitan area.

Public Housing Agencies, which receive funding from HUD, must set their payment standards for the Section 8 Housing Choice Voucher program between 90% and 110% of the HUD established FMRs. Staff is recommending establishing DMMHA's payment standards at 90% of the revised FMRs.

In reviewing the final FMRs, adjustments in the payment standards will need to be made in order to comply with the regulatory 90% threshold. The proposed revised payment standards are listed below:

BR	Prior	New	Current Payment	<b>Proposed Payment</b>	% of FMR
Size	FMR	FMR	Standard	Standard	
0	\$528	\$570	\$480	\$520	90.00%
1	\$634	\$674	\$575	\$614	90.00%
2	\$787	\$834	\$710	\$760	90.00%
3	\$1095	\$1136	\$990	\$1035	90.00%
4	\$1167	\$1234	\$1060	\$1125	90.00%
5	\$1342	\$1419	\$1210	\$1293	90.00%
6	\$1517	\$1604	\$1370	\$1462	90.00%
7	\$1692	\$1789	\$1525	\$1630	90.00%

The revised payment standards are to be effective retroactively to December 11, 2015, per HUD requirements.

### PREVIOUS COUNCIL ACTION(S):

Date: October 6, 2014

Roll Call Number: 14-1538

Action: Approving Des Moines Municipal Housing Agency revised payment standards. (Board

Communication No. 14-475) Moved by Mahaffey to approve. Motion Carried 7-0.

Date: November 4, 2013

Roll Call Number: 13-1699

Action: Approving Des Moines Municipal Housing Agency payment standards. (Board

Communication No. 13-529) Moved by Coleman to approve. Motion Carried 6-0.

<u>Date</u>: April 9, 2012

Roll Call Number: 12-0501

Action: Approving Des Moines Municipal Housing Payment Standards Recommendations. (Board

Communication No. 12-170) Moved by Hensley to approve. Motion Carried 5-2.

# **BOARD/COMMISSION ACTION(S): NONE**

### ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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