COUNCIL COMMUNICATION								
CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	22-325	Meeting:	July 18, 2022				
	Agenda Item:	MHGB3	Roll Call:	22-1106				
	Submitted by:	Chris Johansen, Neighborhood Services Department 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:

- The Des Moines Municipal Housing Agency (DMMHA) provides decent, safe and affordable housing to low-income families within Des Moines and Polk County.
- HUD provides an annual review of Fair Market Rents (FMR) for geographical locations throughout the United States.
- The DMMHA must set its payment standard between 90% and 110% of the HUD-established FMR.
- The DMMHA revised its payment standards to be effective December 1, 2021 to be in compliance with the HUD-established FMR's, increasing the efficiency (0), one (1), two (2) and three (3) bedroom payment standards by 90% to 93% of the FMR.
- The DMMHA acknowledges the current state of the economy, which is dramatically affecting the local rental market where rental rates continue to increase making it increasingly more difficult for voucher holders to locate available rental units at the existing payment standards.
- The DMMHA has again reviewed the current payment standards and believe an increase in the payment standards to 107% of the HUD-established FMR's is needed to allow Housing Choice Voucher holders greater access to affordable rental units.

• The recommended revised payment standards are listed below:

Number of Bedrooms	FMR December 1, 2021	Current Payment Standard December 1, 2021	Payment Standard as % of Current FMR	Proposed Payment Standards 10/1/2022	Proposed Payment Standard as % of Current FMR
0	\$658	\$615	93.47%	\$705	107.14%
1	\$770	\$720	93.51%	\$825	107.14%
2	\$935	\$870	93.05%	\$1,000	106.95%
3	\$1,284	\$1,195	93.07%	\$1,375	107.09%
4	\$1,357	\$1,225	90.27%	\$1,450	106.85%
5	\$1,561	\$1,405	90.01%	\$1,670	106.98%
6	\$1,764	\$1,590	90.14%	\$1,885	106.86%
7	\$1,968	\$1,775	90.21%	\$2,105	106.98%

• The revised payment standards would be effective September 1, 2022, for all entries and relocations and effective October 1, 2022, for all active participants.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S):

Board: Municipal Housing Agency Governing Board

<u>Date</u>: October 18, 2021

Resolution Number:

<u>Action</u>: <u>Approving</u> Des Moines Municipal Housing Agency revised payment standards. <u>(Board Communication No. 21-432)</u> Moved by Gatto to adopt. Motion Carried 7-0.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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