COUNCIL COMMUNICATION				
	Number:	24-433	Meeting:	November 4, 2024
CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Agenda Item:	MHGB4	Roll Call:	24-1482
	Submitted by:	Chris Johansen, Neighborhood Services Department Director		

AGENDA HEADING:

Approving the Des Moines Municipal Housing Agency (DMMHA) Payment Standards for the Section 8 Program after review of the U.S. Department of Housing and Urban Development (HUD) published Fiscal Year (FY) 2025 Small Area Fair Market Rents (SAFMR).

SYNOPSIS:

Approval of the DMMHA's payment standards for the Section 8 Housing Choice Voucher Program after review of the HUD published SAFMR for 2025 as required by HUD.

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

- The DMMHA provides decent, safe, and affordable housing to low-income families within Des Moines and Polk County.
- HUD provides an annual review of SAFMR for geographical locations throughout the United States.
- The DMMHA must set its payment standard between 90% and 110% of the HUD-established SAFMR.
- HUD published Federal Register Notice FR-6426-N-01, which identifies 41 additional metro areas where Public Housing Agencies (PHAs) will be required to use SAFMR in the Housing Choice Voucher (HCV) Program.
- On October 25, 2023, the DMMHA was notified by HUD that the DMMHA was one (1) of the 41 additional metro areas where the PHA would be required to use SAFMR to establish our payment standards by Zip Code rather than bedroom size effective no later than 90 days after the effective date of the 2025 SAFMR.
- SAFMRs are calculated at the zip code level rather than the larger metropolitan area level, which allows PHAs to establish payment standards that better reflect the local market and help voucher holders access neighborhoods of their choice.
- HUD has published its 2025 SAFMR.

- The DMMHA payment standards are within the HUD required range of 90% to 110% of the 2025 HUD-established SAFMR.
- During the October 21, 2024, Municipal Housing Governing Board meeting the recommended revised payment standards were approved. After further review by staff, additional changes were needed to the recommended payment standards to eliminate the negative impact of the payment standards on clients and landlords.
- The recommended revised payment standards are attached to the Roll Call.
- The revised payment standards will become effective January 1, 2025.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S):

Board: Municipal Housing Governing Board

Date: October 21, 2024

Resolution Number: 24-1408

<u>Action</u>: <u>Approving</u> the DMMHA Payment Standards for the Section 8 Program after review of the HUD published FY 2025 SAFMR. (<u>Board Communication No. 24-428</u>) Moved by Gatto to adopt. Second by Voss. Motion Carried 7-0.

Board: Municipal Housing Governing Board

<u>Date</u>: November 20, 2023

Resolution Number: 23-1588

<u>Action</u>: <u>Approving</u> the DMMHA Payment Standards to remain unchanged for the Section 8 Program after review of the HUD published FY 2024 Fair Market Rents (FMR). Moved by Gatto to adopt. Second by Boesen. Motion Carried 7-0. (<u>Board Communication No. 23-515</u>)

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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