

COUNCIL COMMUNICATION

	Number:	21-432	Meeting:	October 18, 2021
	Agenda Item:	MHGB3	Roll Call:	21-1527
	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 and 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. The final 2022 FMR's were published on August 6, 2021. The results of this change show a sufficient increase in the FMRs for this metropolitan area. The 2015-2019, 5-year American Community Survey (ACS) estimates of 2-bedroom adjusted standard quality gross rents calculated for each FMR area are used as the new basis for Fiscal Year (FY) 2022, which resulted in the increases in the FMRs for all bedroom sizes.
- Public Housing Agencies, which receive funding from HUD, are required to set their payment standards for the Section 8 Housing Choice Voucher program between 90% and 110% of the HUD established FMRs. The payment standard is used to calculate the monthly housing assistance payment (HAP) for a family under the Housing Choice Voucher Program. The HAP for the family is the lower of the payment standard minus 30% of the family's monthly adjusted income or the gross rent for the unit (contract rent plus utilities) minus 30% of the family's monthly-adjusted income.
- Staff recommends establishing DMMHA's payment standards at approximately 90% to 93% of the revised FMRs. The DMMHA believes setting the payment standards at this percentage of the new FMR would allow voucher holders to find additional affordable housing opportunities. Increasing the payment standards to a higher percentage would increase the amount of subsidy provided for each assisted family; which, in turn, would provide greater access to affordable housing opportunities as contract rents continue to rise in the jurisdiction.

- The recommended revised payment standards are:

Number of bedroom(s)	2021 FMR in dollars	2022 FMR in dollars	Current payment standards in dollars	Proposed payment standards in dollars	% of 2022 FMR
0	608	658	555	615	93.4
1	738	770	685	720	93.5
2	902	935	835	870	93.0
3	1232	1284	1130	1195	93.0
4	1313	1357	1225	1225	90.2
5	1510	1561	1405	1405	90.0
6	1707	1764	1590	1590	90.1
7	1904	1968	1775	1775	90.1

- The revised payment standards are to be effective no later than three (3) months from the effective date of the FMR effective October 1, 2021, per HUD requirements. The DMMHA is recommending approval of an effective date to increase the efficiency (0), one (1), two (2), and three (3) bedroom payment standards of December 1, 2021.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S):

Board: Des Moines Municipal Housing Agency

Date: October 5, 2020

Resolution Number: [20-1536](#)

Action: [Approving](#) Des Moines Municipal Housing Agency revised payment standards. ([Board Communication No. 20-423](#)) Moved by Gatto to adopt. Motion Carried 7-0.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the first floor of City Hall, 400 Robert D Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to cityclerk@dmgov.org.