



MUSCATINE MUNICIPAL HOUSING AGENCY

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MEMORANDUM

TO: Gregg Mandsager, City Administrator
FROM: Dick Yerington, Housing Administrator
DATE: October 10, 2011
RE: Resolution to Approve New Payment Standard

INTRODUCTION: Fair Market Rents (FMR) set by HUD changed as of October 3, 2011.

BACKGROUND: On October 3, 2011, Muscatine Municipal Housing Agency (MMHA) received the new Fiscal Year 2012 Fair Market Rent from HUD. These changes reflect a lower FMR, \$20 to \$35 per unit, depending on bedroom size, than currently used.

Reducing the market rent will increase the rent burden on participating families and decrease the availability of quality affordable housing.

The MMHA Administrative Plan indicates MMHA can establish the payment standard up to 110% FMR [24 CFR 982.503; HCV GB, Chapter 7]. Presently we are at 100% of FMR.

RECOMMENDATION/RATIONALE:

It is recommended by the housing administrator the city council, acting as the MMHA Board of Directors, approve increasing the MMHA payment standard to 110% effective January 1, 2012.

RESOLUTION NO. _____

**RESOLUTION AUTHORIZING ADMINISTRATIVE POLICY CHANGES
TO THE SECTION 8 TENANT-BASED HOUSING CHOICE VOUCHER PROGRAM**

WHEREAS, updates to the Section 8 Tenant Based Housing Choice Voucher Program Administrative Plan are needed to allow the Muscatine Municipal Housing Agency (MMHA) to better serve its jurisdiction; and

WHEREAS, the MMHA received the 2012 Fair Market Rent (FMR) from HUD on October 3, 2011 showing the Muscatine County FMR's had been reduced, causing an increased burden on participating families; and

WHEREAS, the MMHA Administrative Plan allows the MMHA to establish the payment standard up to 110% of FMR; a change recommended by MMHA staff; and

WHEREAS, the Muscatine City Council, acting as the MMHA Board of Commissioners must authorize and approve all policy changes to the Section 8 Tenant-Based Housing Choice Voucher Program Administrative Plan;

NOW THEREFORE, BE IT RESOLVED, the City Council of the City of Muscatine hereby approves and authorizes policy changes to the Section 8 Administrative Plan as presented.

MOVED, PASSED AND ADOPTED this 20th day of October, 2011.

SEAL

RICHARD O'BRIEN, MAYOR

GREGG MANDSAGER, CITY CLERK