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IOWA FINANCE AUTHORITY AWARDED U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT CONTRACT FOR ADMINISTRATION OF PROJECT-BASED SECTION 8 PROGRAM

Contract renewal means program profits will continue to be invested in affordable housing throughout Iowa

DES MOINES – The Iowa Finance Authority today announced that the agency has been awarded a contract renewal, worth approximately \$5 million over two years for the administration of the U.S. Department of Housing and Urban Development's (HUD) Project-Based Section 8 program.

The Iowa Finance Authority has been the program's state contract administrator since 2000 and will continue to work to ensure that owners of Iowa's 234 Section 8 Project-Based properties fulfill their obligations to provide quality affordable housing for eligible families throughout Iowa. As a self-funded agency, the Iowa Finance Authority will continue to use the profits generated from this program to assist in the preservation and advancement of affordable housing through a variety of programs.

"The renewal of the Project-Based Section 8 program contract makes sense for Iowa," said Iowa Finance Authority Executive Director Dave Jamison. "This program is consistent with the Iowa Finance Authority's mission to ensure the advancement of safe, decent and affordable housing in Iowa. This will not only allow the Iowa Finance Authority to continue the effective administration of the program, but it will also allow for the continuation of investing the program's profits back into other affordable housing initiatives throughout the state."

The Housing and Community Development Act of 1974 created the Project-Based Section 8 rental assistance program. Under the program, HUD enters into contracts with property owners to provide rental assistance for a fixed period of time for low-income families. Project-Based Section 8 assistance may be provided only for tenants with incomes no greater than 80 percent of the area median income and tenants generally pay rent equal to 30 percent of adjusted household income. HUD provides contracts for the oversight and administration of most Section 8 project-based contracted properties.

The Iowa Legislature created the Iowa Finance Authority, the state's housing finance agency, in 1975 to undertake programs to assist in the attainment of housing for low-and moderate-income Iowans.

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