



## Legislation Text

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**File #:** 17-1048, **Version:** 1

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Recommendation to adopt Revised Standard Utility Allowance Schedules; and  
Adopt Revised Energy Efficiency-Based Utility Allowance Schedules for New Construction Projects. (Citywide)

The U.S. Department of Housing and Urban Development (HUD) requires Public Housing Agencies to annually review and amend, if necessary, their Utility Allowance Schedules if there is a 10 percent change in utility rates. In June 2017, the Housing Authority commissioned The Nelrod Company to review and assess: 1) the Standard Utility Allowance Schedules, which are used when calculating the tenant portion that each assisted household must pay for utilities; and, 2) the Energy Efficiency-Based Utility Allowance Schedules, which are used to calculate the costs of tenant-paid utilities in new residential construction projects that meet certain energy efficiency criteria.

It should be noted that the percentage change in the utility comparison between 2016 and 2017 was based on calculations required by HUD, and the percentage rate changes do not necessarily correlate directly to the percentage change a person would pay for utilities.

The overall impact of the new utility allowances either decreases the rent portion to tenants or keeps them constant in most scenarios, with the exception of all-electric units. Tenants that occupy an all-electric unit will likely experience an increase due to the elimination of the California Climate Credit that was previously applied in the amount of approximately \$6.00 per month. Copies of the current and proposed Utility Allowance Schedules are attached as Exhibits A and B.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on October 25, 2017 and by Revenue Management Officer Geraldine Alejo on October 31, 2017.

Housing Authority Commission action is requested on November 14, 2017, as the Housing Authority would like to implement the new Utility Allowance Schedules on November 15, 2017.

There is no fiscal impact to the Housing Authority Fund (SR 151) in the Health and Human Services Department (HE), from the revised utility allowance schedules. There is no local job impact associated with the submission of this report.

Approve recommendation.

KELLY COLOPY  
ASSISTANT EXECUTIVE DIRECTOR

APPROVED:

PATRICK H. WEST  
CITY MANAGER