



Legislation Text

File #: 17-0523, **Version:** 1

Resolution to Approve the 2017 Utility Allowance for Public Housing

HUD requires the Ann Arbor Housing Commission (AAHC) to conduct an annual review of utility costs (electric and natural gas rates) to ensure that the utility allowances calculated for public housing program participants are reasonable and within regulatory compliance.

The AAHC hired a contractor, Nelrod, to complete this year's review. Attached are the results of the utility study and the recommended utility allowances for the AAHC public housing properties. The utility allowance change will take effect August 1, 2017.

HUD regulations require PHAs to adjust allowances where rates have changed 10% or more since the last time the utility schedule was revised, but provide PHAs the discretion to adjust allowances to align them with any rate changes at any time. 4 of the 5 properties experienced a change of 10% or more in electric or gas costs or both.

It is recommended that the AAHC board adopt the recommended utility allowances.

Prepared and Approved by Jennifer Hall, Executive Director, Ann Arbor Housing Commission

WHEREAS, HUD requires an annual review of utility costs to ensure that the utility allowances calculated for public housing program participants are reasonable and within regulatory compliance; and

WHEREAS, The AAHC used a contractor, Nelrod, to complete this year's review by analyzing actual consumption and utility rates by each location and bedroom size; and

WHEREAS, HUD regulations require PHAs to adjust allowances where rates have changed 10% or more since the last time the utility schedule was revised, but provide PHAs the discretion to adjust allowances to align them with any rate changes at any time; and

WHEREAS, Four of the 5 properties had a change of 10% or more in electric costs or gas costs or both requiring the AAHC to adopt new utility allowances for those 4 sites and it is recommended that the AAHC adopt the new allowance for all 5 sites; and

RESOLVED, That the Ann Arbor Housing Commission Board approve the utility allowance schedule as provided by Nelrod and attached hereto, which will be effective August 1, 2017 for White/State/Henry, Broadway (1404-1406), Platt (lower)/Oakwood, and West Washington, and used by staff to determine individual utility rate allowances in accordance with AAHC policy.