



## Legislation Text

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**File #:** 15-0652, **Version:** 1

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### Resolution to Approve the 2015 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, the Nelrod Company, to complete this year's review. Attached are the results of the utility study and the recommended utility allowances for the AAHC public housing and affordable housing. The utility allowance change will take effect August 1, 2015.

Prepared and Approved by Jennifer Hall, Executive Director

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

WHEREAS, the Ann Arbor Housing Commission last analyzed its utility allowances in May 2014 with revisions effective August 1, 2014; and

WHEREAS, the AAHC used a contractor, the Nelrod Company, to complete this year's review resulting in the continued use of an expanded methodology analyzing consumption and utility rates by each housing type 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, since there was greater than a 10% change in utility rates and the use of the complete utility allowance schedule by Nelrod Company for FY 2015 keeps the Commission compliant with HUD regulations and in line with current market conditions; and

RESOLVED, that the Ann Arbor Housing Commission Board approve the utility allowance schedule as provided by Nelrod Company and attached hereto, which will be effective August 1, 2015 for public housing and project based voucher properties, and used by staff to determine individual utility rate allowances in accordance with AAHC policy.