

# C Community Development Committee

Meeting date: October 15, 2007

For Metropolitan Council Meeting Date: October 24, 2007

## ADVISORY INFORMATION

**Date:** October 5, 2007

**Subject:** Adoption of 2007-2008 Utility Allowance Schedule – Tenant Based and Public Housing Programs

**District(s), Member(s):** All

**Policy/Legal Reference:** CFR Title 24, Part 903

**Staff Prepared/Presented:** Beth Reetz, HRA Manager, 651-602-1278

**Division/Department:** Community Development/Housing & Livable Communities

### Proposed Action/Motion

That the Metropolitan Council approve the attached 2007-2008 Section 8 Utility Allowance Schedule for use by the Metro HRA in the administration of the Section 8, Family Affordable Housing, and other Rent Assistance Programs, effective November 1, 2007.

### Issue(s)

The Metropolitan Council is required to review the Section 8 Utility Allowance Schedule on an annual basis and revise allowances for a utility category if there has been a change of 10 percent or more in the utility rate. The Council last approved a change in allowances in 2006. Staff has recently completed an assessment of current average utility rates and normal consumption patterns. Based on the assessment an 11.8% decrease in natural gas, a 10.6% increase in electricity, a 5% increase in propane, a 12.4% increase in fuel oil, 11.4% increase in trash, and 11.9% increase in water and sewer charges have been reflected on the utility schedule.

### Overview and Funding

Utility allowances are used to determine the gross rent and tenant portion of rent for a Section 8 participant leasing an apartment, town home or single family unit. Allowances are provided for the following utilities or services if paid by the tenant: heating, cooking, other electric, water heating, water/sewer and trash collection. An allowance is also provided when a kitchen range or refrigerator is required to be provided by the tenant in a rental unit.

Implementation of the new utility allowance schedule will result in an increase in the utility allowance of \$4.00 for approximately 71% of the Section 8 participants assisted in one and two-bedroom multifamily units where electricity allowances only are used. For the remaining participant population living in townhouses, duplexes, and single family homes, where most, if not all, utilities are the tenant’s responsibility, it is anticipated that the decrease in the natural gas rate will mitigate the increased rate in other utilities. A copy of the previous year schedule is also attached for comparison purposes.

## METRO HRA

### Section 8 Existing Housing Allowances for Tenant –Paid Utilities and Appliances Effective 11/1/07

Tenant Name \_\_\_\_\_ Address \_\_\_\_\_

To calculate the utility allowance, circle the amount of the allowance listed for all utilities you must pay. Be sure to use the proper column for the bedroom size (BR) and circle the amount for the proper unit type. The “Range and Refrigerator column is only for tenants who own those appliances. DO NOT circle them if provided by the owner.

UNIT TYPE: A = Apartment/Multiple Dwelling (3 or more units attached)      T/D = Townhouse/Duplex (2 units attached)      H = Single Family Home (1 unit)

UTILITY/APPLIANCE	0-BR	1-BR			2-BR			3-BR			4-BR		5-BR	6-BR	
		A	T/D	H	A	T/D	H	A	T/D	H	T/D	H	H	H	
HEATING	Gas	23	34	44	50	44	55	69	55	65	80	85	101	117	132
	Electric	26	38	50	63	45	63	80	57	80	96	96	119	134	149
	Oil		107			135			170			183		226	255
	Propane		82			99			122			151		169	192
COOKING STOVE	Gas	3	4			7			7			11		11	12
	Electric	4	6			8			9			10		11	12
OTHER ELECTRIC (lights)	23	28	31	32	36	36	41	47	47	50	55	55		59	
WATER HEATING	Gas		12			13			16			21		23	26
	Electric		21			23			25			29		31	35
WATER & SEWER		19			26			29			38		44	47	
TRASH COLLECTION		18			18			20			20		21	21	
RANGE (tenant-owned)	3	3			3			3			3		3	3	
REFRIGERATOR (tenant-owned)	4	4			4			4			4		4	4	

<b>TOTAL UTILITY ALLOWANCE</b>															
<b>+ RENT</b>															
<b>= GROSS RENT</b>															

## METRO HRA

### Section 8 Existing Housing Allowances for Tenant –Paid Utilities and Appliances Effective 11/1/06

Tenant Name \_\_\_\_\_ Address \_\_\_\_\_

To calculate the utility allowance, circle the amount of the allowance listed for all utilities you must pay. Be sure to use the proper column for the bedroom size (BR) and circle the amount for the proper unit type. The “Range and Refrigerator column is only for tenants who own those appliances. DO NOT circle them if provided by the owner.

UNIT TYPE:   A = Apartment/Multiple Dwelling              T/D = Townhouse/Duplex              H = Single Family Home  
                                  (3 or more units attached)                                      (2 units attached)                                      (1 unit)

UTILITY/APPLIANCE	0-BR	1-BR			2-BR			3-BR			4-BR		5-BR	6-BR	
			A	T/D	H	A	T/D	H	A	T/D	H	T/D	H	H	
HEATING    Gas	26	39	50	57	50	62	78	62	74	91	96	115	133	150	
Electric	24	34	45	57	41	57	72	52	72	87	87	108	121	135	
Oil		95			120			151			163		201	227	
Propane		74			90			110			137		153	174	
COOKING STOVE   Gas	3	4			8			8			12		12	13	
Electric	4	5			7			8			9		10	11	
OTHER ELECTRIC (lights)	21	25			28	29	33	33	37	43	43	45	50	50	53
WATER HEATING															
Gas		13			15			18			24		26	29	
Electric		19			21			23			26		28	32	
WATER & SEWER		17			23			26			34		39	42	
TRASH COLLECTION		16			16			18			18		19	19	
RANGE (tenant-owned)	3	3			3			3			3		3	3	
REFRIGERATOR (tenant-owned)	4	4			4			4			4		4	4	

<b>TOTAL</b>															
<b>UTILITY ALLOWANCE</b>															
<b>+ RENT</b>															
<b>= GROSS RENT</b>															