



Oakland Housing Authority

Change to the OHA Utility Allowance Policy

To keep assisted housing affordable for low-income households, residents of federally assisted housing must pay 30 percent of income for rent and utilities. The Housing and Urban Development Department (HUD) has defined the Total Tenant Payment (TTP) for “rent” to include both shelter and the costs for reasonable amounts of utilities. The amount that a Public Housing Authority (PHA) determines is necessary to cover the resident’s reasonable utility costs is the utility allowance. OHA currently calculates the utility allowance based on the unit size regardless of the household’s subsidy standard. The amount of the utility allowance will change based on the new policy, described below.

Effective August 1, 2015, the calculation will be based on the lower of either:

- The number of bedrooms authorized for the family’s minimum subsidy standard, or
- The actual number of bedrooms in a unit

As a result of OHA’s new policy, which aligns the utility allowance with the unit size, some households may experience a reduction of their subsidy. The anticipated cost savings will enable OHA to accept more families into the program.

Utility Reimbursement Under OHA’s Making Transitions Work (MTW) Authority

OHA is not limited to establishing a utility allowance schedule in accordance with HUD requirements. OHA is authorized to establish a utility allowance policy for the MTW Housing Choice Voucher program that will reduce costs and achieve greater cost effectiveness in Federal expenditures. Policies developed under MTW authority are designed to encourage low income families to lease energy efficient units and conserve and control their energy use.

OHA Policy

When OHA’s subsidy for a family exceeds the rent to owner, OHA will not make a utility reimbursement to the family.

MTW Rent Reform Hardships

The following MTW rent reform initiatives and hardship exemption criteria are the policy for OHA:

OHA will provide notification to all households at least six-months prior to implementation of the new UA policy. Households that submit a request and qualify as a hardship case will receive an additional six-month deferment of the new UA policy. All requests for extensions of the hardship period will be reviewed by the Executive Director, or his designee, on a case-by-case basis. The hardship policy applies to cases that meet the following criteria:

- The UA or URP decreased by greater than \$50, and
- Head of household/Co-head/Spouse is elderly or disabled, or
- Household verifies enrollment in a reduced rate utility program (i.e. PG&E CARE).

The utility allowance policy can be found in Chapter 16 of OHA’s 2014 Administrative Plan.

Under MTW Authority, OHA is authorized to adopt and implement any reasonable policy to establish payments, rents or subsidy levels from tenant-based assistance that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. OHA is authorized to adopt and implement any reasonable policies to calculate the tenant portion of rent that differ from the currently mandated program requirement in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Section 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10), and 8(o)(13)(H)-(I) of the 1937 Act and 24 CFR 982.508, 982.503 and 982.518, as necessary to implement the Agency’s Annual MTW Plan.*

16-II.C. Utility Allowances (MTW)

FAQ



Q If my unit has more bedrooms than my minimum subsidy, do I have to move?

A No. A family may choose to remain in their unit and pay more of their adjusted income in rent.

Q Will I have to pay more money for utilities?

A No. Your monthly utility bills will not change as they are based on actual usage. However, if you are living in a unit larger than your minimum subsidy, the OHA utility allowance will reduce and the tenant's rent portion will increase.

Q How can I lower my costs?

A Work with your owner to improve energy saving retrofits to your unit/building such as low flow toilets, shower heads and weatherization services. Pacific Gas and Electric (PG&E) has energy saving tips and programs for low income and seniors renters such as the CARE (California Alternate Rates for Energy) and FERA (Family Electric Rate Assistance) programs. For more information, contact PG&E at 1-800-933-9555 or 1-866-743-2273

Q I don't meet the "hardship" requirements, but I don't have any extra money. What can I do?

A If you have a Housing Choice Voucher, you can choose to move and find another unit that meets your minimum standard. To confirm your subsidy standard you may contact the Leased Housing department at 510-587-2100.

Q How do I apply for a hardship?

A In order to apply for a hardship, you must make your request in writing and title your request: Utility Allowance Hardship. The request must be addressed to the OHA Executive Director, 1619 Harrison Street, Oakland, CA 94612.



Oakland Housing
Authority