



**Berkeley Housing Authority**

1947 Center St, 5<sup>th</sup> Floor, Berkeley, CA 94704  
Telephone: (510) 981-5470 Fax: (510) 981-5480

*Office of the Executive Director*

Item 7H  
NEW BUSINESS  
March 10, 2022

To: Honorable Chairperson and  
Members of the Housing Authority Board

From: Rachel Gonzales-Levine, Acting Executive Director

Subject: Utility Allowance Schedule for the Section 8 Housing Choice Voucher Tenant-based and Project-based Programs.

RECOMMENDATION

Approve a resolution adopting a revised Utility Allowance schedule for the Section 8 Housing Choice Voucher Tenant-based and Project-based Programs, effective July 1, 2022 for new and existing contracts.

BACKGROUND

HUD rules state affordable rent paid by Section 8 program participants is 30-40% of adjusted family income. Included in the calculation are basic utilities essential to safe and decent housing. In the Section 8 program “family rent” paid to the landlord, is 30-40% of adjusted income minus an allowance for any tenant paid utilities. If, however, the landlord covers all utilities, no allowance is permissible.

All public housing authorities are required to review the utility allowance schedules annually, and if there has been an increase in rates of 10% or more, make an appropriate adjustment in the allowances for housing categories offered in the jurisdiction. BHA has three housing categories: “single family detached homes;” “apartments with 5 or more units;” and, “duplex, townhouses, garden apartments, and apartments with 2 – 4 units.”

Consultant Alan Fox, an economist who assisted HUD in developing the utility allowance formulas, conducted an extensive review and analysis of utilities. His research and analysis include data on location/climate; housing characteristics; consumption factors and calculations (e.g. kBTUs/ kWh/therms/gallons per year); baselines per each housing type and bedroom sizes, in order to determine allowances, all while taking into consideration the low-income rates that PG&E and EBMUD provide.

The extensive analysis performed by Mr. Fox confirmed that most of the utility rates have increased, thus, we are proposing changes to the utility allowance schedules. Most notably:

1. **Electric rates:** PG&E’s electric rates have increased by 13% in all three price tiers;
2. **Gas rates** are up 37% in the below-baseline usage category, and up 7% above the baseline. These are the biggest rate changes in recent years.
3. **Water and sewer** rates and fixed charges are all up 4%.
4. **Trash** rates are unchanged.

For 2022, dollar amounts for most of the utility allowances increased, \$20 to \$33 on average for electricity; and \$21 to \$31 on average for gas, as compared to the 2021 allowances. No rates have decreased this year—but trash collection remained unchanged.

Higher utility schedules mean less rent portion paid by program participants to landlords. Lower utility costs mean more rent portion paid by program participants to landlords, and increase in HAP expenditure.

Because the utility allowance is a predetermined amount (based on bedroom size), it is incumbent that all family members actively conserve energy to the extent possible, and participate in programs offered to low-income households: PG&E's CARE program and East Bay MUD's Customer Assistance Program (CAP). BHA provides, and assists applicants/participants in completing the simple application forms.

A number of factors will determine if the allowance is sufficient to cover the actual utility expense, for each family, including but not limited to:

- a. number of people in the household;
- b. number of exterior walls;
- c. energy conservation efforts by household members; and
- d. age and condition of the unit, including any energy efficiency upgrades or appliances.

#### STATUS

The new schedules are effective July 1, however we bring this before you in March because Housing Specialists will work on annual recertifications several months in advance of the due date, to ensure completion and upload the certification to HUD's database system.

#### FINANCIAL IMPACTS

When a utility allowance is provided, the amount of family rent portion paid to the landlord decreases. When utility allowances are decreased, the amount of family rent portion paid to the landlord increases and BHA's HAP expenditures are increased.

There are financial implications also for landlords—because a utility allowance is subtracted from the rent portion paid by the client to the landlord, property owners do not benefit from the full Payment Standard.

#### CONTACT PERSON

Rachel Gonzales-Levine, Acting Executive Director, 981-5485

#### Attachments:

1. Resolution
2. Proposed 2022 Section 8 Utility Allowance Schedules
3. Existing 2021 Section 8 Utility Allowance Schedules (for comparison)

BHA RESOLUTION NO. 22-\_\_

ADOPTING A REVISED UTILITY ALLOWANCE SCHEDULE FOR THE SECTION 8 HOUSING CHOICE VOUCHER TENANT AND PROJECT BASED PROGRAMS EFFECTIVE JULY 1, 2022 FOR NEW AND EXISTING CONTRACTS.

WHEREAS, the Berkeley Housing Authority is required to grant assisted households a deduction from rent paid to the landlord for tenant paid utilities; and

WHEREAS, HUD regulations require housing authorities to examine the utility allowance schedule at least annually, and to make modifications if utility rates have changed by 10% or more; and

WHEREAS, BHA's consultant, Alan Fox has conducted extensive annual analysis and calculations, and has determined that rates have increased for gas, electric heating, water and sewer charges;

NOW, THEREFORE BE IT RESOLVED, that the proposed utility allowance schedule for the Section 8 Tenant-based and Project-based programs adopted effective July 1, 2022 for new and existing contracts, attached hereto and identified as Exhibit A, and incorporated by reference.

The foregoing Resolution was adopted by the Board of the Berkeley Housing Authority on March 10, 2022 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Attest: \_\_\_\_\_  
Rachel Gonzales-Levine, Secretary

**Allowances for Tenant-Furnished  
Utilities And Other Services**

**U.S. Department of Housing  
and Urban Development**  
Office of Public and Indian Housing

|                                  |                |   |      |      |      |                          |      |
|----------------------------------|----------------|---|------|------|------|--------------------------|------|
| Locality:<br><b>Berkeley, CA</b> |                | Unit Type:<br><b>Apartment With 5+ Units</b>  |      |      |      | Date:<br><b>7/1/2022</b> |      |
| <b>Utility or Service</b>        |                | Monthly Dollar Allowances; Number of Bedrooms |      |      |      |                          |      |
|                                  |                | 0 BR  | 1 BR | 2 BR | 3 BR | 4 BR                     | 5 BR |
| <b>Heating</b>                   | a. Natural Gas | 22  | 25   | 28   | 31   | 35                       | 39   |
|                                  | b. Electric    | 21  | 33   | 43   | 49   | 55                       | 60   |
|                                  | c. Heat Pump   | 7   | 11   | 16   | 18   | 20                       | 22   |
| <b>Air Conditioning</b>          |                | 0   | 1    | 2    | 2    | 3                        | 3    |
| <b>Cooking</b>                   | a. Natural Gas | 6   | 7    | 9    | 11   | 13                       | 15   |
|                                  | b. Electric    | 10  | 13   | 17   | 20   | 23                       | 27   |
| <b>Other Electric/Lighting</b>   |                | 27  | 40   | 53   | 65   | 78                       | 91   |
| <b>Water Heating</b>             | a. Natural Gas | 10  | 19   | 29   | 39   | 48                       | 58   |
|                                  | b. Electric    | 14  | 29   | 45   | 61   | 77                       | 93   |
| <b>Water</b>                     |                | 20  | 23   | 31   | 41   | 52                       | 63   |
| <b>Sewer</b>                     |                | 12  | 13   | 14   | 17   | 18                       | 18   |
| <b>Trash Collection</b>          |                | 44  | 44   | 44   | 87   | 87                       | 131  |
| <b>Range/Microwave</b>           |                | 7   | 7    | 7    | 7    | 7                        | 7    |
| <b>Refrigerator</b>              |                | 7   | 7    | 7    | 7    | 7                        | 7    |

|  |  |                           |                     |
|--|--|---------------------------|---------------------|
| <b>Actual Family Allowances</b> To be used to compute allowance.<br>Complete below for the actual unit rented. |  | <b>Utility or Service</b> | <b>Monthly Cost</b> |
| <b>Name of Family</b>  |  | Heating                   |                     |
|  |  | Cooking                   |                     |
|  |  | Other Electric            |                     |
| <b>Address of Unit</b>   |  | Air Conditioning          |                     |
|  |  | Water Heating             |                     |
|  |  | Water                     |                     |
|  |  | Sewer                     |                     |
|  |  | Trash Collection          |                     |
|  |  | Range/Microwave           |                     |
| <b>Number of Bedrooms</b>  |  | Refrigerator              |                     |
|  |  | Other                     |                     |
|  |  | <b>Total</b>              |                     |

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**Allowances for Tenant-Furnished  
Utilities And Other Services**

**U.S. Department of Housing  
and Urban Development**  
Office of Public and Indian Housing

|                                  |                |   |             |             |             |                          |             |
|----------------------------------|----------------|---|-------------|-------------|-------------|--------------------------|-------------|
| Locality:<br><b>Berkeley, CA</b> |                | Unit Type:<br><b>Duplex, Townhouse, Garden Apt, Apt 2-4 Units</b> |             |             |             | Date:<br><b>7/1/2022</b> |             |
|                                  |                | Monthly Dollar Allowances; Number of Bedrooms                     |             |             |             |                          |             |
| <b>Utility or Service</b>        |                | <b>0 BR</b>   | <b>1 BR</b> | <b>2 BR</b> | <b>3 BR</b> | <b>4 BR</b>              | <b>5 BR</b> |
| <b>Heating</b>                   | a. Natural Gas | 38  | 44          | 50          | 56          | 62                       | 69          |
|                                  | b. Electric    | 40  | 61          | 76          | 86          | 96                       | 106         |
|                                  | c. Heat Pump   | 13  | 20          | 28          | 31          | 35                       | 39          |
| <b>Air Conditioning</b>          |                | 1   | 1           | 2           | 3           | 4                        | 4           |
| <b>Cooking</b>                   | a. Natural Gas | 6   | 7           | 9           | 11          | 13                       | 15          |
|                                  | b. Electric    | 10  | 13          | 17          | 20          | 23                       | 27          |
| <b>Other Electric/Lighting</b>   |                | 26  | 43          | 61          | 78          | 95                       | 113         |
| <b>Water Heating</b>             | a. Natural Gas | 10  | 19          | 29          | 39          | 48                       | 58          |
|                                  | b. Electric    | 14  | 29          | 45          | 61          | 77                       | 93          |
| <b>Water</b>                     |                | 20  | 23          | 31          | 41          | 52                       | 63          |
| <b>Sewer</b>                     |                | 12  | 13          | 14          | 17          | 18                       | 18          |
| <b>Trash Collection</b>          |                | 44  | 44          | 44          | 87          | 87                       | 131         |
| <b>Range/Microwave</b>           |                | 7   | 7           | 7           | 7           | 7                        | 7           |
| <b>Refrigerator</b>              |                | 7   | 7           | 7           | 7           | 7                        | 7           |

|  |  |                           |                     |
|--|--|---------------------------|---------------------|
| <b>Actual Family Allowances</b> To be used to compute allowance.<br>Complete below for the actual unit rented. |  | <b>Utility or Service</b> | <b>Monthly Cost</b> |
| <b>Name of Family</b>  |  | Heating                   |                     |
|  |  | Cooking                   |                     |
|  |  | Other Electric            |                     |
| <b>Address of Unit</b>   |  | Air Conditioning          |                     |
|  |  | Water Heating             |                     |
|  |  | Water                     |                     |
|  |  | Sewer                     |                     |
|  |  | Trash Collection          |                     |
|  |  | Range/Microwave           |                     |
| <b>Number of Bedrooms</b>  |  | Refrigerator              |                     |
|  |  | Other                     |                     |
|  |  | <b>Total</b>              |                     |

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**Allowances for Tenant-Furnished  
Utilities And Other Services**

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

|                                  |                |   |      |      |      |                          |      |
|----------------------------------|----------------|---|------|------|------|--------------------------|------|
| Locality:<br><b>Berkeley, CA</b> |                | Unit Type:<br><b>Single Family Detached</b>   |      |      |      | Date:<br><b>7/1/2022</b> |      |
| <b>Utility or Service</b>        |                | Monthly Dollar Allowances; Number of Bedrooms |      |      |      |                          |      |
|                                  |                | 0 BR  | 1 BR | 2 BR | 3 BR | 4 BR                     | 5 BR |
| <b>Heating</b>                   | a. Natural Gas | 43  | 49   | 56   | 63   | 70                       | 77   |
|                                  | b. Electric    | 51  | 73   | 85   | 96   | 107                      | 118  |
|                                  | c. Heat Pump   | 16  | 26   | 31   | 35   | 39                       | 43   |
| <b>Air Conditioning</b>          |                | 1   | 1    | 2    | 3    | 4                        | 5    |
| <b>Cooking</b>                   | a. Natural Gas | 6   | 7    | 9    | 11   | 13                       | 15   |
|                                  | b. Electric    | 10  | 13   | 17   | 20   | 23                       | 27   |
| <b>Other Electric/Lighting</b>   |                | 40  | 57   | 75   | 93   | 111                      | 128  |
| <b>Water Heating</b>             | a. Natural Gas | 10  | 19   | 29   | 39   | 48                       | 58   |
|                                  | b. Electric    | 14  | 29   | 45   | 61   | 77                       | 93   |
| <b>Water</b>                     |                | 22  | 27   | 37   | 51   | 66                       | 80   |
| <b>Sewer</b>                     |                | 12  | 13   | 16   | 18   | 18                       | 18   |
| <b>Trash Collection</b>          |                | 44  | 44   | 44   | 87   | 87                       | 131  |
| <b>Range/Microwave</b>           |                | 7   | 7    | 7    | 7    | 7                        | 7    |
| <b>Refrigerator</b>              |                | 7   | 7    | 7    | 7    | 7                        | 7    |

|  |  |                           |                     |
|--|--|---------------------------|---------------------|
| <b>Actual Family Allowances</b> To be used to compute allowance.<br>Complete below for the actual unit rented. |  | <b>Utility or Service</b> | <b>Monthly Cost</b> |
| <b>Name of Family</b>  |  | Heating                   |                     |
|  |  | Cooking                   |                     |
|  |  | Other Electric            |                     |
| <b>Address of Unit</b>   |  | Air Conditioning          |                     |
|  |  | Water Heating             |                     |
|  |  | Water                     |                     |
|  |  | Sewer                     |                     |
|  |  | Trash Collection          |                     |
|  |  | Range/Microwave           |                     |
| <b>Number of Bedrooms</b>  |  | Refrigerator              |                     |
|  |  | Other                     |                     |
|  |  | <b>Total</b>              |                     |

**Allowances for Tenant-Furnished  
Utilities And Other Services**

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

| Locality:<br>Berkeley, CA |                | Unit Type:<br>Apartment With 5+ Units         |      |      |      | Date:<br>7/1/2021 |      |
|---------------------------|----------------|---|------|------|------|-------------------|------|
| Utility or Service        |                | Monthly Dollar Allowances; Number of Bedrooms |      |      |      |                   |      |
|                           |                | 0 BR  | 1 BR | 2 BR | 3 BR | 4 BR              | 5 BR |
| Heating                   | a. Natural Gas | 16  | 18   | 21   | 25   | 29                | 35   |
|                           | b. Electric    | 19  | 29   | 38   | 43   | 38                | 53   |
|                           | c. Heat Pump   | 7   | 10   | 14   | 16   | 18                | 19   |
| Air Conditioning          |                | 0   | 1    | 1    | 2    | 2                 | 3    |
| Cooking                   | a. Natural Gas | 5   | 6    | 8    | 9    | 11                | 12   |
|                           | b. Electric    | 9   | 12   | 15   | 18   | 21                | 23   |
| Other Electric/Lighting   |                | 24  | 35   | 47   | 58   | 69                | 80   |
| Water Heating             | a. Natural Gas | 8   | 16   | 24   | 32   | 40                | 48   |
|                           | b. Electric    | 12  | 26   | 40   | 54   | 68                | 82   |
| Water                     |                | 19  | 22   | 29   | 40   | 50                | 61   |
| Sewer                     |                | 11  | 12   | 14   | 16   | 18                | 17   |
| Trash Collection          |                | 44  | 44   | 44   | 87   | 87                | 131  |
| Range/Microwave           |                | 7   | 7    | 7    | 7    | 7                 | 7    |
| Refrigerator              |                | 7   | 7    | 7    | 7    | 7                 | 7    |

| Actual Family Allowances To be used to compute allowance.<br>Complete below for the actual unit rented. |  | Utility or Service | Monthly Cost |
|---|--|--------------------|--------------|
| Name of Family  |  | Heating            |              |
|   |  | Cooking            |              |
|   |  | Other Electric     |              |
| Address of Unit   |  | Air Conditioning   |              |
|   |  | Water Heating      |              |
|   |  | Water              |              |
|   |  | Sewer              |              |
|   |  | Trash Collection   |              |
|   |  | Range/Microwave    |              |
| Number of Bedrooms  |  | Refrigerator       |              |
|   |  | Other              |              |
|   |  | <b>Total</b>       |              |

**Allowances for Tenant-Furnished  
Utilities And Other Services**

U.S. Department of Housing  
and Urban Development  
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|                                  |                |   |             |             |             |                          |             |
|----------------------------------|----------------|---|-------------|-------------|-------------|--------------------------|-------------|
| Locality:<br><b>Berkeley, CA</b> |                | Unit Type:<br><b>Duplex, Townhouse, Garden Apt, Apt 2-4 Units</b> |             |             |             | Date:<br><b>7/1/2021</b> |             |
|                                  |                | Monthly Dollar Allowances; Number of Bedrooms                     |             |             |             |                          |             |
| <b>Utility or Service</b>        |                | <b>0 BR</b>   | <b>1 BR</b> | <b>2 BR</b> | <b>3 BR</b> | <b>4 BR</b>              | <b>5 BR</b> |
| <b>Heating</b>                   | a. Natural Gas | 28  | 34          | 40          | 47          | 54                       | 63          |
|                                  | b. Electric    | 36  | 54          | 67          | 76          | 85                       | 94          |
|                                  | c. Heat Pump   | 12  | 18          | 25          | 28          | 31                       | 34          |
| <b>Air Conditioning</b>          |                | 0   | 1           | 2           | 3           | 3                        | 4           |
| <b>Cooking</b>                   | a. Natural Gas | 5   | 6           | 8           | 9           | 11                       | 12          |
|                                  | b. Electric    | 9   | 12          | 15          | 18          | 21                       | 23          |
| <b>Other Electric/Lighting</b>   |                | 23  | 38          | 54          | 69          | 84                       | 100         |
| <b>Water Heating</b>             | a. Natural Gas | 8   | 16          | 24          | 32          | 40                       | 48          |
|                                  | b. Electric    | 12  | 26          | 40          | 54          | 68                       | 82          |
| <b>Water</b>                     |                | 19  | 22          | 29          | 40          | 50                       | 61          |
| <b>Sewer</b>                     |                | 11  | 12          | 14          | 16          | 18                       | 17          |
| <b>Trash Collection</b>          |                | 44  | 44          | 44          | 87          | 87                       | 131         |
| <b>Range/Microwave</b>           |                | 7   | 7           | 7           | 7           | 7                        | 7           |
| <b>Refrigerator</b>              |                | 7   | 7           | 7           | 7           | 7                        | 7           |

|  |  |                           |                     |
|--|--|---------------------------|---------------------|
| <b>Actual Family Allowances</b> To be used to compute allowance.<br>Complete below for the actual unit rented. |  | <b>Utility or Service</b> | <b>Monthly Cost</b> |
| <b>Name of Family</b>  |  | Heating                   |                     |
|  |  | Cooking                   |                     |
|  |  | Other Electric            |                     |
| <b>Address of Unit</b>   |  | Air Conditioning          |                     |
|  |  | Water Heating             |                     |
|  |  | Water                     |                     |
|  |  | Sewer                     |                     |
|  |  | Trash Collection          |                     |
|  |  | Range/Microwave           |                     |
| <b>Number of Bedrooms</b>  |  | Refrigerator              |                     |
|  |  | Other                     |                     |
|  |  | <b>Total</b>              |                     |



**Allowances for Tenant-Furnished  
Utilities And Other Services**

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

| Locality:<br><b>Berkeley, CA</b> |                | Unit Type:<br><b>Single Family Detached</b>   |      |      |      | Date:<br><b>7/1/2021</b> |      |
|----------------------------------|----------------|---|------|------|------|--------------------------|------|
| Utility or Service               |                | Monthly Dollar Allowances; Number of Bedrooms |      |      |      |                          |      |
|                                  |                | 0 BR  | 1 BR | 2 BR | 3 BR | 4 BR                     | 5 BR |
| Heating                          | a. Natural Gas | 32  | 38   | 45   | 53   | 61                       | 70   |
|                                  | b. Electric    | 45  | 65   | 75   | 85   | 95                       | 105  |
|                                  | c. Heat Pump   | 14  | 23   | 27   | 31   | 35                       | 38   |
| Air Conditioning                 |                | 1   | 1    | 2    | 3    | 4                        | 4    |
| Cooking                          | a. Natural Gas | 5   | 6    | 8    | 9    | 11                       | 12   |
|                                  | b. Electric    | 9   | 12   | 15   | 18   | 21                       | 23   |
| Other Electric/Lighting          |                | 35  | 51   | 66   | 82   | 98                       | 113  |
| Water Heating                    | a. Natural Gas | 8   | 16   | 24   | 32   | 40                       | 46   |
|                                  | b. Electric    | 12  | 26   | 40   | 54   | 68                       | 82   |
| Water                            |                | 21  | 26   | 35   | 49   | 63                       | 77   |
| Sewer                            |                | 12  | 13   | 15   | 18   | 18                       | 17   |
| Trash Collection                 |                | 44  | 44   | 44   | 87   | 87                       | 131  |
| Range/Microwave                  |                | 7   | 7    | 7    | 7    | 7                        | 7    |
| Refrigerator                     |                | 7   | 7    | 7    | 7    | 7                        | 7    |

| Actual Family Allowances To be used to compute allowance.<br>Complete below for the actual unit rented. |  | Utility or Service | Monthly Cost |
|---|--|--------------------|--------------|
| Name of Family  |  | Heating            |              |
|   |  | Cooking            |              |
|   |  | Other Electric     |              |
| Address of Unit   |  | Air Conditioning   |              |
|   |  | Water Heating      |              |
|   |  | Water              |              |
|   |  | Sewer              |              |
|   |  | Trash Collection   |              |
|   |  | Range/Microwave    |              |
| Number of Bedrooms  |  | Refrigerator       |              |
|   |  | Other              |              |
|   |  | <b>Total</b>       |              |