



Housing Choice
Voucher Program

Simplified Utility Estimates *A proposal to simplify rent calculation*

The Seattle Housing Authority is working with the U.S. Department of Housing and Urban Development to simplify the method of calculating estimated utility costs for participants in the Housing Choice Voucher Program. The new method will streamline the administrative process required to calculate housing costs for families in the Housing Choice Voucher Program. It will also make the process more transparent and easier for landlords to understand. .

Why is this change being proposed?

A Utility Estimate (currently known as a “Utility Allowance”) is a reduction in a tenant’s portion of rent to be spent on utilities paid for by that tenant. Seattle Housing Authority staff members currently determine utility allowances by reviewing tables containing more than 250 factors (such as type of heat and number of bedrooms) and selecting those factors that apply to the individual unit. Explaining this calculation to landlords and program participants is difficult and often leads to misunderstandings. A simpler calculation will allow program participants to make more informed choices about which unit to rent.

How will the process change under this proposal?

In addition to the number of bedrooms a unit has, the factors considered when determining the Utility Estimate for a participant family will be:

- Does the participant pay for household energy costs (electricity, gas, oil)? and
- Does the participant pay for household water, sewer and garbage?

What if I rent a unit with more or fewer bedrooms than my Voucher covers?

If you rent a unit that has more or fewer bedrooms than your voucher is meant to pay for, Seattle Housing Authority will use the smaller-sized apartment for determining the Utility Estimate. For example, if you have a two-bedroom voucher but rent a one bedroom apartment, you will receive the Utility Estimate for a one-bedroom unit. If you use your two-bedroom voucher to rent a three-bedroom apartment, you will receive the two-bedroom Utility Estimate.

What are the benefits of this change?

Simplifying the way that the utilities are calculated will make the rent calculation easier to understand and more predictable for participants and housing providers.

As a Voucher holder, how will this proposal affect my rent?

As a Voucher holder, the amount of rent you pay your landlord is adjusted for utilities that you are responsible for under your lease (if any). The new Utility Estimate will replace the current Utility Allowance when we review your rent. Some households will pay a higher rent and some households will pay a lower rent as a result. For many households, there will be very little change.

Households receiving a Utility Assistance Payment may see the amount of their monthly assistance check increase or decrease.

Will this change affect my rent if I live in a Project-based unit?

Yes, your rent may be affected. Please see the answer to the previous question.

What is the timeline for these proposed changes?

Seattle Housing expects to begin making these changes in late summer or fall of 2011, if approved by the Seattle Housing's Board of Commissioners and HUD. There will be stakeholder meetings and a public hearing before a vote by the Board. If adopted, staff will implement the changes with families at their next annual review, or annual update or when they move into a new unit.

What else do I need to know?

If you live in a property that has a utility allowance that has been approved by Washington State Housing Finance Commission, this policy will not apply to you as long as you live in your current unit. If you are unsure whether this applies to you, you can find out by contacting your housing provider or landlord.

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