

CSB Clarification on HUD Notice CPD-17-11

Determining a Program Participant's Rent Contribution, Occupancy Charge, or Utility Reimbursement in the Continuum of Care (CoC) Program when the Program Participant is Responsible for the Utilities

The full notice is available here: <https://www.hudexchange.info/resource/5630/notice-cpd-17-11-determining-program-participant-rent-contribution-in-the-coc-program/>

Always take utilities into account when determining the tenant's portion of the rent/occupancy fee. Utilities are gas, oil, electric, sewage, water, and trash removal.

Identify the category below that corresponds with the program(s) you operate and follow the steps provided to determine how to take utilities into account.

TH and PSH programs **with** Leasing and Operating funding, **without** occupancy fees, and where the tenant **is not responsible** for utilities

1. You do not need to fill out the income and occupancy fee worksheet.
2. You still have to collect client income information for CSP.

TH and PSH programs **with** Leasing and Operating funding, **without** occupancy fees, and where the tenant **is responsible** for utilities

1. If the tenant is responsible for their own utilities, make sure that the utility allowance is not more than what the occupancy fee would be if the program charged one.
2. Fill out the income and occupancy fee worksheet.
3. Use the utility allowance form to calculate the utility allowance and enter that number on line 23 of the worksheet. The utility allowance forms are posted here: <http://www.csb.org/providers/housing-materials>.
4. If the utility fee (line 23) is more than the maximum allowable occupancy fee (line 21), the provider has to pay the difference. The tenant cannot pay more for utilities (line 23) than what the maximum occupancy fee would be (line 21).
5. The HUD notice says that the provider can either pay the tenant the difference directly or can pay the utility provider. However, CSB policy requires that the program pay the utility company, not the tenant. This cost is HUD-eligible, using CoC Operating funds.
6. Keep both the completed worksheet and completed utility allowance form in the client file. Update them at least annually, concurrent with the annual assessment, and when client income changes.

TH and PSH programs **with** Leasing and Operating funding, **with** occupancy fees, and where the tenant **is not responsible** for utilities.

1. Fill out the income and occupancy fee worksheet.
2. You do not need to fill out lines 22-24.
3. The maximum occupancy fee that the program can charge is on line 21. The occupancy fee can be lower than the amount on line 21, but cannot be higher.
4. Keep the completed worksheet in the client file. Update it at least annually, concurrent with the annual assessment, and when client income changes.

TH and PSH programs **with** Leasing and Operating funding, **with** occupancy fees, and where the tenant **is responsible** for utilities.

1. Fill out the income and occupancy fee worksheet.
2. Use the utility allowance form to calculate the utility allowance and enter that number on line 23 of the worksheet. The utility allowance forms are posted here: <http://www.csb.org/providers/housing-materials>.
3. Subtract the utility allowance on line 23 from the occupancy fee on line 21.
4. The maximum occupancy fee that the program can charge is on line 24. The occupancy fee can be lower than the amount on line 24, but cannot be higher.
5. If the utility fee (line 23) is more than the occupancy fee (line 21), the provider has to pay the difference. The tenant cannot pay more for utilities (line 23) than the maximum occupancy fee (line 21).
6. The HUD notice says that the provider can either pay the tenant the difference directly or can pay the utility provider. However, CSB policy requires that the program pay the utility company, not the tenant. This cost is HUD-eligible, using CoC Operating funds.
7. Keep both the completed worksheet and completed utility allowance form in the client file. Update them at least annually, concurrent with the annual assessment, and when client income changes.

PSH programs **with** Rental Assistance funding

1. Currently in our system, this category only includes programs where the rent is administered by CMHA, and CMHA is responsible for calculating the rent contribution and any utility reimbursement.
2. You still have to collect client income information for CSP.

RRH programs (TSA J2H) **with** Rental Assistance funding where the tenant **is not responsible** for utilities

1. RRH programs with Rental Assistance funds are required to follow program policies in establishing a rent contribution.
2. You do not need to fill out the income and occupancy fee worksheet, or you can fill out the form showing on line 21 the rent contribution per your program policies.
3. You still have to collect client income information for CSP.

RRH programs (TSA J2H) **with** Rental Assistance funding where the tenant **is responsible** for utilities

1. RRH programs with Rental Assistance funds are required to follow program policies in establishing a rent contribution.
2. Fill out the income and occupancy fee worksheet. On line 21 enter the rent contribution per your program policies.
3. Use the utility allowance form to calculate the utility allowance and enter that number on line 23 of the worksheet. The utility allowance forms are posted here: <http://www.csb.org/providers/housing-materials>.
4. Subtract the utility allowance on line 23 from the occupancy fee on line 21.
5. The program must charge the occupancy fee on line 24.

6. If the utility fee (line 23) is more than the occupancy fee (line 21), the provider has to pay the difference. The tenant cannot pay more for utilities (line 23) than the maximum occupancy fee (line 21).
7. The HUD notice says that the provider can either pay the tenant the difference directly or can pay the utility provider. However, CSB policy requires that the program pay the utility company, not the tenant. This cost is HUD-eligible, using CoC Rental Assistance funds.
8. Keep both the completed worksheet and completed utility allowance form in the client file. Update them at least annually, concurrent with the annual assessment, and when client income changes.

SUMMARY

	PSH with Rental Assistance funds (CMHA)	PSH/TH with Leasing/Operating funds	Rapid Re-Housing with Rental Assistance funds (TSA J2H)
Type of tenant contribution	Rent contribution	Occupancy charge	Follow written program policies
Utilities included in rent contribution/occupancy charge	Can pay for utilities with Rental Assistance funds	Can pay for utilities with Operating funds	Can pay for utilities with Rental Assistance funds
Utilities not included in rent contribution/occupancy charge	<ol style="list-style-type: none"> 1. Calculate the maximum rent contribution 2. Determine the utility allowance 3. Determine the total rent contribution 4. Pay any difference between the maximum contribution and the total contribution to the utility company or tenant 5. Include the costs paid for utilities under Rental Assistance on the CoC invoice 	<ol style="list-style-type: none"> 1. Calculate the maximum occupancy charge 2. Determine the utility allowance 3. Determine the total occupancy charge 4. Pay any difference between the maximum occupancy charge and the total occupancy charge to the utility company 5. Include costs paid to utility companies under Operating on the CoC invoice <p><i>[Utilities included in the Master lease should be invoiced under Leasing on the CoC invoice]</i></p>	<ol style="list-style-type: none"> 1. Calculate the maximum occupancy charge 2. Determine the utility allowance 3. Determine the total occupancy charge 4. Pay any difference between the maximum occupancy charge and the total occupancy charge to the utility company 5. Include any costs paid to utility companies under Rental Assistance on the CoC invoice