



## Community Shelter Board (CSB)

### Guidance on HUD Notice CPD-17-11

Determining Rent Contribution, Occupancy Charges, and Utility Reimbursement  
Final 05/01/2026

#### Purpose

This guidance clarifies how to determine a program participant's rent contribution, occupancy charge, and utility reimbursement in Continuum of Care (CoC) programs when the participant is responsible for utilities. This document aligns with HUD Notice CPD-17-11 and 24 CFR Part 578 requirements.

#### Key Principle

Utilities must always be included when calculating a participant's total housing cost. Utilities include gas, electric, water, sewage, oil, and trash removal. Telephone and cable are excluded. [filecite](#)[turn6file1](#)

#### Three-Step Determination Process

1. Calculate rent contribution or maximum occupancy charge (per 24 CFR 578.77).
2. Determine reasonable utility allowance using the local Public Housing Authority (PHA) schedule.
3. Adjust the participant's payment and determine if a utility reimbursement is required.

#### Rent Contribution (Rental Assistance Projects)

The participant's rent contribution is the highest of: 30% of adjusted income, 10% of gross income, or the welfare housing portion. Utility costs must be deducted from this amount. If utility costs exceed the rent contribution, a reimbursement must be provided.

[filecite](#)[turn6file1](#)

#### Occupancy Charges (Leasing/Operating Projects)

Occupancy charges cannot exceed the maximum allowable amount under 24 CFR 578.77. Utility allowances must be deducted from this amount. If utilities exceed the allowable charge, the program must cover the difference.

#### Utility Reimbursement

When utility costs exceed the participant's required contribution, the difference must be reimbursed. This may be paid to the participant or directly to the utility provider with proper documentation and participant consent. [filecite](#)[turn6file1](#)

### **Rapid Re-Housing (RRH)**

RRH programs follow CoC-established policies for rent contribution. However, rent calculations must include utility allowances. If utilities exceed the participant share, reimbursement is required. [filecite?turn6file1](#)

### **CSB Policy Clarification**

CSB requires that utility reimbursements be paid directly to the utility provider rather than the participant. Documentation must be retained in the client file and updated at least annually or when income changes. [filecite?turn6file0](#)

### **Documentation Requirements**

Agencies must maintain:

- Income calculation documentation
- Completed rent/occupancy worksheets
- Utility allowance documentation
- Proof of reimbursement payments
- Participant consent (if paying utilities directly)

All documentation must be consistent with 24 CFR 578.103 recordkeeping requirements. [filecite?turn6file1](#)

### **Monitoring Expectations**

Compliance with CPD-17-11 is a HUD Critical Compliance Element. Monitoring will review calculations, supporting documentation, and consistency across records. Errors may result in findings and repayment requirements.