

to recommend that the City Council approve the First Amended and Restated Agreement for Use of Low-Income Utility Bill and Deposit Assistance Funds with the County of Riverside, a political subdivision of the State of California, on behalf of Community Action Partnership of Riverside County

LEGISLATIVE HISTORY:

Assembly Bill (AB) 1890 was adopted in 1996, which required publicly owned utilities to collect and spend Public Benefits Charge funds for low-income assistance, energy efficiency and conservation programs, renewable energy, as well as research, development and demonstration projects.

BACKGROUND:

Riverside Public Utilities (RPU) established the Sharing Households Assist Riverside’s Energy (SHARE) Program in 1989 to provide low-income residents with utility bill assistance. The SHARE Program was initially supported with funding from direct customer contributions. To enhance the SHARE Program, the City entered into an agreement with the County of Riverside Department of Public Social Services – Department of Community Action Partnership (County) on July 1, 1999, to assist with administering some of the program applications. At that time, Public Benefit Charge funds were added to support the electric portion of the program in addition to the existing direct customer contributions. Since implementation, the program has assisted over 110,000 low-income residential customers.

On August 28, 2018, the City Council approved the Amended and Restated Agreement for the Use of Low-Income Utility Bill and Deposit Assistance Funds with the Community Action Partnership of Riverside County to extend the SHARE Program through June 30, 2024, in the annual amount of \$2,800,000.

On March 26, 2019, the City Council approved an amendment the Agreement to reflect the County’s requested revision to naming elements of the Agreement, naming the County of Riverside, a political subdivision of the State of California, on behalf of Community Action Partnership of Riverside County as the Grantee, rather than the previously named Community Action Partnership of Riverside County.

Since the Agreement was amended in 2018, CAP have processed the following number of applications for the SHARE program:

Year	Applications Processed
18/19	4,598
19/20	2,890
20/21	1,474
21/22	1,344
22/23	1,914
Total	12,220

The number of applications processed by CAP reduced during fiscal years 2020/21 and 2021/22 due to the impact of the pandemic; numbers have increased since then, and it is anticipated the upward trend will continue.

DISCUSSION:

RPU continues to deliver the successful SHARE program, that assists low-income customers with deposit and urgent notice (emergency) assistance for the electric portion, and monthly assistance for RPU's water and electric bills, and the City's solid waste bills. The present contract with CAP to assist in administering elements of the SHARE program expires on June 30, 2024. The new contract has been established to renew in five additional one-year periods, through June 30, 2029. The compensation RPU pays to CAP remains at \$27 per application successfully processed for each applicant. This fee has been in place since 2019.

The annual funding for the program remains unchanged at \$2.8 million, which includes \$2,550,000 for customer assistance and \$250,000 for the County's administration fee. Assistance is currently \$250 for the deposit/emergency portion and \$20 a month for the electric part of the bill for income-qualified customers; the income qualification is set at 250% of Federal Poverty Guidelines.

The Community Action Partnership through Riverside County assists RPU customers by processing applications in alignment with RPU's SHARE program policy, while helping them to access other State, County and Federal assistance programs from a single location. Once processed, RPU applies the appropriate credit to the customer bill; CAP bills RPU for the number of completed applications it has processed. This collaboration helps to streamline the application process and is convenient for customers, who only need to visit one location to access multiple assistance programs. While the bulk of SHARE applications are processed in-house, the support from CAP provides RPU with the flexibility to manage other energy efficiency and water conservation rebates and programs.

STRATEGIC PLAN ALIGNMENT:

The SHARE program contributes to Strategic Priority 5 - High Performing Government and Goal 5.4, to achieve and maintain financial health by addressing gaps between revenues and expenditures and aligning resources with strategic priorities to yield the greatest impact. The SHARE program promotes financial health by providing utility bill assistance to low-income customers.

1. **Community Trust** – The SHARE program will serve all qualifying customers, providing utility financial assistance where the key focus is on customer care and customer experience.
2. **Equity** – SHARE ensures every qualified customer can access utility assistance as needed.
3. **Fiscal Responsibility** – SHARE is a cost-effective program for low-income customers. The program parameters ensure that utility financial assistance is available for residential customers.
4. **Innovation** – The SHARE program aligns with the community's changing needs and will ensure that the City is helping to provide more customers with financial assistance by the most efficient means.

5. **Sustainability & Resiliency** – The SHARE program is committed to meeting the needs of low-income customers by providing utility bill assistance without compromising the needs of the future and by ensuring the City’s capacity to persevere, adapt and grow during good and difficult times alike.

FISCAL IMPACT:

The total fiscal impact of this action is \$2,800,000 per year. The County administrative fee required per the First Amended and Restated Agreement is an amount not to exceed \$250,000 annually. Additional annual costs associated with direct customer assistance are \$2,550,000. This equates to an annual total program cost of \$2,800,000. Sufficient funding has been included in the budget in Electric Public Benefits Fund, Low Income Assistance expenditure account number 6020100-456010, that will be presented to Council in June 2024 for adoption.

Future years’ funding will be included as a part of the biennial budget process for the department’s budget.

Prepared and approved by:	David A. Garcia, Interim Utilities General Manager
Certified as to availability of funds:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by:	Rafael Guzman, Assistant City Manager
Approved as to form:	Phaedra A. Norton, City Attorney

Attachments:

1. First Amendment to the Agreement
2. First Amendment and Restated Agreement (2019)
3. Presentation