

## Gehrmann, Gayle

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**From:** Gehrmann, Gayle  
**Sent:** Tuesday, August 18, 2015 10:15 AM  
**To:** Gehrmann, Gayle  
**Subject:** FW: Grandvillas Project- 5938 Grand Avenue, 92504

Begin forwarded message:

**From:** Dom Betro <[dbetro@fsaca.org](mailto:dbetro@fsaca.org)>  
**Date:** August 4, 2015 at 8:12:37 PM PDT  
**To:** "Balachandran, Girish" <[Girish@riversideca.gov](mailto:Girish@riversideca.gov)>  
**Cc:** "Hohl, Pat" <[PHohl@riversideca.gov](mailto:PHohl@riversideca.gov)>, "Wilson, Susan" <[SWILSON@riversideca.gov](mailto:SWILSON@riversideca.gov)>, "FERENCE, Cathy" <[CFERENCE@riversideca.gov](mailto:CFERENCE@riversideca.gov)>, Johnny Thomas <[jthomas@lasierra.edu](mailto:jthomas@lasierra.edu)>, Luke Robinson <[lrobinson@fsaca.org](mailto:lrobinson@fsaca.org)>  
**Subject:** RE: Grandvillas Project- 5938 Grand Avenue, 92504

Thank you Girish.

Dr. John Thomas, Aspire Board Chair, will be present for the meeting as well. I will also have our General Contractor, Architect, and Program Manager available for any issues Johnny and I cannot address.

We look forward to an interesting discussion.

Thanks again....dom betro

Sent via the Samsung Galaxy Mega™, an AT&T 4G LTE smartphone

----- Original message -----

**From:** "Balachandran, Girish"  
**Date:** 08/04/2015 7:36 PM (GMT-08:00)  
**To:** Dom Betro  
**Cc:** "Hohl, Pat" , "Wilson, Susan" , "FERENCE, Cathy"  
**Subject:** RE: Grandvillas Project- 5938 Grand Avenue, 92504

Dear Mr. Betro

The next scheduled Electric Committee meeting is scheduled for September 4. We plan on addressing your appeal at that time.

Please call if you have any questions.

Thank you,  
Girish

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**From:** Jennifer [<mailto:ofarrell.jenn@gmail.com>]  
**Sent:** Wednesday, July 08, 2015 8:26 PM

**To:** Dom Betro

**Cc:** [waterscottcoe@earthlink.net](mailto:waterscottcoe@earthlink.net); Balachandran, Girish; Gardner, Mike

**Subject:** Re: Grandvillas Project- 5938 Grand Avenue, 92504

Dom,

Thank you for your request. I look forward to seeing you Friday.

Thank you,

Jennifer O'Farrell

Big Brothers Big Sisters, Inland Empire

Sent from my iPhone

I apologize in advance for any poor thumb-manship errors.

On Jul 1, 2015, at 12:13 PM, Dom Betro <[dbetro@fsaca.org](mailto:dbetro@fsaca.org)> wrote:

Jennifer and Justin;

Hope all is well.

I am writing to you as the Ward 1 Representatives on the Public Utilities Board regarding our request to consider reducing the service fees being charged to the above mentioned project. The trail of emails below reflect the attempts to accomplish this at the staff level. I would like to recap for you the essential thinking which supports this request, namely:

- 1) Grandvillas is a 37 unit senior housing apartment complex being constructed on blighted land in the heart of Ward 1, which has been vacant land and defied development for over 55 years.
- 2) Grandvillas will provide 19 affordable one bedroom units for low income residents, and 37 new rate payers for Public Utilities for decades into the future.
- 3) In the post Redevelopment/Recession era it has been a challenge to build affordable housing, but Family Service Association and our affiliate Aspire Housing Development Organization have found a way to do it and bring this valuable public benefit to the City of Riverside.....although we are having to closely watch every penny spent to make this possible.
- 4) It is our contention that seniors and low income residents bring a significant economic benefit to a local community, as their disposable income, enhanced by the affordability mix, ***gets spent in the local community*** also furthering sales tax and other economic multiplier factors. For example one immediate and direct economic impact of this project will be in increasing money spent at the commercial center next door to the project, increasing viability and commercial rate payers. (See attached Housing report for some interesting insights on this subject)

For all of these reasons we are requesting consideration of a fee reduction in the electrical fees being charged to the Grandvillas project.(see attached)

Further, we believe that the Public Utilities Board should consider including Nonprofit Low Income Housing projects for inclusion in special Economic Development Rates normally reserved for only For Profit Commercial Developments. This would be an even greater and higher **Public Benefit** created by a Public Utility.

I would be happy to discuss these issues further with you at your convenience.

I plan to be at your Board Meeting next week to formally present this request.

Thank you for consideration and taking the time to review this matter.

Dom Betro, CEO  
FSA and Aspire  
951-660-5946

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**From:** Balachandran, Girish [<mailto:Girish@riversideca.gov>]  
**Sent:** Tuesday, June 30, 2015 7:13 PM  
**To:** Dom Betro  
**Cc:** Gardner, Mike; Zelinka, Al; CMO CM-ACM; Hohl, Pat; Nomura, Laura; Seinturier, Brian; Wilson, Susan  
**Subject:** RE: Grandvillas Project- 5938 Grand Avenue, 92504

Mr. Betro

You are right that the City has approved economic development rates. I do not believe that your project qualifies for this rate. In a separate email you asked if the fees could be amortized over thirty years. The fees being charged cannot be amortized over 30 years. For a short period during the great recession, the City Council allowed for a revenue credit. But that option doesn't exist now. I'm sorry to inform you that I do not know of a way under our current rules to give you a break.

You may address the Public Utilities Board at any of their regular meetings and bring up this issue.

I will look into these matters (discount and appeal process) a little more and get back to you if I have additional information to add.

Thank you,  
Girish

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**From:** Dom Betro [<mailto:dbetro@fsaca.org>]  
**Sent:** Tuesday, June 30, 2015 9:47 AM  
**To:** Balachandran, Girish  
**Cc:** Gardner, Mike; Zelinka, Al; CMO CM-ACM; Hohl, Pat  
**Subject:** RE: Grandvillas Project- 5938 Grand Avenue, 92504

Girish;

I had another thought on this.

You know the City has done a good job supporting commercial relocation and retention with the use of utility financial incentives in return for creating economic impact (jobs, taxes, etc).

I would make the case low income housing development, creating residents with disposable income that are more likely to spend their money locally has a significant and long term impact on sales tax, and local business financial benefit.

To this end, I would like to know if there is a process to make this case. Is an appeal to the Public Utility Board Members in order, or do you have some internal administrative process for such consideration?

Beyond the specific benefit to the Grandvillas project, I believe this to be a City and public benefit that would be a great use for Public Utility Funds.

Dom Betro

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**From:** Balachandran, Girish [<mailto:Girish@riversideca.gov>]  
**Sent:** Monday, June 29, 2015 6:42 PM  
**To:** Dom Betro  
**Cc:** Gardner, Mike; Zelinka, Al; CMO CM-ACM; Hohl, Pat  
**Subject:** RE: Grandvillas Project- 5938 Grand Avenue, 92504

Dear Mr. Betro

Yes, I remember meeting you a little while ago.

The issue you have brought up was also brought up by Council Member Steve Adams a few weeks ago. Here was our response to the Council Member on June 1.

*"RPU eliminated "revenue credits" from our rules at least 5 years ago. The prior policy gave 2 full years of revenue credit against their charges from RPU for new facilities. This was eliminated from our rules and returned to the way it had been before, namely that developers are responsible for the installation of physical structures, and RPU's full estimated cost to serve."*

Notification of the estimate was provided in October 2013 and the estimate was good for only 6 months. Your contractor should get in touch with us for an updated estimate.

Unfortunately, I will not be able to assist with reducing the fees that were quoted. I'm sorry about that. Please call me at 826-8912 or Pat Hohl, AGM Energy Delivery at 826-5607 if you have any questions.

Thank you,  
Girish

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**From:** Dom Betro [<mailto:dbetro@fsaca.org>]  
**Sent:** Monday, June 29, 2015 12:51 PM  
**To:** Balachandran, Girish  
**Cc:** Gardner, Mike; Zelinka, Al  
**Subject:** Grandvillas Project- 5938 Grand Avenue, 92504

Girish;

I met you not too long ago, preceding a meeting I was having with Al Zelinka.

I am writing to request some assistance with a Utility Fee Issue we are having on this project.

It seems like we are being charged some offsite costs (approx. 48k) for transformers, equipment and materials that previously were waived or deferred (collected over 30 years).

This is a nonprofit senior, 50% affordable housing project, so every bit of help would be greatly appreciated.

Thanks for considering this request.....

Dom Betro, CEO  
Family Service Association  
Aspire Community Housing Development Organization  
951-660-5946

<Grandvillas - Electrical Fees.pdf>

<Housing-and-Economic-Development-Report-2011.pdf>