



**BUDGET & MANAGEMENT STUDIES**

DATE: June 19, 2020

TO: MAYOR LEE BRAND  
COUNCIL PRESIDENT MIGUEL ARIAS  
CITY COUNCIL MEMBERS

THROUGH: WILMA QUAN, City Manager

FROM: HENRY FIERRO, Budget Manager

SUBJECT: RESPONSE TO COUNCIL DIRECTION No. 22 – INFORMATION  
REGARDING LOW INCOME PROGRAM

During the Budget Hearing on June 11, 2020, Council Member Esmeralda Soria requested information on how many families are benefiting from the Low Income Program and what is being done to help families out during COVID-19. The following memo submitted by the Department of Public Utilities provides the requested information.

- C: Jane Sumpter, Assistant City Manager
- Jim Schaad, Assistant City Manager
- Tim Orman, Chief of Staff
- Michael Carbajal, Director of Public Utilities
- Cheryl L. Burns, Management Analyst
- Alma Torres, Senior Budget Analyst



**DEPARTMENT OF PUBLIC UTILITIES**

**MEMORANDUM**

**DATE:** June 19, 2020

**TO:** HENRY FIERRO, Budget Manager  
Budget & Management Studies Division, City Manager's Office

**THROUGH:** MICHAEL CARBAJAL, Director   
Department of Public Utilities

**FROM:** CHERYL L. BURNS, Management Analyst  
Department of Public Utilities

**SUBJECT:** RESPONSE TO COUNCIL DIRECTION NO. 22  
REQUEST ON CURRENT LOW INCOME PROGRAM AND COVID-19  
BENEFIT ASSISTANCE

During the Budget Hearing on June 11, 2020, Council Member Esmeralda Soria requested information on how many families are benefiting from the Low Income Program and what is being done to help families out during COVID-19.

**Background**

On November 20, 2014, Council directed the Administration and Department of Public Utilities (DPU) to review and evaluate opportunities to provide financial assistance to customers demonstrating a financial need. On July 1, 2015, a water credit program was adopted by the City Council, and was designated the Water Affordability Credit Program (WACP). The WACP was developed in compliance with the rate requirements of Proposition 218 as a qualified low-income rate assistance program for qualifying customers.

**Water Affordability Credit Program**

The WACP offers financial assistance to qualified low-income water utility account holders. **The credit is \$5 per month with a maximum of \$60 in a 12 month period.**

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The WACP is funded for a maximum of \$1 million and may benefit approximately 16,700 qualified account holders per year. Once that limit is met for the year, there will not be any more funds available until the following year. Customers must reapply each year to continue receiving the credit. Currently there are 2,578 accounts receiving the discount. DPU is taking steps to increase participation through public outreach.

### **WACP Outreach**

DPU has a contract with JP Marketing for outreach and marketing services, and JP Marketing in turn has an ongoing relationship with RHA, which specializes in reaching hard to serve communities. Beginning on February 27, 2020, JP Marketing and RHA began increasing the visibility of the WACP.

To date, JP Marketing has implemented a digital media campaign with over 1,000,000 impressions. In addition, JP Marketing created online applications in English, Spanish, and Hmong that have been placed on the City's website, and created digital, banner, and social media advertisements that, once clicked on, led residents to that section of the website.

RHA is working with JP Marketing to provide information and assist customers with WACP applications at community outreach events. Unfortunately, due to the COVID-19 outbreak and resulting cancellation of public events, RHA has not been able to continue the community outreach efforts originally anticipated, and all outreach efforts on their part have been placed on hold. Prior to the cancellation of events, however, RHA conducted two community outreach events and completed 11 WACP enrollments. In addition, the WACP was highlighted via Radio Bilingüe, and RHA conducted three presentations to professionals from both community-based organizations (CBOs) and government entities to increase overall program awareness. The awareness of the program was growing, and that growth is anticipated to continue once public events can resume.

Even with the rapid halt in community outreach opportunities, there has been an increase of WACP participation since the beginning of the public outreach this February 27, 2020. The number of WACP account holders increased from 2,511 to 2,578.

### **COVID-19 Benefit Assistance**

To assist the City's utility customers during the COVID-19 pandemic, delinquency fees and water shut offs have been suspended in compliance with the State of California mandate. Once the mandate is lifted, the City will proactively work with each customer's circumstances to provide payment plan options for delinquent accounts.

c: Alma Torres, Senior Budget Analyst