



**CITY OF FORT BRAGG**

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**COUNCIL COMMITTEE ITEM SUMMARY REPORT**

**MEETING DATE:** May 6, 2015  
**FROM:** Jennifer Owen, Housing & Economic Development Coordinator  
**AGENDA ITEM TITLE:** **Receive Report and Provide a Recommendation to City Council Regarding the HELP H2O Water Assistance Program Guidelines**

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**ISSUE:**

The 2014 CDBG grant award includes \$65,116 to fund the HELP H2O Program. This is a new program for the City of Fort Program that provides emergency, one-time-only matching payments for residential water utility bills of income-qualified City residents. In order to complete grant General Conditions for this program so that CDBG funds may be released, Program Guidelines must be approved by City Council and by CDBG. Staff is seeking direction from the Finance and Administration Committee regarding content of Draft Program Guidelines as well as a recommendation to City Council for approval of Program Guidelines.

**SUMMARY:**

The 2014 CDBG grant provides funding for various activities including the HELP Plus and HELP H2O Programs. HELP Plus is modeled after a prior City program funded by the 2010 CDBG grant and operated by Renewable Energy Development Institute (REDI). The prior program was called the Home Energy Link Program or HELP. In the 2014 application, the HELP Plus program was enhanced to add water conservation tools and education in order to address City efforts to promote water conservation. As a companion program to HELP Plus, in order to assist low- and moderate income residents with their water bills, the HELP H2O Program was developed. As with the previous grant application, REDI was identified in the 2014 grant application as the City's subrecipient Program Operator. A subrecipient agreement with REDI for HELP Plus and HELP H2O operation was approved by City Council on February 23, 2015. Amounts funded in the 2014 grant were \$213,953 for HELP Plus and \$65,116 for HELP H2O. The programs may operate for the term of the 2014 grant, which allows program expenditures through October 31, 2017.

HELP H2O is allowed by CDBG as a subsistence program, for emergency payments to income-qualified persons or households. HELP H2O is modeled after similar programs such as PG&E's HEAP (Home Energy Assistance Program) and the City of Ukiah's CARES (City Assistance for Relief through Energy Support) Program. HELP H2O provides one-time-only matching payments to low-income City utility bill payers whose accounts are past due. The Program payment is limited to 50% of the past due utility bill, and program participants must pay the

balance of the bill before the Program will assist. The Program cannot pay late fees or shut-off fees. As a condition of participation in the program, participants must complete a simple Home Water Audit and must agree to participate in water conservation education and counseling.

The purpose of the one-time-only payment is to break a typically recurring cycle of late payments that result in shut-off fees. The goal is to allow qualifying account holders the opportunity to catch up with their payments and then with water conservation education, ensure that participants reduce their water bills to help them stay current with future bills. As part of the water education component, program participants will receive a "water kit" containing water conservation tips as well as items such as leak detection kits and faucet aerators.

Prior to launching HELP H2O, the City must approve Program Guidelines. The locally approved Program Guidelines must then be submitted to CDBG for approval along with other grant General Conditions items. The program may commence after CDBG clears all general conditions. CDBG has recently cleared General Conditions for the HELP Plus program, which offers energy and water conservation, education, and linkage to other assistance programs, for all City residents. HELP H2O will operate until the funding is fully disbursed. Total funding available for water bill subsidies is expected to be approximately \$33,000. Finance Department data shows that on average, 35 customers per month incur water shut-off due to non-payment of bills. The amount of assistance per participant is expected average \$75 per customer, which could allow subsidies for over 400 customers.

The enclosed HELP H2O Program Guidelines are formatted based on CDBG templates for other public service programs. The Program Guidelines provide information for program participants about program particulars as well as funding sources and associated regulations. The Program Guidelines include the following sections:

1.0 Introduction and summary of the program and goals.

2.0 Program overview, including how the program is administered, the service area, and funding source.

3.0 CDBG program requirements, including participation eligibility, timeframe for receiving services, need to meet a CDBG National Objective, and other applicable federal regulations.

4.0 Application process including program marketing and outreach, equal opportunity compliance, application procedures, confidentiality requirements, dispute resolution and appeals procedure, and definition of exceptions.

5.0 Program Service Delivery, including applicant eligibility process, calculation of subsidy payments, and information about required water conservation education and counseling.

6.0 Program Oversight by the City is described including use and oversight of the Program Operator and tracking of program participation and activities.

The Program Guidelines have three attachments including, once adopted, City Council's Resolution approving the Program Guidelines; current CDBG Income Limits; and a sample HELP H2O Program Application.

### **RECOMMENDATION:**

Provide direction to staff and recommendation for City Council regarding adoption of the HELP H2O Program Guidelines.

### **ATTACHMENTS:**

1. Draft HELP H2O Program Guidelines.