**PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

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| **Communications Division** | RESOLUTION T-17664 |
| **Broadband, Video and Market Branch** | **November 19, 2020** |

**R** **E** **S** **O** **L** **U** **T** **I** **O** **N**

**Resolution T-17664: Rescinds funding for three California Advanced Services Fund (CASF)** **Broadband Public Housing Account (BPHA) infrastructure projects awarded in Resolution T-17515 (Monticelli, Rancho Park and Royal Court)[[1]](#footnote-1), thereby releasing $66,417** **from the CASF BPHA, making those funds available for other applicants.**

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# Summary

This Resolution rescinds three previously awarded California Advanced Services Fund (CASF) grants for the Broadband Public Housing Account (BPHA) Infrastructure projects approved by Resolution T-17515. The rescinded grants are for Eden Housing’s (Eden) Monticelli, Rancho Park, and Royal Court projects.

# Background

On December 18, 2014, the Commission approved Decision (D.) 14-12-039[[2]](#footnote-2) which implements the rules and guidelines for the BPHA including: eligibility and application requirements, types of activities and costs funded by CASF, expedited review criteria for Communications Division (CD) staff approval of project applications, and quarterly deadlines for applications beginning January 15, 2015 through October 1, 2016. Key provisions of the Decision relevant to this Resolution include:

* The Commission delegated to staff the authority to approve applications through expedited review that meet all the expedited review criteria.
* When an application does not meet the above-expedited review criteria, it may still be considered for a grant, but it must go through the traditional Commission Resolution approval process.[[3]](#footnote-3)

On June 9, 2016, the Commission approved Resolution T-17515 which awarded BPHA grants for Eden’s Monticelli project ($23,195), Rancho Park project ($24,195), and Royal Court project ($19,028) with a total funding of $66,417.

These grants proposed to fund the construction of Wi-Fi networks. Installed networks were to be accessible in all residential units within the project.

# Discussion

Eden was granted three project extensions for all three properties to allow them to successfully install Wi-Fi networks in these locations. However, Eden eventually concluded that it could not install these networks due to cost considerations and staffing issues. In a September 4, 2019, letter, Eden requested that the four awarded BPHA grants be rescinded, including the three addressed in this resolution (the fourth project was awarded a grant though the Expedited Review process and has since been rescinded).[[4]](#footnote-4) Eden stated that it could not complete these projects due to the following reasons:

* Challenges with the vendors who would install the proposed networks
* Site design issues
* Increased equipment costs
* Internal staffing issues

Staff worked with Eden to see if the Commission could address project cost issues. However, Eden indicated to staff that they still would not want to proceed.[[5]](#footnote-5)

# Staff Recommendation

Staff recommends that the Commission rescind these three projects approved in Resolution T-71515. Rescinded monies revert to the program budget and are then available to other potential eligible CASF BPHA applicants.



# Safety Considerations

No safety considerations are associated with this resolution.

# Comments

In compliance with Public Utilities Code section 311(g)(1), staff emailed a notice letter on **DATE**, informing all parties on the CASF Distribution List of the availability of this draft Resolution for public comments at the Commission’s document website at <http://www.cpuc.ca.gov/>. This letter also informed parties that the final conformed Resolution adopted by the Commission will be posted and available on this same website.

# Findings

1. On June 9, 2016, the Commission adopted Resolution T-17515, which awarded twelve BPHA grants including the following three grants for Eden projects; a grant of $23,195 for the Monticelli project, a grant of $24,195 for the Rancho Park project and a grant of $19,028 for the Royal Court project.
2. On September 4, 2019, Eden notified staff of its inability to complete its Monticelli, Rancho Park, and Royal Court projects as awarded and requested the Commission rescind the grants for these three projects.
3. Staff recommends that the Commission rescinds the three previously awarded CASF BPHA Infrastructure projects (Monticelli, Rancho Park, and Royal Court approved in Resolution T-17515).
4. The Commission should disencumber the cumulative amount of $66,417 in CASF funding and make it available for future grant awards.
5. No safety impacts are expected as a result of this resolution.
6. A notice letter was e-mailed on **DATE**, informing parties on the CASF Distribution List of the availability of this draft Resolution for public comments on the Commission’s website http://www.cpuc.ca.gov/documents/. This letter also informed parties that the final confirmed Resolution adopted by the Commission will be posted and available at this same website

**THEREFORE, IT IS ORDERED that:**

* 1. The portions of Resolution T-17515, pertaining to the grantee Eden Housing for Monticelli, Rancho Park, and Royal Court projects are hereby rescinded.
  2. The cumulative amount of $66,417 in CASF funding allocated to the three identified projects in this resolution is disencumbered and made available for future CASF grant awards.

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on November 19, 2020. The following Commissioners approved it:

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| RACHEL PETERSONActing Executive Director |  |
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**APPENDIX A**

**Letter from Eden Requesting that Four Awarded Public Housing Grants be Rescinded**

A screenshot of a social media post

Description automatically generated

1. Resolution T-17515 awarded CASF BPHA grants to several recipients. This Resolution only affects the portion of Resolution T-17515 that awarded grants for the Monticelli, Rancho Park, and Royal Court projects. [↑](#footnote-ref-1)
2. *Decision Adopting the CASF Broadband Public Housing Account Application Requirements and Guidelines* (2014) [D.14-12-039], Appendix B, (“Guidelines”), p. B13. [↑](#footnote-ref-2)
3. Guidelines, B13-14. [↑](#footnote-ref-3)
4. See Appendix A for the letter from Eden requesting that the four grants be rescinded. [↑](#footnote-ref-4)
5. In an August 23, 2019 email to staff, Eden stated that they “would still like to move forward and rescind the grants. For the reasons stated in my original email (financial burden and unexpected staffing transitions), we are unable to complete the work at this time.” [↑](#footnote-ref-5)