

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

**Communications Division  
Broadband, Video and Market Branch**

**RESOLUTION T- 17775  
December 15, 2022**

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

**RESOLUTION T-17775: Approval of nineteen (19) public housing infrastructure projects for grant funding from the California Advanced Services Fund’s Broadband Public Housing Account totaling \$1,398,593**

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**I. SUMMARY**

This Resolution approves grant funding in the amount of \$1,398,593 from the California Advanced Services Fund (CASF) Broadband Public Housing Account (BPHA) for 19 projects from three applicants. These 19 projects will deploy both wireless and wired broadband infrastructure utilizing wi-fi and copper technologies capable of 25 Megabits per second (Mbps) download and 3 Mbps upload for 800 living units in these publicly supported housing developments. The deployment of broadband in public housing for the purpose of offering free internet access to those who do not already have access to a free broadband network will improve public safety by providing enhanced access to government, e-health, and online education opportunities.

Table 1, below, lists the 19 public housing infrastructure grants approved, and Appendix B shows a map of proposed project locations.

Resolution T-17775  
CD/SOH/TGC

**Table 1**

<b>Applicant</b>	<b>Project Name</b>	<b>Address</b>	<b>City</b>	<b>Zip Code</b>	<b>Grant</b>	<b>Units</b>
People's Self-Help Housing Corporation	Broad Street Place	3720 Broad Street	San Luis Obispo	93401	\$25,545.00	40
People's Self-Help Housing Corporation	Casa de los Carneros	10 Longshore Place	Goleta	93117	\$94,500.00	70
People's Self-Help Housing Corporation	Casas de las Flores	4090 Via Real	Carpinteria	93013	\$47,945.00	43
People's Self-Help Housing Corporation	Jardin de las Rosas	510 N. Salsipuedes #100	Santa Barbara	93103	\$47,000.00	40
People's Self-Help Housing Corporation	People's Place	714 West Harvard Boulevard	Santa Paula	93060	\$52,198.00	68
People's Self-Help Housing Corporation	Pismo Creek Bungalows	360 Park Avenue	Pismo Beach	93449	\$18,410.00	14
People's Self-Help Housing Corporation	Pismo Terrace	855 4th Street	Pismo Beach	93449	\$45,160.00	50
People's Self-Help Housing Corporation	Rolling Hills II	999 Las Tablas Road	Templeton	93465	\$48,000.00	30
People's Self-Help Housing Corporation	Templeton Place	1009 Petersen Ranch Road	Templeton	93401	\$40,140.00	36
People's Self-Help Housing Corporation	Tiburon Place	3750 Bullock Ln	San Luis Obispo	93401	\$56,445.00	68
Self-Help Enterprises	Annadale Commons	1515 E. Annadale Ave	Fresno	93706	\$33,000.00	40
Self-Help Enterprises	Mariposa Oaks	5071 Circle Dr	Mariposa	95338	\$120,000.00	24
Self-Help Enterprises	Nupchi Xo'oy	648 W. Mulberry	Porterville	93257	\$128,000.00	40
Self-Help Enterprises	Sugar Pine Village	203 Lewis St	Madera	93636	\$68,900.00	52
Surf Development Company	Stanley Horn Homes	640 North Q St.	Lompoc	93436	\$139,700.00	44
Surf Development Company	Homebase on G	513 North G St	Lompoc	93436	\$83,850.00	39
Surf Development Company	Aparicio Apartments I	332 Ellwood Beach Dr	Goleta	93117	\$151,200.00	56
Surf Development Company	Lompoc Terrace	1000 Block Walnut/Apricot	Lompoc	93436	\$168,000.00	40
Surf Development Company	Vintage Walk	597 Avenue of Flags	Buellton	93427	\$30,600.00	6
			<b>Total</b>		<b>\$1,398,593.00</b>	<b>800</b>

**II. BACKGROUND**

On May 19, 2022, the Commission issued Decision (D.) 22-05-029 which implemented changes to the BPHA enacted by Senate Bill 156 and programmatic changes for publicly supported housing developments, including farmworker housing, and allocated \$15 million funding for Fiscal Year 2022-2023.

Key provisions of the Decision relevant to this Resolution include:

- The Commission authorized CD staff (Staff) to review and approve applications through ministerial review that meet all of the ministerial review criteria.<sup>1</sup> Applications not meeting the ministerial review criteria may still be considered for a grant but may only be approved by the Commission via Resolution.
- Grants can be awarded to finance up to 100 percent of the installation costs (inside wiring and equipment), but not maintenance or operation costs.
- Grantees must maintain and operate the network for five years after project completion.
- The proposed network should be capable of offering residents Internet service speeds of at least 25 Mbps download and 3 Mbps upload service for an average user during peak and off-peak hours or current state standard, whichever is higher.<sup>2</sup>
- Applicant attests that no broadband service provider offers free service that meets state standards, as defined in Section III of the BPHA Guidelines, to the subject low-income community.
- Applicant attests that it will not charge residents for broadband internet services.
- Applicant agrees to complete the project within 12 months from the date of Commission approval.
- Applicant has an identified internet service provider with the required internet bandwidth capacity at the Minimum Point of Entry (MPOE).

### III. APPLICANTS' REQUEST

On July 1, 2022, People's Self-Help Housing Corporation (PSHH) (10 projects), Self-Help Enterprises (SHE) (4 projects), and Surf Development Company (Surf) (5 projects) submitted applications for CASF BPHA funding. Almost all 19 projects<sup>3</sup> exceed the cost per unit benchmark established in the ministerial review criteria in (D.) 22-05-029 and are therefore ineligible for ministerial review. This Resolution addresses all 19 projects from these three applicants.

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<sup>1</sup> (D.) 22-05-029, Appendix 1, p.11.

<sup>2</sup> Peak hours mean 7 p.m. to 11 p.m. local time.; <https://www.fcc.gov/reports-research/reports/measuring-broadband-america/measuring-fixed-broadband-eleventh-report>.

<sup>3</sup> Broad Street Place, Casas De Las Flores, Jardin De Las Rosas, People's Place, Pismo Terrace, Templeton Place, Tiburon Place, and Annadale Commons all met the ministerial review cap.

*Applicants:* All three applicants are eligible applicants as defined in (D.) 22-05-029.<sup>4</sup>

PSHH has been approved by the Internal Revenue Service (IRS) as a 501(c)(3) nonprofit organization for providing affordable housing since 1971. PSHH serves low-income households, families, farmworkers, seniors, and veterans and currently manages over 2,000 rental units.

SHE has been approved by the IRS as a 501(c)(3) nonprofit organization for providing affordable housing since 1965. SHE is a nationally recognized community development organization whose mission is to work together with low-income families to build and sustain healthy homes and communities. Since 1965, Self-Help Enterprises' efforts have affected over 55,000 families.

Surf has been approved by the IRS as a 501(c)(3) nonprofit organization for providing affordable housing since 1988. Surf works closely with the Housing Authority of the County of Santa Barbara in the development of low-income housing in Santa Barbara County.

*Projects:*

PSHH (Casas de los Carneros project only), SHE and Surf request funding for the installation of a wireless mesh 2.4GHz and 5GHz WiFi 802.11ac Wave 2 and 802.11ax network architecture utilizing Cisco Meraki and Ruckus WiFi mesh access points, switches, and bridges to provide wireless broadband coverage to each residential unit.

According to PSHH, SHE and Surf, these installations will be able to provide a minimum download speed of 25 Mbps during peak use hours.

PSHH (Casas de las Flores, Jardin de las Rosas, Pismo Creek, and Templeton Place II projects only) request funding for the installation of a wired switched ethernet network. This installation utilizes inside copper wiring to each residential unit and includes equipment for broadband traffic management.

According to PSHH, this installation will be able to provide a minimum download speed of 25 Mbps during peak use hours.

PSHH (Broad Street Place, People's Place, Pismo Terrace, Tiburon Place, and Rolling Hills II projects only) request funding for installation of a combined wireless and wired

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<sup>4</sup> (D.) 22-05-029, Appendix 1, p 5.

network architecture utilizing wireless bridges and 802.11ac wave 2 and 802.11ax WiFi wireless access points that are connected to distributed wired switched ethernet networks using inside copper wiring to deploy broadband service each residential unit.

According to PSHH, this installation will be able to provide a minimum download speed of 25 Mbps during peak use hours.

All 19 projects include equipment for broadband traffic management, deployment, security, monitoring and reporting, consisting of layer 2 or layer 3 switches and a firewall that interfaces to the Wide Area Network ISP equipment providing the broadband service.

### III. NOTICES

On July 14, 2022, Staff posted the proposed project descriptions on the Commission's BPHA webpage.<sup>5</sup>

On July 21, 2022, Perkins Coie, a law firm representing Charter Communications (Charter), contacted Staff for more information regarding the projects posted. On August 11, 2022, Charter submitted information to Staff on 8 proposed projects listed in Table 2 below.

Applicant	Project	Address	City	Zip
People's Self-Help Housing Corporation	Broad Street Place	3720 Broad Street	San Luis Obispo	93401
People's Self-Help Housing Corporation	People's Place	714 West Harvard Boulevard	Santa Paula	93060
People's Self-Help Housing Corporation	Pismo Creek Bungalows	360 Park Avenue	Pismo Beach	93449
People's Self-Help Housing Corporation	Pismo Terrace	855 4th Street	Pismo Beach	93449
People's Self-Help Housing Corporation	Rolling Hills II	999 Las Tablas Road	Templeton	93465
People's Self-Help Housing Corporation	Templeton Place	1009 Petersen Ranch Road	Templeton	93401
People's Self-Help Housing Corporation	Tiburon Place	3750 Bullock Ln	San Luis Obispo	93401
Self-Help Enterprises	Nupchi Xo'oy	648 W. Mulberry	Porterville	93257

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<sup>5</sup> <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/communications-division/documents/casf-adoption-and-access/bpha/bpha-july-2022-summary.pdf>.

In the information provided, Charter asserts that it already provides or has the ability to provide broadband service at speeds of 25 Mbps download/3 Mbps upload to these proposed project locations. Charter's states that this service can be provided at no cost after subsidies from the Affordable Connectivity Program (ACP), a benefit program offered by the Federal Communications Commission, for qualifying customers at each proposed site.

In (D.) 22-05-029, the Commission eliminated the challenge process for BPHA applications. This decision was based on parties' input generally asserting that the challenge process has often stalled proposed applications and has not assisted in connecting more residents. The Commission noted "the challenge process poses an obstacle to providing free broadband service to eligible communities."<sup>6</sup> The Decision further notes that "removal of the challenge process does not preclude a service provider from notifying the Commission or Commission staff that it already provides service to a community for which the Commission has received an application. Removal of the challenge process simply means applications will not automatically be denied on the basis that a service provider already provides access to the community again with no guarantee of continued access into the future. The Commission, however, maintains discretion to deny applications on the basis that a community already has access to free broadband service."<sup>7</sup>

Staff reviewed the material submitted by Charter and determined that the potential to provide broadband at no cost through federal subsidies does not guarantee that no-cost broadband will be provided. While customers may be eligible to receive free or reduced cost broadband by first enrolling in a federal benefit program and then further requesting that benefit be applied to their internet bill, this does not guarantee no-cost broadband for some residents in a proposed project area as required by the statute and (D.) 22-05-029. Charter's Spectrum internet paired with the ACP benefit is a limited time offering for 2 years at \$29.99 per month where customers are responsible for charges over \$30 a month.<sup>8</sup> After the promotion period, standard rates apply. In

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<sup>6</sup> (D.) 22-05-029, p. 18.

<sup>7</sup> *Ibid.* The Commission noted that it has discretion over how to determine whether free broadband service, meeting the minimum speed requirements, is already available to a publicly supported community.

<sup>8</sup> Per Charter's [website](#) on its Spectrum internet ACP offerings: "Spectrum Internet Federal Affordable Connectivity Program: Program benefit limited to one per household; limited time offer; benefit expires upon FCC's termination of the Program. Income eligibility requirements apply. A recurring credit of up to \$30/mo (\$75 in Tribal Lands) will be applied directly to eligible customers' accounts, off the rate for

addition, if residents in a proposed project area do not meet the eligibility criteria of the ACP, they will not receive free broadband.

The BPHA program guidelines require “Commitment to Providing Broadband Service at No-Cost-to-Residents.”<sup>9</sup>

#### **IV. PROJECT REVIEW**

In the original submission, 8 of the 19 projects submitted were eligible for ministerial review. Only 5 of those projects were among those noticed by Charter, leaving only 3 of the 19 projects eligible for ministerial review. These 3 projects (Casas de las Flores, Jardin de las Rosas, and Annadale Commons) are included in this Resolution in order to keep their approval as part of a larger submission by their respective applicants. (See Appendix A for a list of all projects and the cost per unit relative to the benchmarks stated in the ministerial review requirements).

PSHH’s 5 projects (Broad Street Place, People’s Place, Pismo Terrace, Templeton Place II, and Tiburon Place) are either planned construction or are currently under construction. Broad Street Place is due for completion in early 2023. People’s Place is due for completion in winter of 2023. Pismo Terrace is due for completion in Fall of 2023. Templeton Place II is due for completion in fall of 2022. Tiburon Place is due for completion in summer of 2024.

SHE’s project, Nupchi Xo’oy, combines 15 single family residences and 25 townhomes to provide affordable housing for Tule River Tribe members, their descendants, members of other tribes, and families in Porterville, for a total of 40 living units.

The Wireless installations for the PSHH (Casas de los Carneros project only), SHE and Surf projects, which use the latest WiFi standards, require more expertise to properly design, configure and deploy the wireless equipment to meet the coverage needs of multiple housing facilities and to properly interface together as a local area network to connect to the ISP. The wireless mesh equipment utilized in these projects is more

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eligible Internet service; customers are responsible for charges over \$30/mo. Spectrum Internet 100 promotion price (including WiFi) is \$29.99/mo for 2 years; standard rates apply after promotional period. Standard rates apply following end of the Program period; may vary by location. Taxes and fees extra depending on the area and subject to change during and after the Program period; speed based on wired connection. Available Internet speeds may vary by address. Wireless speeds may vary. Services subject to all applicable service terms and conditions, subject to change. Services not available in all areas. Restrictions apply.”

<sup>9</sup> (D.) 22-05-029, Appendix 1, p. 8.

resilient, as it can be self-adapting to changes in wireless conditions, offer greater throughput and management capability and can carry more traffic.

The projects propose multiple Intermediate Distribution Frame (IDF)<sup>10</sup> that connect to Main Distribution Frame (MDF)<sup>11</sup> in a star network topology.<sup>12</sup> Each IDF will serve as the local collection point for the distributed access points, providing wireless coverage to the residential units in each housing facility. The Cisco Meraki and Ruckus Wireless equipment being proposed are wireless mesh<sup>13</sup> capable WiFi access points that use either the 802.11ac wave2 or 802.11ax standards. The access points include the latest technology advancements that greatly improve capacity and performance by enabling more simultaneous connections and a more thorough use of spectrum<sup>14</sup>, while maintaining backwards compatibility to older WiFi standards.

The wireless mesh equipment utilized in these projects are more costly but provide the flexibility and scalability for future expansion. All proposed wireless projects are 100 Mbps download/20 Mbps upload ready. In addition, with a minor hardware upgrade<sup>15</sup>, all proposed wireless projects are capable of exceeding 100 Mbps download/20 Mbps upload speed, with better speeds for the wireless projects using the 802.11ax WiFi standard.<sup>16</sup>

The wired installations for the PSHH (Casas de las Flores, Jardin de las Rosas, Pismo Creek, and Templeton Place II projects only), propose installation of a wired switched ethernet network in a star topology. This installation utilizes inside copper wiring to

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<sup>10</sup> Intermediate Distribution Frame (IDF) is a localized hub and a cable distribution point, typically a rack or a cabinet, which brings internal lines to all locally distributed computing devices to the Main Distribution Frame.

<sup>11</sup> The Main Distribution Frame (MDF) is the centralized distribution point for all IDFs and is the terminating point for all of the computing devices within the local network. The MDF connects and manages telecommunications between the local facility and the outside world.

<sup>12</sup> A star network is a network topology in which all nodes of computing devices are directly connected to a common central location. A star network is often referred to as a hub-and-spoke.  
[https://en.wikipedia.org/wiki/Star\\_network#/media/File:Star\\_Topology.png](https://en.wikipedia.org/wiki/Star_network#/media/File:Star_Topology.png)

<sup>13</sup> A mesh network is a network composed of multiple nodes that work together as one large system. In WiFi networks, mesh is a feature of an automated path selection among the distributed wireless access points to their destination for the most optimal path.

<sup>14</sup> <https://www.wi-fi.org/discover-wi-fi/wi-fi-certified-6>

<sup>15</sup> Based on the proposed engineering designs submitted, for the wired projects using switched ethernet technology and wireless projects using 802.11ax WiFi technology, upgrading the layer 2/layer 3 switching equipment and the firewall equipment would enable speeds greater than 100 Mbps download/20 Mbps upload toward gigabit capability.

<sup>16</sup> Per discussion with contractor John Lim of Innovative IT, most of the WiFi access point hardware proposed in the projects are 802.11ax (WiFi-6) based.



connect each residential units in a building to multiple IDFs that serve these buildings, which then connect to the MDF that interfaces with the ISP.

While the deployment of inside wiring to each residential unit is labor intensive, the simplicity of network configuration and installation offsets the higher complexity and cost of the wireless projects. The projects propose entry enterprise grade<sup>17</sup> layer 2/layer 3 switching equipment and firewall equipment to manage, deploy and monitor the broadband traffic.

All proposed wired projects are 100 Mbps download/20 Mbps upload ready. In addition, projects are capable of exceeding 100 Mbps download/20 Mbps upload speed with a minor hardware upgrade.<sup>18</sup>

The PSHH ((Broad Street Place, People's Place, Pismo Terrace, Tiburon Place, and Rolling Hills II projects only) combined wired and wireless installations propose connecting wired residential buildings, that use inside copper wiring to connect each residential units in a building, using wireless bridges to connect to the MDF in another building that interfaces with the ISP. In addition, some projects propose utilizing 802.11ac wave 2 or 802.11ax WiFi wireless access points to provide partial coverage to some of the residential spaces.

All proposed combined wired and wireless projects are 100 Mbps download/20 Mbps upload ready. In addition, projects are capable of exceeding 100 Mbps download/20 Mbps upload speed with a minor hardware upgrade.<sup>19</sup>

Based on staff research discussed above, Staff finds the reasons for the extra cost per unit reasonable and recommends approval.

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<sup>17</sup> Per Cisco, ""Enterprise network" denotes the IT infrastructure that midsize and large organizations use to provide connectivity among users, devices, and applications."

<https://www.cisco.com/c/en/us/solutions/enterprise-networks/what-is-an-enterprise-network.html>

<sup>18</sup> Based on the proposed engineering designs submitted, for the wired projects using switched ethernet technology and wireless projects using 802.11ax WiFi technology, upgrading the layer 2/layer 3 switching equipment and the firewall equipment would enable speeds greater than 100 Mbps download/20 Mbps upload toward gigabit capability.

<sup>19</sup> Based on the proposed engineering designs submitted, for the wired projects using switched ethernet technology and wireless projects using 802.11ax WiFi technology, upgrading the layer 2 or layer 3 switching equipment and the firewall equipment would enable speeds greater than 100 Mbps download/20 Mbps upload toward gigabit capability.

In addition, the unusual market conditions of the past few years<sup>20,21,22</sup> (supply crunch, high commodity prices, shortage of labor force, high energy cost), the program savings encouraged through the use of the economy of scale via the unit caps has fallen by the wayside, as a result of the rapid inflationary pressures in the marketplace.

All proposed project networks are capable of offering residents internet service speeds of at least 25 Mbps download/3 Mbps upload and can provide residents with minimum download speeds of 8.33 Mbps per unit during peak utilization periods. Guidelines requires the applicant to acquire bandwidth for the networks to connect to the internet and to carry operational costs.<sup>23</sup> Even though the installed networks might be capable to carry higher capacities and speeds, Staff's experience has been that applicants tend to purchase only the amount of bandwidth needed to meet program benchmarks.

## V. COMPLIANCE REQUIREMENTS

PSHH, SHE, and Surf are required to comply with all the guidelines, requirements, and conditions associated with the grant of CASF funds as specified in (D.) 22-05-029. Such compliance includes, but is not limited to the following:

### A. California Environmental Quality Act (CEQA)

All CASF grants are subject to CEQA requirements unless the projects are statutorily or categorically exempt pursuant to the CEQA Guidelines.

All 19 projects require limited modifications of existing structures.

The wireless projects are based on a mesh wireless network architecture consisting of ISP Modem(s), network switching equipment and wireless access points. This requires installation/mounting of equipment in existing structures such as ceilings or rooftops.

The wired projects are based on switched ethernet network architecture consisting of ISP modem(s) and networking switching equipment. This requires installation of inside copper wiring and conduits on existing structures such as walls, hallways or in the roof.

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<sup>20</sup> <https://research.stlouisfed.org/publications/review/2022/02/07/global-supply-chain-disruptions-and-inflation-during-the-covid-19-pandemic>.

<sup>21</sup> <https://www.reuters.com/business/global-inflation-stay-stubbornly-high-wrecked-supply-chains-persist-2022-04-28/>.

<sup>22</sup> <https://www.whitehouse.gov/cea/written-materials/2021/07/06/historical-parallels-to-todays-inflationary-episode/>.

<sup>23</sup> (D.) 22-05-029, Appendix 1, p. 1 and p. 7.

The hybrid projects that use both wired and wireless network architecture consists of ISP modem(s), networking switching equipment and wireless access points. This requires installation/mounting of equipment in existing structures, such as ceilings or rooftops and installation of inside copper wiring and conduits on existing structures such as walls, hallways, or in the roof.

Based on the above information, these projects meet the criteria of the CEQA categorical exemption for existing facilities (CEQA Guidelines § 15301) and CEQA Guidelines Section 15303 – New Construction or Conversion of Small Structures, involving construction, installation, and/or conversion of limited numbers of new and/or existing facilities/structures.

#### **B. Execution and Performance**

PSHH, SHE, and Surf must start the projects within 30 days from the date this Resolution is approved and complete the project within a 12-month timeframe. Should the grantee or Contractor fail to begin work within 30 days of grant approval, the Commission or Director of Communications Division, upon 5 days written notice to the grantee, reserves the right to terminate the award. If the grantee is unable to complete the proposed project within the required 12-month timeframe, it must notify the Commission as soon as it becomes aware of this prospect. If such notice is not provided, the Commission reserves the right to reduce or withhold payment for failure to satisfy this requirement.

Grantees must operate and maintain the network for a minimum of five years after it has been installed. The grantee must complete all the performance on the project before the termination date in accordance with the terms of approval granted by the Commission. In the event that PSHH, SHE, and Surf fail to complete the project or subsequently operate and maintain the network service in accordance with the terms of approval granted by the Commission and compliance with the CASF program guidelines, PSHH, SHE and Surf must reimburse some or all of the CASF BPHA funds that it has received.

PSHH, SHE and Surf must sign a consent form within 30 days from the date of the award agreeing to the terms stated in the Resolution authorizing the CASF award. Should PSHH, SHE or Surf not accept the award through failure to submit the consent form within 30 calendar days from the date of the award, the Commission will deem the grant null and void.

Material changes in the entries for this application, such as discontinuing operation or bankruptcy, or change of name (DBA17), change of address, telephone, fax number or e-mail address must be reported immediately by a letter to the CPUC, Director of the Communications Division, 505 Van Ness Avenue, San Francisco, CA 94102.

### **C. Project Audit**

The Commission has the right to conduct any necessary audit, quality check, verification, and discovery during project implementation and post-project completion to ensure that CASF funds are spent in accordance with the terms of approval granted by the Commission. Invoices submitted will be subject to financial audit by the Commission at any time within 5 years of the release of the final payment.<sup>24</sup>

### **D. Reporting**

PSHH, SHE, and Surf are required to submit a project status report within six months of the project award date if the project has not been completed, irrespective of whether the grantee requests reimbursement or payment. Project status reporting requirements can be found at the Commission's website.<sup>25</sup> PSHH, SHE, and Surf must identify foreseeable risks that might prevent it from meeting future milestones. Before full payment of the project, PSHH, SHE, and Surf must submit a project completion report. PSHH, SHE, and Surf shall also include speed test results in its completion report. PSHH, SHE, and Surf must certify that each progress and completion report is true and correct under penalty of perjury.

PSHH, SHE, and Surf are required to maintain the broadband network for five years after it has been installed. After installation, for a five-year period, they must also submit quarterly reports showing the percentage of up time, the number of unique log-ons (either by individuals or by units) and the amount of data used.<sup>26</sup>

### **E. Payments**

Submission of invoices from and payments to PSHH, SHE, and Surf shall be made at completion intervals in accordance with Section X of Appendix 1 of (D.) 22-05-029 and according to the guidelines and supporting documentation required in (D.) 22-05-029.

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<sup>24</sup> (D.) 22-05-029, Appendix 1 p. 16.

<sup>25</sup> <https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/california-advanced-services-fund/casf-public-housing-account>

<sup>26</sup> (D.) 22-05-029 Appendix 1, p. 14.

Grantees must submit the project status and completion reports with all required supporting documentation in order to receive payment. Payments are based on submitted receipts, invoices and other supporting documentation showing expenditures incurred and work done on the project in accordance with the approved CASF funding budget included in the grantee's application PSHH, SHE, and Surf must submit a project completion report before full payment. Final requests for payment must be submitted no later than 90 days after project completion.

Payment PSHH, SHE, and Surf will be made in accordance with, and within the time specified in California Government Code § 927 *et seq.*

If any portion of reimbursement is found to be out of compliance, PSHH, SHE and Surf will be responsible for refunding any disallowed amount along with appropriate interest rates determined in accordance with applicable Commission decisions.

## **VI. SAFETY CONSIDERATIONS**

The deployment of affordable broadband in public housing will improve access to government and e-health services, which improves safety.

## **VII. COMMENTS**

In compliance with Public Utilities Code, § 311(g)(1), a Notice of Availability was e-mailed on October 28, 2022, informing all parties on the CASF Distribution List of the availability of the draft of this Resolution for public comments at the Commission's website at <http://www.cpuc.ca.gov/>. This letter also served to inform parties that the final conformed Resolution the Commission adopts will be posted and available on this same website.

Charter submitted comments by the due date of November 17, 2022. No reply comments were received.

In its comments, Charter opposed the draft Resolution and the funding of the 8 projects noted in Section III of this Resolution.<sup>27</sup> Specifically, Charter stated that it "already provides, or has the ability upon completion of construction,<sup>28</sup> to provide free

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<sup>27</sup> Charter Comments, p. 2.

<sup>28</sup> Housing developments that are planned or under construction by PSHH - Pismo Terrace, Broad Street Place, Tiburon Place, and People's Place.

broadband service to eight of the projects proposed by PSSH and SELF-H;<sup>29</sup> that it “offers service that will result in no-cost broadband that meets the requirement of D.22-05-029 through the use of its Spectrum products and ACP (Affordable Connectivity Program),”<sup>30</sup> and that “Charter has demonstrated that it can provide residents with no-cost services by combining low-cost services with ACP.”<sup>31</sup> Charter further stated that it offers no-cost broadband service in each of the 8 project areas that meets the requirements of D.22-05-029. Charter asserted that it could provide no-cost, long-term broadband service through Spectrum Internet Assist (“SIA”) and Spectrum 100 as well as offering ACP discounts for other products. Lastly, Charter stated that the Commission should not use BPHA funding to overbuild.

### *Staff’s Response to Charter’s Comments*

First, Charter claimed that it offers “services that will result in no-cost broadband”<sup>32</sup> because a subsidy is made available through the ACP. Per Public Utilities Code section 281, subdivision (i)(3),

“A low-income community may be an eligible applicant if the low-income community does not have access to any broadband service provider that offers free broadband service that meets or exceeds state standards, as determined by the commission, for the residents of the low-income community.”

Staff disagrees with Charter’s contention. Specifically, for Charter to offer service that will result in no-cost broadband, Charter must provide that service at no cost to the residents. Because the ACP benefit subsidizes the service for eligible residents who apply for the subsidy, Charter is not offering free service; the free service is being subsidized by the ACP, so that eligible residents may incur no cost expenses. Moreover, per D.22-05-029, free broadband service means that that residents of the low-income community do not pay out of pocket costs and that all residents of the low-income community have access to that service.

By contrast, accepting Charter’s assertion—i.e., the fact that residents can apply for federal subsidies to reduce the cost of Charter’s services means that Charter offers free broadband service—would contradict the statute and D.22-05-029. Not only do Charter’s Spectrum products have monthly costs, Charter’s claim that the ACP subsidy will subsidize eligible residents does not comply with the statute requirements because

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<sup>29</sup> Charter Comments, p. 1.

<sup>30</sup> Charter Comments, p. 2.

<sup>31</sup> Charter Comments, p. 3.

<sup>32</sup> Charter Comments, p. 2.

ACP is a federal subsidy and not a Charter-provided subsidy. Charter's claim that residents can apply for federal subsidies to reduce the cost of Charter's broadband service does not mean that Charter can guarantee that ACP or other subsidies will be provided to eligible residents.

Further, Staff notes that Charter has not demonstrated that the residents of the low-income community will have access to free broadband service through its Spectrum products offerings such as SIA and Spectrum 100, which are offered with monthly cost. Instead, Charter only states that "qualifying" and "eligible" customers can, through the use of its Spectrum products and ACP, receive no-cost broadband without disclosing how Charter will ensure that the eligible residents will qualify for ACP, and will qualify for its Spectrum product offerings such as SIA and Spectrum 100,<sup>33</sup> and that it will, in sum, result in no-cost broadband.

Second, Charter stated that the draft Resolution T-17775, "applies this standard to Charter in an unnecessarily strict nature, without disclosing how the applicants will provide no-cost service or for how long."<sup>34</sup> Staff disagrees with Charter's contention. Specifically, D.22-05-029 notes "that even if a service provider provides access to free broadband service to an eligible community, there is currently no general requirement that the service provider continue to provide such access for any duration into the future."<sup>35</sup> Similarly, D.22-05-029 further states that this "means applications will not automatically be denied on the basis that the service provider already provides access to the community, again with no guarantee of continued access into the future."<sup>36</sup>

In addition, BPHA Guidelines require that the applicant must attest to committing to offer broadband service that meets or exceeds state standards as defined by these Guidelines at no cost to residents of the low-income communities.<sup>37</sup> Further, the BPHA Guidelines require that the applicant operate and maintain<sup>38</sup> the internet service for at least five years after completion of the project and that the applicant will provide matching funds, including the monthly Internet bandwidth cost, for five years after the project's completion.<sup>39</sup> In addition, from the date the broadband network and internet services are turned on, the grantees are required to submit a Key Performance Indicator

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<sup>33</sup> Charter Comments, p. 3.

<sup>34</sup> Charter Comments, p. 2.

<sup>35</sup> D.22-05-029, p. 18.

<sup>36</sup> D.22-05-029, p. 18.

<sup>37</sup> D.22-05-029, Appendix 1, p. 8.

<sup>38</sup> Id at Appendix 1, pp. 12 and 14.

<sup>39</sup> Id at Appendix 1, p. 8.

report twice a year for a period of five years.<sup>40</sup> As such, BPHA Guidelines require the applicants to disclose how they will provide no-cost service, and for how long. Consequently, Charter's claim that it is being held to a higher standard lacks merit; this is a program requirement and applicable to all service providers, not only Charter.

Third, Charter states that it has either already installed infrastructure in the housing development projects or has been actively working with the housing project developer to place infrastructure in preparation for Charter's service, and that public funding should not be used to duplicate this effort. Staff disagrees with this contention. Staff has determined that Charter is not currently offering free broadband service to all residents of the low-income community and therefore has not complied with Public Utilities Code, section 281, subdivision (i)(3), and D.22-05-029.

Contrary to Charter's claim, having broadband availability does not equate to all residents having that availability at no cost. In this sense, the Commission's efforts of providing access to free broadband service to eligible low-income community are not duplicative.

## VIII. FINDINGS

1. On July 1, 2022, PSHH, SHE, and Surf submitted a total of 19 projects totaling \$1,398,593 for CASF funding.

Almost all 19 projects exceed the cost per unit benchmark established in the ministerial review criteria and are therefore ineligible for ministerial review.

2. On August 11, 2022, Charter Communications submitted information on 8 of the 19 projects asserting that Charter already provides or has the ability to provide broadband service at speeds of 25 Mbps download/3 Mbps upload. Staff reviewed the material submitted by Charter Communications and determined that the potential to provide broadband at no cost through federal subsidies does not guarantee no-cost broadband will be provided.
3. On November 27, 2022, Charter submitted comments to the draft resolution opposing the resolution on the basis that it provides or has the ability to provide no-cost broadband service that meets the requirements of D.22-05-029 through the use of its Spectrum products and ACP subsidy to residents of the 8 public

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<sup>40</sup> Id at Appendix 1, p. 14.



housing projects of Rolling Hills II, Templeton Place, Nupchi Xo'oy, Pismo Creek Bungalows, Pismo Terrace, Broad Street Place, Tiburon Place, and People's Place. No reply comments were received. Staff reviewed Charter's comments and determined that Charter is not currently offering free broadband service nor providing subsidies to all residents of the low-income community and therefore has not complied with Public Utilities Code, section 281, subdivision (i)(3), and D.22-05-029.

4. Based on its review, Staff determined that all 19 projects meet BPHA eligibility requirements. Staff further determined that all 19 projects qualify for funding under BPHA guidelines per (D.) 22-05-029 and recommends approval of all 19 projects.
5. PSHH, SHE, and Surf are required to comply with all guidelines, requirements, and conditions associated with the granting of CASF funds as specified in (D.) 22-05-029 and this Resolution.
6. The Commission has the right to conduct and enforce any necessary audit, verification, and discovery during project implementation/construction to ensure that CASF funds are spent in accordance with Commission approval.
7. The Commission has determined that these projects are categorically exempt from CEQA review, under section 15301 regarding exemption for existing facilities and section 15303 regarding minor modifications to existing structures.
8. Payment to PSHH, SHE, and Surf will be made in accordance with, and within the time specified in California Government Code § 927 *et seq.*
9. The deployment of broadband in public housing for the purpose of offering free internet access to those who do not already subscribe to the existing commercially available service provider will improve public safety by providing enhanced access to government and e-health services.
10. A notice letter was e-mailed on October 28, 2022, informing all applicants filing for CASF funding, parties on the CASF distribution list of the availability of the draft of this Resolution for public comments at the Commissions website found here <http://www.cpuc.ca.gov/PUC/documents/>. Charter submitted comments. No reply comments were received.

**THEREFORE, IT IS ORDERED that:**

1. The Commission shall award the requested grant amounts requested for the projects listed in Table 1:
  - \$475,343 to People’s Self-Help Housing Corporation for ten projects;
  - \$349,900 to Self-Help Enterprises for Affordable Housing for four projects;
  - \$573,350 to Surf Development Company for five projects;

The total grant award is \$1,398,593. All awards are based on the descriptions of the projects as described herein and are predicated on commitments to install and operate broadband infrastructure as expressed in its application and compliance with the requirements in as specified in (D.) 22-05-029.

2. Grant payments of up to a total of \$1,398,593 for these public housing projects shall be paid out of the CASF Public Housing Account in accordance with the guidelines adopted in (D.) 22-05-029, including compliance with CEQA.
3. PSHH, SHE and Surf must complete and execute the consent form agreeing to the conditions set forth in this Resolution within 30 calendar days from the date of the award. Failure to submit the consent form within 30 calendar days from the date of the adoption of this Resolution will deem the grant null and void.
4. PSHH, SHE, and Surf must each submit quarterly progress reports on the status of the project irrespective of whether grantees request reimbursement or payment.
5. PSHH, SHE, and Surf are required to maintain the broadband network for five years after it has been installed.
6. Payments to PSHH, SHE, and Surf shall each be in accordance with Section X of Appendix 1 of (D.) 22-05-029 and in accordance with the process defined in the “Payments” section of this Resolution.
7. PSHH, SHE, and Surf must each complete all performance under the award on or before 12 months from the date this Resolution is approved. If an applicant is unable to complete the proposed projects within the 12-month time frame requirement, they must notify the Director of CD as soon as they become aware of this possibility. If such notice is not provided, the Commission may withhold or reduce payment for failure to satisfy this requirement.



**APPENDIX A**  
**Resolution T-17775**  
**Ministerial Review per Unit Cost Criteria**

The ministerial review per unit costs rules (below) were established in (D.) 22-05-029:<sup>41</sup>

- For projects connecting 50 units and less, proposed project costs less \$1,200 per unit or less.
- For projects connecting 51-100 units, proposed project costs \$900 per unit or less.
- For projects connecting 101 and more units, proposed project costs \$600 per unit or less.

<b>Cost Per Unit Breakdown</b>					
<b>Applicant</b>	<b>Project</b>	<b>Units</b>	<b>Grant Request</b>	<b>Cost Per Unit</b>	<b>Ministerial Review Per Unit Cost Benchmark</b>
People's Self-Help Housing Corporation	Broad Street Place	40	\$25,545.00	\$638.63	\$1,200.00
People's Self-Help Housing Corporation	Casa de los Carneros	70	\$94,500.00	\$1,350.00	\$900.00
People's Self-Help Housing Corporation	Casas de las Flores	43	\$47,945.00	\$1,115.00	\$1,200.00
People's Self-Help Housing Corporation	Jardin de las Rosas	40	\$47,000.00	\$1,175.00	\$1,200.00
People's Self-Help Housing Corporation	People's Place	68	\$52,198.00	\$767.62	\$900.00
People's Self-Help Housing Corporation	Pismo Creek Bungalows	14	\$18,410.00	\$1,315.00	\$1,200.00
People's Self-Help Housing Corporation	Pismo Terrace	50	\$45,160.00	\$903.20	\$1,200.00
People's Self-Help Housing Corporation	Rolling Hills II	30	\$48,000.00	\$1,600.00	\$1,200.00
People's Self-Help Housing Corporation	Templeton Place	36	\$40,140.00	\$1,115.00	\$1,200.00
People's Self-Help Housing Corporation	Tiburon Place	68	\$56,445.00	\$830.07	\$900.00
Self-Help Enterprises	Annadale Commons	40	\$33,000.00	\$825.00	\$1,200.00
Self-Help Enterprises	Mariposa Oaks	24	\$120,000.00	\$5,000.00	\$1,200.00
Self-Help Enterprises	Nupchi Xo'oy	40	\$128,000.00	\$3,200.00	\$1,200.00
Self-Help Enterprises	Sugar Pine Village	52	\$68,900.00	\$1,325.00	\$900.00
Surf Development Company	Stanley Horn Homes	44	\$139,700.00	\$3,175.00	\$1,200.00
Surf Development Company	Homebase on G	39	\$83,850.00	\$2,150.00	\$1,200.00
Surf Development Company	Aparicio Apartments I	56	\$151,200.00	\$2,700.00	\$900.00
Surf Development Company	Lompoc Terrace	40	\$168,000.00	\$4,200.00	\$1,200.00
Surf Development Company	Vintage Walk	6	\$30,600.00	\$5,100.00	\$1,200.00

<sup>41</sup> (D.) 22-05-029, Appendix 1, p. 11.

**APPENDIX B**  
**Resolution T-17775**  
**Public Housing Projects Locations**

