



THE NON-PROFIT HOUSING ASSOCIATION OF NORTHERN CALIFORNIA

# Non-Profit Housing Association of Northern California (NPH) Final Report for the California Emerging Technology Fund January 2013

<b>Name of Executive Director:</b>	Dianne J. Spaulding		
<b>Name of Project Manager:</b>	Michael Lane		
<b>Manager Phone Number:</b>	415/989-8160		
<b>Manager Email:</b>	Michael@nonprofithousing.org		
<b>Name of Project:</b>	Smart Affordable Housing		
<b>Grant Number:</b>	3470342		
<b>Start Date:</b>	September 2010	<b>End Date:</b>	January 2013

## I. Financial Summary

- Total Project Budget Spent: \$102,500
- CETF Grant Amount: \$100,000

## II. Project Description, Goals and Objectives, and Outcomes

### Project Description

The purpose of the Smart Affordable Housing project is to achieve affordable broadband connectivity for publicly subsidized affordable housing units in the state, with the working goal being to facilitate the connection of approximately 100,000 additional units (existing and new) in two years. NPH will advance this goal by: working on Smart Housing policies at the local, state, and federal level; facilitating peer-to-peer learning about technology applications and financing, reinforced with practical technical assistance to potential affordable housing developers; cultivating prospective Smart Housing champions within the affordable housing sector and organizing an effective engagement and consultation process; and developing replicable models for the installation, funding, and maintenance of broadband technology in affordable housing developments.

NPH conducted fact finding meetings about the challenges the affordable housing sector had in providing connectivity to their residents. To achieve broadband connectivity for a significant percentage of low-income residents in California, the current landscape for affordable housing broadband access needs to be changed. Currently, broadband is included in most new developments, but older and existing buildings are faced with few options for installation and provision, high costs (or low initial costs that are only guaranteed for a few years), and lack of resources to support the end user – low-income residents – in using technology. At the start of this project, NPH believed that the first step must be to advocate for adoption of public policies that would facilitate broadband connectivity for affordable housing, and that in order to do this, a coalition of affordable housing developers and affordable housing organizations needed to be established to support these advocacy efforts on the federal and state levels.

Another barrier to adoption and maintenance of broadband access is confusion and lack of knowledge among affordable housing developers. In many affordable housing developments, the staff tasked with implementing broadband access and providing support to residents are the property managers and the resident services staff. The IT skills of these staff vary widely as does the properties in which these broadband networks are to be installed. Assessing the types of network and products each project needs is a challenge as is deciphering the contracts and services of the different providers, particularly for staff that may not have a lot of experience in this area. Developers IT staff are often unable to help as they are experienced in IT for business use, which is very different in many ways from IT for residential use, particularly when the end users are largely new adopters to technology.

NPH utilized its network of members and working groups to gather information, and formulate a set of best practices for implementation and maintenance into replicable models and trainings for use statewide. This research and information accumulated informed the direction that NPH eventually took for this project. NPH developed the Smart Housing Tool Kit for developers, which included best practices as well as a list of resources for how to implement and maintain broadband access in their buildings. NPH plans to provide the Tool Kit as a customizable template to its regional and statewide partners for use in other areas in California, as well as provide technical assistance to help them to adapt the toolkits to the particular affordable housing landscape in their region.

The Smart Housing Tool Kit includes:

- A directory of technology and service providers, with references to developers and existing installations.
- A primer on terminology and key considerations in selecting technology provider.
- An inventory of currently available service offerings and pricing,
- Snapshots of existing non-profit affordable housing developments that provide exemplary models of various installation, service and training options as case studies and reference.

Using the Tool Kit and individual experts identified during this research process, NPH developed a training program to be offered to non-profit developers in the Bay Area. In the course of this work, NPH catalogued replicable models of technology applications and training programs. This inventory was shared for education purposes within the affordable housing community and with decision-makers.

**Goals and Objectives Summary**

Due to the elimination of California’s Redevelopment Agencies, several activities related to our goals were modified or no longer applicable. However, NPH was flexible in the changing environment and was able to achieve the following goals and objectives.

**Project Outcomes Summary**

Outcome Description	Actual	Goal	Percent Completed
Meetings held with Housing Panel – comprised of individuals with a broad range of expertise implementing broadband in multi-family affordable housing – to develop Smart Housing policy language.	2	2	100%
Written support statements from 5 housing organizations (Housing CA, CA Housing Consortium, San Diego Housing Federation, CA Coalition for Rural Housing, SCANPH).	0	5	0%
Statements of support from HCD, Treasurer, CalHFA, California Redevelopment Agency and statewide and local Housing Authorities to request support.	N/A	Originally: Min. of 5; changed strategy by Q4	
Letters of support from State legislators to champion Smart Housing.	N/A	Originally: 4; changed strategy by Q4	
Meetings with Smart Growth allies to identify policy options.	6	3	200%
Meetings with financial regulators to develop and obtain statements of support.	N/A	Originally: 6; changed strategy by Q4	
Joint letters to 2 national organizations or coalitions to work with on Smart Housing.	2	2	100%
Meeting with FCC on National Broadband Plan to incorporate Smart Housing into Plan.	1	1	100%

Letter from Sunne McPeak delivered to HUD, Secretary Donovan.	1	1	100%
Development of Smart Housing Tool Kit	1	1	100%
Presentation of Smart Housing Tool Kit at Housing California	0	1	0%
Workshops conducted in Central Valley and Southern California at each regional organization's annual conference	0	3	0%
Outreach activities with 300+ NPH member organizations and provide them with technology resources for their tenants.	2,475	300	825%
Endorsement of NPH-CETF letter by five key affordable housing advocates.	9	5	180%
Information about 5 committed projects to include broadband as an amenity with TOAH funds due to NPH influence.	5	5	100%

### III. Accomplishments and Challenges

#### Summary of Accomplishments and Impacts of Project

NPH had 15 outcomes and achieved 9. Of the 9 outcomes, NPH exceeded three of the outcomes on average by 400%.

#### ***Assessment of Outcomes Achieved in Comparison to Grant Agreement***

The program achieved its overall goals despite the drastic changes in governmental structure and dramatic erosion of political support for affordable housing. In light of these changes in the overall affordable housing environment, the top priority of the housing field shifted to secure funding for affordable developments and very few of our members had the capacity to vigorously advocate for Smart Housing. NPH showed great flexibility and innovation to attain grant outcomes, goals and objectives.

#### ***Delineation of Deliverables and Outcomes Not Achieved and Explanation***

Statements and letters of support from some governmental agencies as originally identified in the grant proposal were no longer applicable due to the elimination of redevelopment, and merging and restructuring of departments. However, NPH continued the advocacy of smart housing policies through the housing and state budget crises with the achievement of the outputs from this project, as listed below.

#### ***Discussion of Other Positive Results from Project***

There were several major outputs of this project:

1. The Smart Housing Tool Kit was completed and featured in the NPH quarterly newsletter, *News to Build On* ([http://nonprohousing.org/pdf\\_pubs/NewsToBuildOn\\_Summer2012.pdf](http://nonprohousing.org/pdf_pubs/NewsToBuildOn_Summer2012.pdf)), which receives almost 1,000 in readership; and in its weekly e-bulletins which are sent to nearly 2,000 organizations and individuals. The Tool Kit was also posted on NPH's website, [www.nonprohousing.org/bbtoolkit](http://www.nonprohousing.org/bbtoolkit) and was featured at the 2011 NPH's Annual Conference. The Tool Kit serves as a resource for all visitors and is continually promoted online. NPH's website receives over 15,000 visitors per month.

2. NPH helped advocate to the FCC to launch a low-income broadband pilot program, an 18-month program to start February 2013. This adoption pilot program for low-income consumers will gather data to test how the Lifeline program could be structured to promote the adoption and retention of broadband services by low-income households. More details can be found here: <http://www.fcc.gov/encyclopedia/low-income-broadband-pilot-program>.

3. NPH advocated for the passage and adoption of California State Concurrent Resolution, SCR 6 (Lowenthal) on a “support only if amended” basis. This measure encourages all state and local affordable housing lenders who administer competitive multi-family housing programs to provide competitive points for developments that will provide high-speed in-home Internet service free of charge for at least 10 years and recognize that in-home Internet service and network maintenance costs be eligible as operating costs and expenses in specified housing developments and programs.

4. NPH looked for other ways to secure financing and help increase broadband access with the Transit Oriented Affordable Housing (TOAH) Fund. To this end, NPH worked with its partners in the Great Communities Collaborative (GCC) to encourage funds from the TOAH fund as well as any future funding that GCC would work on to include broadband access as an eligible use.

### **Overview of Major Challenges to Achieving Planned Results**

#### ***Identify Major Challenges to Successful Implementation***

Because of the severe state budget crisis, elimination of Redevelopment Agencies in California, and dramatic cuts in funding in critical federal housing programs (including a diminished pool of resources for the Federal Home Loan Bank’s Affordable Housing Program), advocating smart housing policy principles to include broadband access as part of important federal and state funding streams was untenable.

#### ***Discuss Efforts to Address Challenges and Resolve Problems***

NPH was persistent, patient and followed through to complete the goals and objectives to fulfill the grant. The program achieved its overall goals despite the drastic governmental environment changes.

## **IV. Lessons and Recommendations**

### **Summary of Lessons Learned**

Lesson 1. During the initial research and planning process for this project, NPH learned that affordable housing developers are already encouraged to include broadband in new developments through California’s Tax Credit Allocation Committee (TCAC) competitive tax credit programs. Therefore, NPH needed to explore ways to support developers to include broadband in their older developments as well as in the maintenance of broadband access.

Lesson 2. There is a lack of resources to maintain broadband access, such as maintenance of a community computer lab, staff, training, equipment maintenance and replacement.

Lesson 3. Providing free broadband access requires additional subsidies whereas low-cost access is more viable for service providers.

### **Recommendations**

#### ***Recommendations for Expanding the Project in Region or Scaling Up Statewide***

Recommendation 1: To truly bridge the digital divide and make broadband accessible to all, CETF should consider making grants to broadband service providers and/or advocate with broadband service providers so rates can remain low and affordable for low-income households.

Recommendation 2: Scale up smart affordable housing to include broadband and other technology upgrades in building renovations by utilizing tax credits, extending existing HCD loans, changing rent subsidies and rent for existing department housing programs, and subordination of loan to new debt as allowed in AB 1699 (Torres).

Recommendation 3: CETF should consider making available some form of support for the other regional organizations (SCANPH, Housing CA, California Coalition for Rural Housing, San Diego Housing Federation) to

give them some capacity to adapt the Smart Housing Tool Kit for their region and conduct outreach and education to affordable housing providers in their region.

### ***Recommendations to CETF Regarding Grants Management***

Recommendation 1: Originally conceived as a year-long grant, this project became two year's work due to the drastic change in the economic environment globally, federally, and on a state level, as well as the impact on the affordable housing environment in particular. It forced NPH to reassess its goals and objectives in order to modify them to advance the objective of increasing broadband access for low-income individuals. CETF staff were flexible in changing some of the goals and objectives as the political environment changed, but the continued inclusion of significant housing policy goals as part of the accomplishments became increasingly unachievable as the housing and affordable housing crisis in California deepened. This was challenging for both organizations, as NPH staff who were committed to trying to accomplish some tangible policy accomplishments as an outcome and CETF staff who were committed to being accommodating for NPH yet still needing to answer to a Board that wanted to see results around broadband implementation. In the future, NPH hopes that CETF will continue to maintain this policy of open lines of communication to their grantees in order to be able for both sides to re-evaluate overall goals, objectives, and activities if the climate for the project changes dramatically.

Recommendation 2: NPH found that the reporting format was very difficult to work with and required much detail at a frequency that was difficult to maintain. It is difficult to achieve policy goals on a quarterly basis so the requirement of a quarterly written report as well as in-person meetings with the CETF team once a quarter was very challenging. Although CETF staff never required actual quarterly in-person meetings, the fact that they were listed in the Grant Agreement created pressure for NPH staff. NPH now understands that it was intended to promote an open line of communication between CETF and the grantee. Perhaps in the future, the Outcomes Summary along with a mid-year and Final Report could replace the Quarterly Progress Reports, and the in-person meetings can be on an as-needed basis, able to be initiated by CETF or the grantee.

## **V. Grant Agreement Requirements**

### **Purchased Equipment**

No equipment was purchased with this CETF grant.

### **Unspent CETF Grant Funds**

The grant cash balance to date is \$0.