



**Housing Authority
of the
City of San Buenaventura**
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Request for Quote: __100-2017__

Re: Calculate and Provide Rate Reduction Incentive Report for RPUI Housing Authority of the City of San Buenaventura located at Housing Authority of the City of San Buenaventura, 995 Riverside Street, Ventura CA 93001 is seeking a quote, by Nov 15, 2017, from a qualified firm to conduct a study, calculate and provide Rate Reduction Incentive report for HACSB current ACC portfolio. See Attachment A: Detailed Site Information

AMP	ADDRESS:	Units
AMP 1	995 RIVERSIDE STREET VENTURA, CA 93001 (HA OFFICE)	CAL 35-1 – 100 Units CAL 35-2 – 80 Units
AMP 3 Detached Homes	9050 TELEPHONE ROAD, VENTURA, CA. 93004 (SITE OFFICE)	CAL 35-8 – 1 Unit CAL 35-10 – 1 Unit CAL 35-12 – 2 Units
AMP 4	1050 PARTRIDGE #6, VENTURA, CA. 93004 (SITE OFFICE)	CAL 35-6 – 20 Units CAL 35-17 – 40 Units CAL 35-20 – 20 Units CAL 35-22 – 20 Units
AMP 5 Apartments	995 RIVERSIDW STREET, VENTURA, CA (HA OFFICE)	CAL 35-18 - 20 Units CAL 35-18 - 24 Units
AMP 5 Detached Homes	995 RIVERSIDW STREET, VENTURA, CA (HA OFFICE)	CAL 35-10 – 10 Units

The responding firm must be familiar with the rate reduction incentive allowed under the U.S. Department of Housing and Urban Development’s Regulations 24 CFR 990.185 - (b) Rate reduction. If a PHA takes action beyond normal public participation in rate-making proceedings, such as well-head purchase of natural gas, administrative appeals, or legal action to reduce the rate it pays for utilities, then the PHA will be permitted to retain one-half the annual savings realized from these actions and Notice PIH 2014-18: Guidance on On-Site Utility Technologies and the Rate Reduction Incentive in Public Housing 8.1. RRIs for Resident-Paid Utilities. While the process by which HUD subsidizes PHA-paid utility costs is more direct, HUD also subsidizes resident-paid utility types by passing funds through the PHA to residents in the form of a “utility allowance.” Though the mechanism by which this happens is slightly more complex in practice, it is easiest to understand utility allowances as a pass-through subsidy. Because HUD subsidizes resident-paid utility types, it is equally important for PHAs to achieve utility cost savings amongst resident-paid utility types as PHA-paid utility types.

However, the policies and processes for the Rate Reduction Incentive were developed at a time when it was not anticipated that PHAs could make special and significant efforts on behalf of their residents to reduce utility rates for resident-paid utility types. Instead, the existing policies and processes for the RRI are tailored for PHA-paid utility types only. While still rare, PHAs now have increasing ability to reduce utility rates – and ultimately, utility costs – on behalf of their residents, since utility providers are increasingly offering discounts to customers who conduct energy- and water-efficiency and on-site utility technology retrofit activities. As a result, HUD has developed requirements for extending RRIs to PHAs that achieve utility cost savings amongst resident-paid utility types, as well: 1. The PHA must demonstrate that it was the special and significant efforts of the PHA – not the resident – that generated the utility rate discount. For example, the installation of rooftop solar photovoltaic panels by the PHA would qualify, while the negotiation of a utility rate discount from the utility provider by the resident would not. 2. The PHA must to show that the discount is

substantive in depth and duration – enough to warrant revision of the utility allowance schedules, which typically occurs no more than once per year. 3. The PHA must show the utility rate discount is active and stable. 4. The PHA must revise its utility allowances schedules to reflect the lower utility costs residents are paying. Once these requirements are met, the PHA can then apply to receive an RRI in order to retain 50% of these resident-paid utility cost savings, just the same as if it had generated PHA-paid utility cost savings. The application must include proof that all these requirements have been met.

Recommended process to calculate RRI for Resident Paid Individual Account

1. Gather Utility Allowance Utility Allowance Data (kWh and Average Utility Cost \$/kWh)
 - a. Each AMP
 - b. Property Type
 - c. Unit Type
 - d. Bedroom Size

2. Locate and analysis the utility rate information gathered from SCE
 - a. \$ per kWh from Advice No. 3118-E/55628-E, 55630-E , Schedule D and D-CARE

3. Gather Utility Allowance Utility Allowance Data (Therm and Average Utility Cost \$/Therm)
 - a. Each AMP
 - b. Property Type
 - c. Unit Type
 - d. Bedroom Size

4. Locate and analysis the utility rate information gathered from Southern California Gas
 - a. \$/Therm from Advice No. 5043/53235-G/G-3451, Schedule GR, G-CARE, G-PPPS.

5. Calculate the RRI with all back up calculations and copy of current rate structures

Deliverable

1. Rate Reduction Report by AMP and Development
2. Current Rate Structures
3. Provide 2 Hard Copies and one electronic copy

Report Due Date

November 29, 2017

Contact Information for Question and Deliverables

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