

February 28, 2013

The Honorable Steven Bradford
Chairman
California State Assembly Committee on Utilities and Commerce
California State Assembly
State Capitol Room, 5136
Sacramento, CA 95814

RE: Smart Housing – Written Comments for Hearing on 3/11/2013

Dear Chairman Bradford:

Thank you to you and the Committee on Utilities and Commerce for taking up the matter of Smart Housing. As one of the oldest and most successful non-profit affordable housing developers in California, Eden Housing has been a leader in working with our low-income residents to provide them with meaningful access to technology. We believe that access to broadband technology is critical to the educational and economic success and stability of our residents.

By way of background, Eden was founded in 1968, and has developed more than 7,000 units of affordable housing in California, with nearly 5,000 units under property management currently. Our housing is home to 10,589 low-income residents in 10 counties. We were an early leader in the creation of computer learning centers on our properties because many of our residents could not afford computers or internet access in their homes - many still cannot afford it. We created our first computer learning center in 1996, an important amenity that is now a standard feature at all of our new properties. In 2005, we launched the Digital Connectors Program, designed to help our teens go beyond the basics to become community experts in technology. Over the years, our 650 Digital Connectors have shared their knowledge with their families and the surrounding community to help their neighbors scale the digital divide. Our next frontier is coming up with a solution for expanding the adoption of in-home internet and computer usage.

When we started our work in technology programming, only 12% of our residents had access to technology in their homes. The good news is that today, approximately 50% of our residents have computer and internet access in their homes, so we are half way there. However, the population we serve remains far behind the mainstream. A closer examination of our residents reveals that seniors, persons with disabilities and those with limited English skills are disproportionately far behind in their capacity to adopt this critical technology.

To date, we have used our computer learning centers to provide free access to computers, the internet, and technology training and it has been standard practice to provide broadband infrastructure to all of the units in our housing (we provide the wiring, but the residents have to pay for the service). We have been piloting expansion of internet access to our residents in their homes. We face a few specific challenges in achieving broader adoption rates that the Committee might consider as it looks at ways to facilitate our efforts to bring more broadband access into more low income homes:

- 1) **Cost:** As you know, affordable housing has faced severe cutbacks in its funding over the past few years. This puts increasing pressures on the ability of affordable housing developers to add or expand amenities for residents. Broadband access has an up front cost component and ongoing maintenance and service expenses. It is particularly important to be able to invest in wired or wireless infrastructure that has reasonable speed and functionality and the capacity to expand in the future. Unfortunately, where we once might have sought local subsidy to help defray these costs, the elimination of redevelopment agencies has severely constrained, and in many cases eliminated, our local partners' ability to provide subsidy for extra amenities.
- 2) **Limited Ability of Residents to Pay:** Our residents live on very tight budgets, typically making on average 35% of the Area Median Income, with our seniors making substantially less. Their capacity to pay for internet service is severely constrained. It is also a challenge for them to buy computers, although over the past few years, the cost of hardware has come down, many of our poorest residents just don't have an extra \$300 to buy a used computer.
- 3) **Support Requirements:** We have had the most success with meaningful broadband adoption where we have been able to provide technology support and programming to our residents – from the basics of how to use the computer to teaching our residents how to use the computer in ways that will help them improve their lives – for example, helping our residents learn how to use the computer and the internet for job searches, money management and budgeting, homework and school connections, and health and wellness. Although we currently work with volunteers and partners to help with our programming support, it is important to have consistent staffing to oversee this. Unfortunately, the limited budgets at our properties cannot support this. And, although we can fundraise for a portion of this expense, a consistent source of IT support would be very helpful to our efforts to expand in home access.

Eden has been partnering with the California Emerging Technology Fund to consider ways we might expand in home access to our residents. Like CETF, we are strongly committed to working to expand meaningful access for our residents because we believe it is critical for our residents' economic advancement and stability. We believe the concept in AB 1290, of using the California Advanced Services Fund to facilitate efforts like ours to expand access in affordable housing is critical to helping us, and our peers in the affordable housing industry, achieve the goal of broadband access for low income households.

We would be happy to provide the Committee with any additional information you might need as you work to consider this bill or other ways to achieve meaningful broadband access for low-income residents. Thank you for consideration of our input.

Sincerely,

Linda Mandolini
President