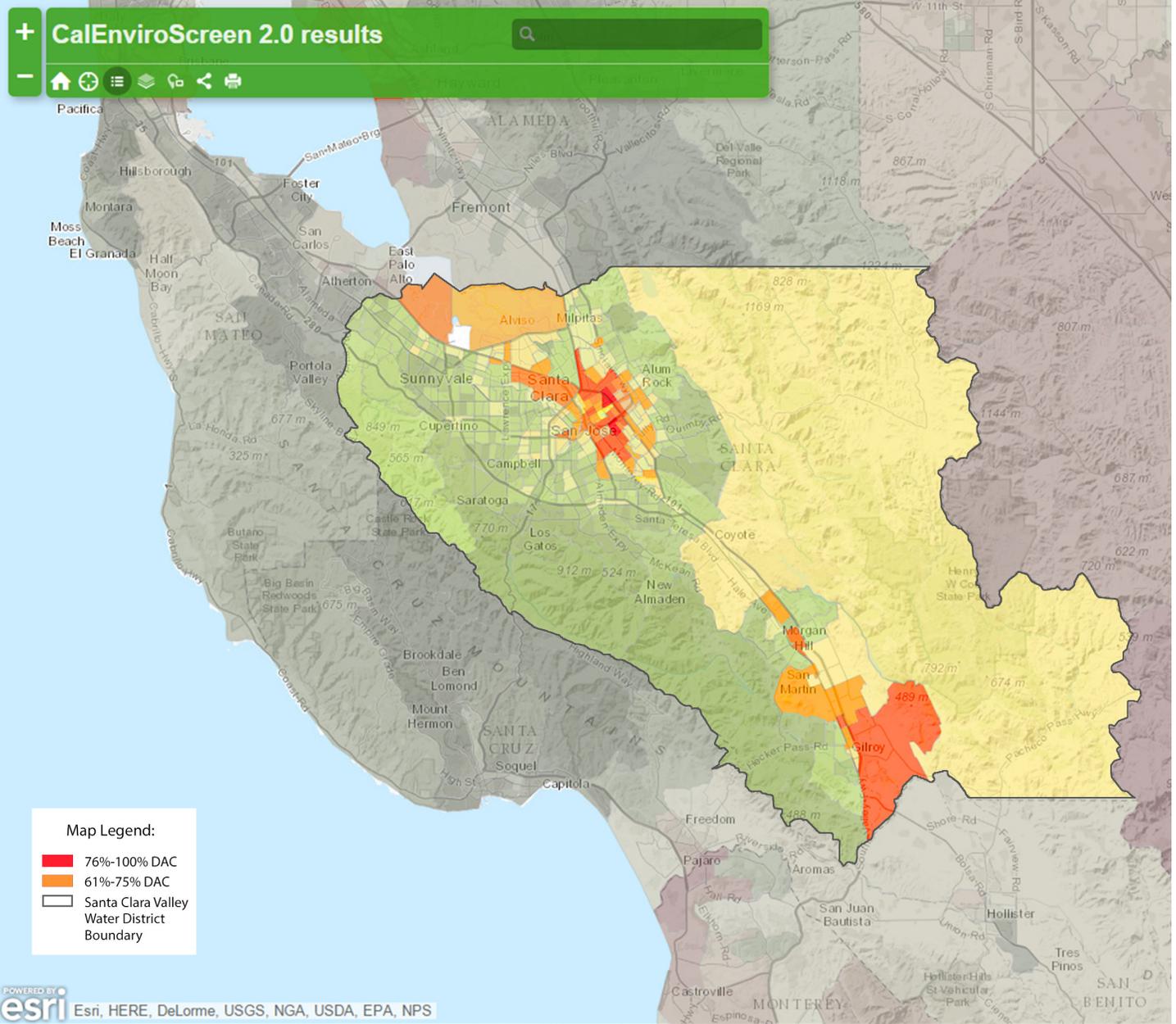


ATTACHMENT 7: DAC benefit areas



ATTACHMENT 7

The **WaterLink** Program provides direct and tangible benefits to business owners and residents of disadvantaged communities. In Santa Clara County, there are 23 census tracts with 105,604 residents that meet the DAC benefit area criteria of having a CalEnviroScreen score of 76% or higher. Of the 23 census tracts, 19 are in central, south and east San Jose, one is within the City of Santa Clara, and the other three are located in the Cities of Morgan Hill and Gilroy. It is these areas we are specifically addressing when we refer to services in the “DAC benefit area” throughout the proposal. A total of 77% of the WaterLink program budget will be devoted to water/energy retrofits for residential, commercial, and institutional facilities that are located in the DAC benefit area. Our priority in allocating the remaining 23% of program budget will be for service delivery in census tracts that have a CalEnviroScreen score between 61-76%. The water/energy direct installation projects proposed are specifically designed to benefit both property owners and renters and in the DAC benefit area. Collectively, WaterLink DAC program participants will experience an estimated \$2.478 million reduction in utility costs from water and energy savings¹.

¹ Projections based on average SCVWD retailer rates and US Energy Information Administration Electric Power Monthly Data for September 2014: http://www.eia.gov/electricity/monthly/epm_table_grapher.cfm?t=epmt_5_6_a

Figure 1: Total Utility Savings in DAC Benefit Area

Estimated Hot Water and Energy Efficiency Savings in DACs	12.227 million kWh	\$2,213,709 in energy utility savings annually
Estimated Water Savings in DACs	58.331 million gallons	\$264,775 in water utility savings annually

Figure 2: Program Budget and Benefits specific to WaterLink Projects in the DAC Benefit Area

Budget Category	Budget Allocation in DAC Benefit Area	% of Overall Program Budget in DAC Benefit Area	% of Project Benefits in DAC benefit area based on potential target facilities	Detailed Appendices Supporting Target Assumptions
Administration and Monitoring	\$95,191	3.8%	77% (based on averages from project proportions)	77% of administration and monitoring costs allocated projects in DAC benefit area
Project 1 Residential Direct Installation	\$1,292,806	52%	100% of residential units will be served in the DAC	Refer to Appendices, Project 1
Project 2 PRSV Direct Installation	\$304,877	12.2%	46% of valves installed will be in the DAC	Refer to Appendices, Project 2
Project 3 Turf Replacement	\$157,409	6%	100% of turf projects will be in the DAC	Project will prioritize working with public school properties.
Project 4 Ozone Laundry	\$75,570	3%	33% of systems installed will be in the DAC	Refer to Appendices, Project 4
TOTAL Budget Allocated to DAC Benefit Area	\$1,925,853	77%		

The 83.415 million gallons (226 acre-feet) in annual water savings realized through the program will contribute to the Santa Clara Valley Water District Urban water conservation planning goal of increasing supply reliability to disadvantaged communities through conservation. In 2012/2013, the District had achieved 56,000 acre-feet of water conservation. However, this amount is still slightly below the annual target needed to meet its long-term goal of saving 98,500 acrefeet of water by year 2030, when water conservation efforts are projected to account for approximately 20 percent of the county's total water supply. The 226 acre-feet of water conserved by the **WaterLink** program helps fill the District savings gap by 5%, and potentially more if residents are informed about and take advantage of other District and retailer conservation incentives.

Details and Additional DAC Benefits by Project

Project 1 Residential Direct Installation Program DAC Benefits

100% of the benefits from project 1, which represents over half of the total program budget, will be realized in high priority disadvantaged communities. Overall, 60% of housing is rented and 40% of housing is owner-occupied in DAC areas. The program is designed to serve approximately 15% of all potential single-family units and 40% of all multi-family facilities (with more than 10 units per facility) in the 23 high priority DAC areas. Collectively, renters and homeowners that participate in project 1 will save an estimated:

- \$90,928 in annual reduction in water utility bills and
- \$1,270,990 in annual reduction in energy utility utility bills, for an average total savings of (\$234/year per household participating in the residential DI program)

Reducing overall water and energy use will make individual DAC households more resilient to future utility rate increases. To encourage further savings, our bilingual direct installation team will connect residents of disadvantaged communities with other Santa Clara Valley Water District and retailer water conservation programs that assist in further decreasing indoor and outdoor water use. Although the impact of this additional outreach is a challenge to measure, Ecology Action will track any increases in participation in retailer District incentive programs from properties that have received a Waterlink water/energy retrofit.

In addition to Ecology Action staff recruitment of 10 benefited positions, Project 1 will also create jobs for contractors in the DAC benefit area. When selecting firms to work with for installation of the clothes washers, water heaters, and demand recirculation pumps for single family and multi-family property owners, Ecology Action will prioritize working with contractors whose business are located within DAC areas to provide a \$350,000 boost to the local economy.

Project 2: Pre-Rinse Spray Valve DAC Benefits.

In DAC communities with a Cal-Enviroscreen score of 76% or higher, there are 1,857 restaurants, grocery stores, and institutional kitchens that will be served by this direct installation project.

Every effort will be made to first install pre-rinse spray valves in these census tracts, and we have budgeted for an 80% saturation of this market. When facilities in the DAC become saturated, any remaining budget for the pre-rinse spray valve program will be installed in surrounding census tracts with CalEnviroScreen scores between 60-75%. Collectively, businesses in the DAC benefit area can expect to save:

- \$87,619 annually on water utility costs, and
- \$417,212 on energy utility costs, for an average total of savings of \$307/business every year, by participating in the **WaterLink** PRSV direct installation program.

² Santa Clara Valley Water District Water Conservation FY 2012-2013 Annual Report

Project 3: Turf Replacement DAC Benefits

100% of turf replacement projects will be located in DAC communities. Schools and public facilities are expected to save \$7,950/year³ on water bills after implementation, and will save an additional \$57,895 in maintenance costs from reduced mowing and edging⁴. Turf replacement projects will also create \$100,000 in job creation funds for the California Conservation Corps, resulting in 5,328 hours of work and additional on-the-job training for local youth who may enter the green landscaping industry. The Santa Clara Valley Water District estimates that more than 50% of residential water use in their service area is attributed to landscape irrigation. Replacing non-functional turf-grass with climate-appropriate landscaping projects at high-visibility, publically owned sites sets an example of ecological landscaping for residents in DAC communities to follow. Signage from the Santa Clara Valley Water District will be posted at these demonstration gardens to prompt DAC residents to investigate District water-wise landscaping rebates and resources.

Project 4: Ozone Laundry DAC Benefits

Of the 30 commercial and institutional facilities that will be offered participation in the Ozone Laundry Incentive Program, there are 8 hotels and 3 skilled nursing facilities in the DAC benefit area, or 33% of the total facilities targeted. If all 11 facilities participate in the ozone laundry incentive program, these facilities will save:

- \$26,657 in water utility costs and
- \$426,196 in energy utility costs for an average total savings of \$16,695 per facility every year for participating in the ozone laundry retrofit program

After we have made all effort to recruit facilities in the DAC benefit area, we will begin recruiting facilities in census tracts with CalEnviroScreen scores between 60-76%.

³ Based on average regional irrigation rate of \$3.25/ccf.

⁴ Based on American Society of Landscape Architects City of Santa Monica Study finding of \$1,157 annual reduced maintenance costs/1,000ft² of turf replaced with California native landscaping.