



# SUSAN TALAMANTES EGGMAN

## REPRESENTING SENATE DISTRICT 05

### SB 355 – Solar on Multifamily Affordable Housing Program

#### **SUMMARY**

Currently, the Solar on Multifamily Affordable Housing Program (SOMAH) provides financial incentives for qualified solar installations on multifamily affordable housing properties. A key facet of this program is providing financial benefits from the solar installation directly to the residents of the affordable housing development. Unfortunately, the program has faced some implementation challenges over the last seven years. SB 355 will address these limitations to expand the properties eligible for the program and ensure eligible low-income families are able to benefit from the remaining \$400+ million in the SOMAH program.

#### **BACKGROUND**

AB 693 (Eggman, 2015) created the Multifamily Affordable Housing Solar Roofs Program (later named SOMAH by the CPUC) to provide low-income Californians with the financial benefits of rooftop solar generation typically reserved for the wealthy. In the seven years since the creation and initial implementation of SOMAH we have identified some improvements.

SOMAH serves electric utility and community choice aggregator (CCA) customers in the territories of Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), Liberty Utilities Company and PacifiCorp. Funded through greenhouse gas (GHG) allowance auction proceeds, SOMAH has a program budget of up to \$100 million annually for 10 years and an overall target to install at least 300 megawatts (MW) of generating capacity by 2030.

The program provides a host of no-cost services to maximize participation and community benefit. These services include comprehensive technical assistance for property owners and contractors, tenant education resources and job training opportunities. An advisory council of community

advocates provides input into program implementation and helps ensure the program maximizes benefits to the communities it is designed to serve.

SOMAH continues to have ample funding available in all five IOU territories, with an available incentive budget of more than \$425 million across the program

All properties must be at least five units and meet the definition of deed-restricted, affordable housing in PU Code Section 2852(A)(3)(a)(i) and also meet Qualification Option A or B. Qualification Option A refers to properties in which at least 80% of the units are reserved for households at or below 60% of the area median income (AMI); and Qualification Option B refers to properties that are located in a disadvantaged community (DAC) as identified by CalEnviroScreen and CalEPA.

After passing in 2015, the SOMAH program faced some delays in implementation, and the first applications were not filed until 2019.

#### **THIS BILL**

SB 355 will expand the SOMAH program to benefit more low-income tenants in a number of ways. The bill would:

- Include properties in which at least 66% of the households have incomes at or below 80% of the area median income, properties located in California Indian country, and housing properties owned by public housing agencies or authorities.
- If the development has at least 45% of units reserved for tenants in extremely low-income households and is master-metered, the bill would specify that those direct economic benefits to low-income tenants may include providing housing.

This bill will exclude any new construction that is already required to use solar panels.



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### **SUPPORT**

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### **FOR MORE INFORMATION**

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