

2023 BOSTON

Enhancing Affordable Housing's Energy Efficiency and Resiliency

Speakers

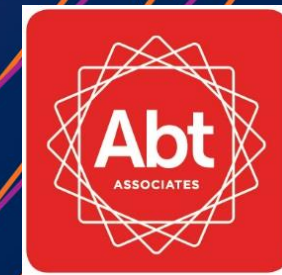
- Discussion Leader:
- **Libby Rohlfing**, Chief Strategy Officer | New York City Housing Development Corporation
- **Josh Cohen**, President of Development | Beacon Communities LLC
- **Adam Travis**, Associate | Abt Associates Inc.
- **Leah Whiteside**, Director of Acquisitions & Preservation | The Community Builders, Inc.

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State HFA Roles in Reducing Household Energy Costs

Adam Travis (Abt Associates)

Mary Tingerthal (Tingerthal Group)



State HFA Roles in Reducing Household Energy Costs




**State Housing Finance Agency Roles
In Reducing Household Energy Costs**
Opportunities Through New Federal Legislation




August 2023

Submitted to:
National Council of State Housing Agencies
444 North Capitol Street NW, Suite 438
Washington, DC 20001

Submitted by:
Abt Associates
6130 Executive Boulevard
Rockville, MD 20852



**State Housing Finance Agency Roles
In Reducing Household Energy Costs**
Case Studies



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Overview

- Review major new energy initiatives
 - HUD Green and Resilient Retrofit Program (GRRP)
 - DOE Home Energy Rebate Programs
 - EPA Greenhouse Gas Reduction Fund (GGRF)
- Review key themes from the report
 - HFAs bring specific expertise to residential energy work
 - Many features of effective program implementation / inter-agency collaboration will be state specific
 - Establishing or strengthening State Energy Office (SEO) relationships is vital

Review of Energy Initiatives and Opportunities

HUD Green and Resilient Retrofit Program

Program Overview

- Provides funding for energy improvements for existing housing with federal project-based rental assistance
- Applications go directly to HUD; funding options
 - “Element” awards – up to \$40K/unit; \$750K/property (200 awards)
 - “Leading Edge” awards – up to \$60K/unit; \$10M/property (100 awards)
 - “Comprehensive” awards – Up-front TA; up to \$80K/unit; \$20M/property (300 awards)
- Four rolling application waves for each cohort (June 2023 through May 2024)

HUD Green and Resilient Retrofit Program

Key Opportunities for HFAs

- Improve energy performance and decrease operating costs for older, deeply affordable properties
 - Works with refinance or standalone deals
- HFAs know these properties well; especially PBCAs
 - May have data to target those with high energy costs
 - Encourage owners to apply/connect with TA resources

DOE Home Energy Rebate Programs

Program Overview

- Provides two types of rebates for energy improvements for ownership and rental housing
 - Whole-house energy retrofits
 - Home electrification/appliance replacement/installation
- Allocated by formula through SEOs
 - \$8.8 billion; split between programs
 - States must submit implementation plans; guidance out now; deadline January, 2025

DOE Home Energy Rebate Programs

Key Opportunities for HFAs

- Improve energy performance and decrease costs for low and moderate income HHs
- Engage with SEO in developing implementation plan
 - Support consumer outreach
 - Targeting for low/mod HH;
 - Rental properties
 - Identify and fill gaps in the energy/housing ecosystem
 - Bridge loan products
 - Energy auditor/contractor training

EPA Greenhouse Gas Reduction Fund

Program Overview

- Provides capital to leverage private market investment into clean energy technologies, including for housing
 - **National Clean Investment Fund:** \$14B to 2-3 national platforms;
 - **Clean Communities Investment Accelerator:** \$6B to 2-7 non-profit “hub” platforms; public/non-profit lenders;
 - **Solar for All:** \$7B to 60 state platforms; residential/community solar
- October 12 Deadline for NOFO submissions

EPA Greenhouse Gas Reduction Fund

Key Opportunities for HFAs

- Identify and engage with housing-focused GGRF coalitions
- Prepare to apply for GGRF capitalization funds available to community lenders (up to \$10M per subrecipient under the CCIA)
- Help GGRF meet Justice40 objectives

Establishing a Presence in the Green Energy Ecosystem

HFAs Bring Organizational Strengths

- Deep housing market knowledge and established relationships
- Experience serving low- and moderate-income renters and homeowners
- Understanding of complex capital stack required for affordable housing development and retrofit projects
- Capacity to directly deploy or support new financial products

Features of Effective Implementation Will Vary by State

- Take stock of existing programs, policies, and organizations
- Effective new programs should complement and expand on existing relationships and local conditions and policies

- State energy offices
- WAP / LIHEAP networks
- Utility companies / ratepayer programs
- Financial institutions
- Non-profit organizations
- State energy codes
- Green building certification standards
- Housing stock characteristics
- Local climate patterns

Strong HFA-SEO Partnerships are Essential

- Strong HFA-SEO relationships can create new opportunities for programming
- Many HFAs already have established relationships with their SEO, but the nature of these relationships varies

“We work very closely with the SEO to ensure effective coordination and avoid duplication. This is a best practice that we highly recommend.”

“We have a strong relationship with our SEO. Historically this has been to coordinate with WAP and LIHEAP but is also now tied to progressing on our shared climate goals.”

“Our relationship is still evolving and very new.”

Inspiration from Other HFAs

Agency	Program(s)	Program Domain(s)
Alaska Housing Finance Corporation	<ul style="list-style-type: none"> Home Energy Rebate Program 	<ul style="list-style-type: none"> Performance-Based Rebate
Georgia Housing and Finance Authority	<ul style="list-style-type: none"> Qualified Allocation Plan (QAP) Building Sustainability Provisions 	<ul style="list-style-type: none"> QAP Threshold Requirements / Point Incentives for Nine Percent LIHTC
Minnesota Housing Finance Agency	<ul style="list-style-type: none"> Energy Fix Up Loan Program 	<ul style="list-style-type: none"> Consumer Lending to Finance Energy-Efficiency Improvements
New Mexico Mortgage Finance Authority	<ul style="list-style-type: none"> EnergySmart Weatherization Program 	<ul style="list-style-type: none"> Weatherization Assistance Program
New York Homes and Community Renewal	<ul style="list-style-type: none"> Clean Energy Initiative Climate Friendly Homes Fund 	<ul style="list-style-type: none"> Technical Assistance Program Energy-Focused Loan Fund
North Carolina Housing Finance Agency	<ul style="list-style-type: none"> SystemVision™ Energy Guarantee Program 	<ul style="list-style-type: none"> Construction Subsidies for Energy-Efficiency Improvements Heating / Cooling Bill Guarantees
Washington State Housing Finance Commission	<ul style="list-style-type: none"> Sustainable Energy Trust 	<ul style="list-style-type: none"> Energy-Focused Loan Fund

Contact Information

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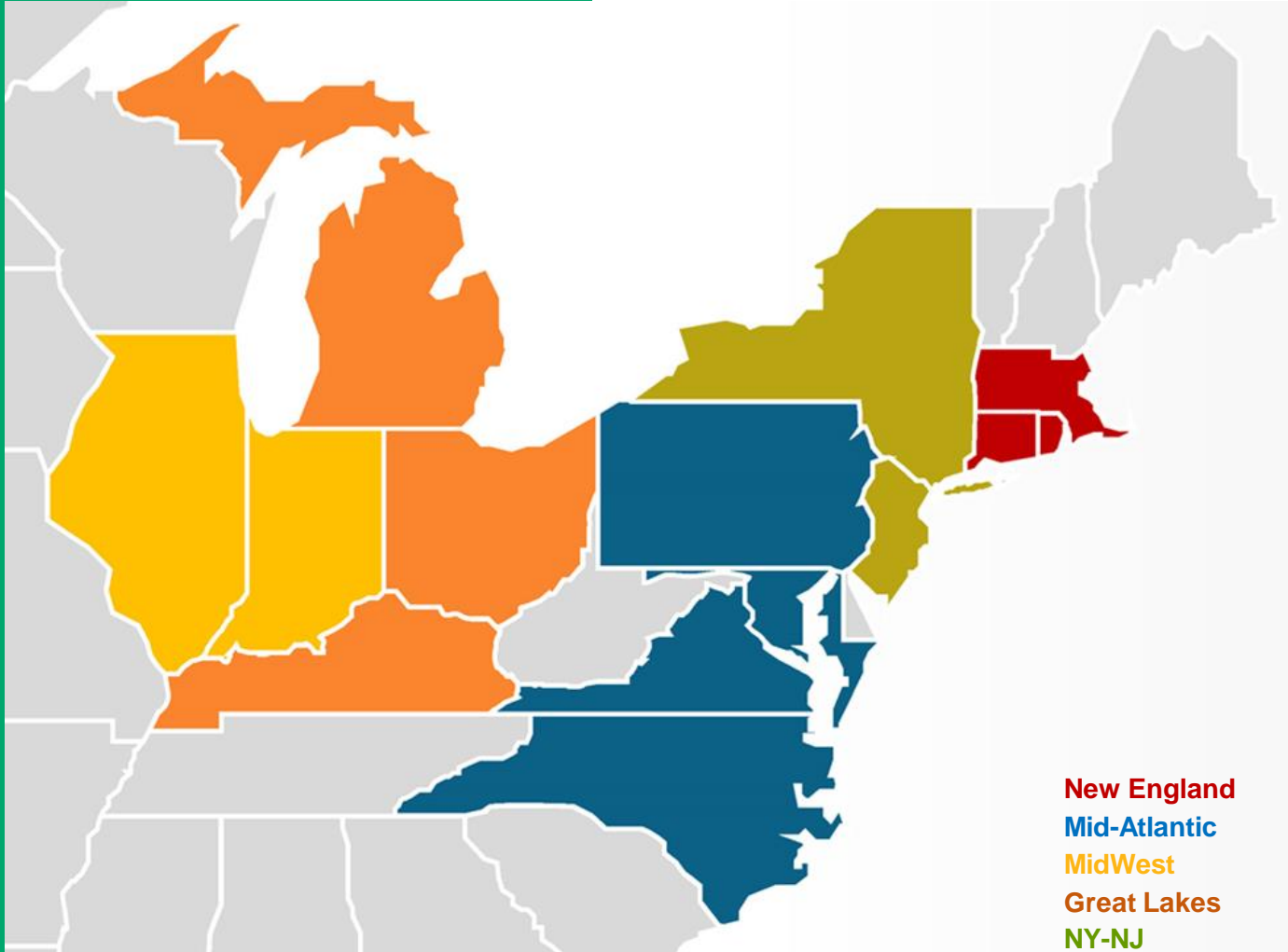
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Funding Decarbonization in Affordable Housing

Leah Whiteside, The Community
Builders, Inc.



The Community Builders (TCB)

14,000+ homes under ownership / management

Serving **25,000+** residents

North Commons

Northampton, MA

Passive House
certified by Phius

Completed 2021

53 apartments

First multifamily
building of its kind in
western
Massachusetts



127 Amory Street

Boston, MA

Passive House, rooftop solar panels

426 apartments

2024 planned construction start



Plumley Village

Worcester, MA

Passive House, rooftop solar panels

426 apartments

\$30 million deep energy retrofit scope

2025 planned construction start



Assemble Chicago

Chicago, IL

Targeting LEED Platinum
with LEED Zero Energy and
Zero Carbon

114 apartments

\$15 million deep energy
retrofit scope

