ENERGY SAVERS

Overcoming Barriers in the Multifamily Sector

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Kimberly Loewen
CNT Energy
CDFI that specializes in multi-family lending
EI2 originally contributed $1.5 M to LLR
   → Recently an additional $1 M
  Leveraging $8,500,000 in lending
Expand existing program to entire CMAP region plus City of Rockford
CIC was able to still keep low interest rates
Challenge in developing relationships in new areas
Technical Assistance
- Provides information that allows owners to make smart investments
- Assures quality installation
- Monitors the building post construction to assure savings and encourage maintenance

Financial Institution
- 3% fixed interest rate, 7-year term for energy-related improvements
- Can combine with grant and/or rebate sources
- Can combine with rehab
- Can combine with acquisition
- Creates a more flexible program
ENERGY IMPACT ILLINOIS

Community Investment Corporation

- Capital
  - PRIs
  - Banks

LLR
- Peoples Natural Gas
- City of Chicago
  - EI2

City of Chicago
- Utilities
- Foundations
energysavers
A one-stop energy efficiency shop for multifamily building owners

✓ Energy Assessment and Expert Advice
✓ Financial Advice (CIC)
✓ Construction Oversight
✓ Annual Savings Report

• Utility bill analysis
• Building inspection
• Audit Report: identifies most cost-effective energy savings investment
 ✓ Energy Assessment and Expert Advice
 ✓ Financial Advice (CIC)
 ✓ Construction Oversight
 ✓ Annual Savings Report

• Low-cost financing from CIC
• Assist in accessing appropriate utility rebates and programs
Energy Assessment and Expert Advice

Financial Advice (CIC)

Construction Oversight

Annual Savings Report

• Assist in developing implementation plan
• Review bids from contractors
• Monitor installation
✓ Energy Assessment and Expert Advice
✓ Financial Advice (CIC)
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• Track building performance
• Annual energy savings reports
• Perform building tune-up if needed
Process

1. Complete/submit an application for a FREE Energy Assessment
2. Energy Savers contacts building owner to schedule assessment
3. Building owner receives comprehensive audit report
4. Energy Savers contacts building owner to help develop a scope
5. CIC discusses financing needs based on audit and work selected
6. If financing through CIC, submit an energy loan application to CIC
30% average annual energy savings

$10,000 in annual utility bill savings for the typical 24-unit building

Retrofitted over 8,500 units

Collective savings of over $8 million

421 jobs created
7549 S. Essex Ave. Chicago, IL

- **Building owner**: Checkmate Realty and Development
- **Building type**: 4-story building with 23-units
- **Year of construction**: 1925
- **Energy savings**
  - Projected energy savings: 33%
  - Projected annual cost savings: $13,630
  - Projected simple payback: 4.5 years
Lessons learned

- Conduct a pilot
- Important to know the market
- Relationships to building owners is key
- Consider the needs of tenants as well as owners
- Simplify as much as possible
- Flexibility is essential
- Need to keep partners engaged
- Financing can be a tough sell, even at great rates
- Expect it to always be a challenge
Things to consider

✓ Belief in savings

   Essex property owner said “....the financing options made it possible to make investments now that will pay off in the long term through lower energy bills.”

✓ Program design for split-incentive

✓ Financing not secured to the property is ideal

✓ Need more utility program investment in multifamily
Kimberly Loewen
CNT Energy
Regional Programs Manager
kloewen@cntenergy.org
773.269.4089