



**Better Buildings Residential Network Multifamily/  
Low Income Peer Exchange Call Series: *Trends in  
Multifamily Programs: What's Working and What's  
Challenging***

*Call Slides and Discussion Summary*

January 9, 2014

# Agenda

- Call Logistics and Introductions
- Featured Participants
  - Brian Kennedy (Austin Energy)
  - Faith Graham (MPower Oregon)
- Discussion:
  - What strategies or approaches has your program used to build interest in multifamily energy efficiency? What has worked well, and why do you think it was effective?
  - What barriers or challenges has your program encountered in introducing energy efficiency to affordable and multifamily housing?
  - What innovations or tactics has your program utilized to overcome barriers for affordable and multifamily housing energy upgrades?
  - Has your program had experience with approaches that have not worked well? Are there any lessons learned about these approaches?
- Future Call Topics

# Call Participants

- American Council for an Energy-Efficiency Economy
- Arlington County, VA
- Austin, TX
- California
- California Housing Partnership Corporation
- Durham, NC
- Economic Opportunity Studies
- Enterprise Community Partners
- Oregon
- Maine
- National Housing Trust
- Populus, LLC
- Richmond, VA
- Vermont

**Lessons Learned:  
Brian Kennedy, Austin Energy**

# Lessons Learned: Austin Energy's Multifamily Program

- Austin Energy has an established multifamily program that uses RESNET certified auditors and offers rebates for energy upgrades
- The program has upgraded 1570 units in 1 year, at 25 multifamily communities
  - Efficiency upgrades included duct sealing, CFLs, low-flow water saving devices, and other low cost improvements
- Portfolio-wide, energy efficiency savings are estimated at 20-22% for multifamily properties

# Lessons Learned: Austin Energy's Multifamily Program, Cont.

- Key challenges for the multifamily program have included outreach and resource capacity
  - With 90-95% occupancy in low-rise/multifamily, contractors have very little incentive to work with renters
  - The program has had fewer resources for activities such as processing energy modeling data and QA in the field
- Austin Energy has addressed these barriers by:
  - Focusing outreach on key contractors that understood how to bundle rebates and incentives
  - Highlighting the program on the utility website and in student newsletters
  - Developing a simplified calculator for estimating when rebates would apply based on upgrades installed

**Lessons Learned:  
Faith Graham, MPower Oregon**

# Green For All's MPower Toolkit



- JOIN NOW
- DONATE
- TAKE ACTION

ABOUT PROGRAMS FOCUS AREAS RESOURCES MEDIA VIDEOS BLOG

- Describes the MPower model for expanding access to energy and water savings for affordable housing residents
  - Aggregated capital (incentives, loans, grants)
  - Financing and efficiency upgrades
  - Repayment through utility bills
- Provides guidance, templates, and resources
- Includes lessons learned from MPower Oregon, an MPower demonstration pilot

## MPOWER TOOLKIT

MPower delivers water and energy cost savings to affordable housing tenants and building owners, creating local economic opportunities while reducing carbon pollution and resource waste.



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# Lessons Learned: MPower Oregon

- MPower Oregon is a non-profit that provides energy and water efficiency savings to affordable housing apartments along with financing for the upgrades
  - MPower pays all the up-front costs of the upgrades
  - Savings from reduced energy and water use are split between the utility and MPower to recover its costs
- MPower Oregon has assembled financing and building owner partners for an initial set of projects in 2014
  - 12 projects (900 units) are planned in 2014, and MPower hopes to double that in 2015

# Lessons Learned: MPower Oregon

- No one was interested (there was a “pipeline of zero”) until the program started to listen to partner needs
- MPower changed from a product approach to a cost-based approach (i.e., focusing on the upgrade costs and when those costs would be recovered), which made more sense to building owners
- Building owners were cautious about the risk, so MPower decided to have 100% financing to cover costs
  - 75% of the financing is loans, at an unsecured rate of 6% based on the efficiency savings
  - Projects are only conducted if they will be paid off within 10 years
- There weren't many master-metered buildings in Oregon with low-hanging fruit, so the program had to look elsewhere for savings
  - People have been excited about the water savings

# Discussion

- What strategies or approaches has your program used to build interest in multifamily energy efficiency? What has worked well, and why do you think it was effective?
- What barriers or challenges has your program encountered in introducing energy efficiency to affordable and multifamily housing?
- What innovations or tactics has your program utilized to overcome barriers for affordable and multifamily housing energy upgrades?
- Has your program had experience with approaches that have not worked well? Are there any lessons learned about these approaches?

# Multifamily Experiences and Lessons: Maine

- Show that your program is interested in stakeholder input through focus groups and engaging partners in program design
- Make it easy for owners to leverage other building investments
  - Last winter a lot of homes in Maine needed work on their boilers
  - The program now provides additional incentives so owners can convert boilers in the winter and save more energy
  - Maine has realized 26% energy savings from multifamily projects this season

# Multifamily Experiences and Lessons: Marketing and Outreach

- There are many avenues to reach the multifamily market:
  - Contractors are key partners for identifying leads and reaching out to property owners (Austin, Maine)
  - Consider contacting local banks that finance the multifamily properties (Maine)
  - The asset manager, property manager, and building manager all should be convinced that your project is worthwhile (Oregon)
- Find out who would be getting the savings with the upgrades to determine how to market to them (Maine)
  - With subsidized housing, building owners may not save money with the efficiency improvements, so may not be interested
  - HUD and USDA (those paying the subsidies) may be interested

# Multifamily Experiences and Lessons: Other Strategies and Challenges

- Help owners to coordinate (or integrate) utility programs for efficiency improvements
  - Chicago gas and electric utilities have an integrated program. CNT Energy aggregates financial incentives and is a “one-stop shop” for service delivery
  - Enterprise Community Partners provides loans, underwriting, and energy services for multifamily and other properties
  - Austin’s program includes the electric and water utilities, but has had more difficulty coordinating with the gas utility
- A barrier to expanding EE in the multifamily sector is that there are less clear policy drivers for working on regular multifamily housing (not low income)

# Future Call Topics Poll

- Which of the following topics are of interest for future multifamily / low income peer exchange calls?
  - Outreach to multifamily landlords and tenants: 83%
  - Strategies for generating demand from large building upgrades: 50%
  - How to provide simple, cost effective modeling and savings projections: 33%
  - Strategies to overcome split incentive tenant/landlord EE issues: 33%
  - Loan programs for low and moderate income households: 33%

Please send other suggested topics to  
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