

# Policy Changes to Facilitate Energy Efficiency and Renewable Investments in Assisted Housing

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# Barriers to Assisted Housing Investments

- **Sector Wide**
  - Lack of Knowledge
  - Access to Capital
  - Split Incentive
  - Hassle Factor
- **Assisted Housing Specific**
  - Subordinated Debt Difficulty
  - Complex Ownerships, Differing Time Horizons
  - Utility Allowance Inflexibility
  - Creditworthiness
  - Small Parcels Discourage ESCOs

# Market Segments of Low Income MF Housing

- Public Housing: 1 Million Units
- HUD Assisted: 2.3 M
- LIHTC: 2 M (overlap with Assisted)
- HUD Section 8 Vouchers (1.8 M, some overlap)
- State-Assisted: 500,000
- In Conventional MF Buildings: 3-4 M

# Elements of Successful EE Programs

- Affordable, Accessible Debt Financing
- Access to Existing Debt Mechanisms: On-bill, PACE
- One-Stop Contracting
- Strong Marketing Effort, Competent Administrator
- Sophisticated, segmented Marketing Strategies
- Strong Contractor Infrastructure
- Strong IT Platform
- Access to Multiple Revenue Streams: DR, Resilience, Carbon, Medical, Renewable Energy Credits, Tax Credits
- Quality Assurance Provisions
- Utility Incentives Encouraging Comprehensiveness
- Program Designs that invite water, gas, electricity and oil to be treated

# The Sleeping Giant: Emerging Technology Drivers

- PV
- LEDs
- Smart Meters and Controls
  
- THESE BEG FOR EFFECTIVE POLICY INCENTIVES TO LINK TO COMPREHENSIVE BUILDING TREATMENTS

## Topics for Discussion Today in Assisted Housing

- California HUD Pilot for PACE, on bill financing
- Solar HUD Interface with PACE, PPAs
- Social Impact Bond Demonstration to Aggregate EE Investments
- NYC Initiatives
- Other Innovative Financing Initiatives
- Rental Assistance Demonstration Incentives carried over from Public Housing
- Further HUD Policies to Recommend