



# Alachua County Energy Efficiency Pilot Program Final Report to Board of County Commissioners



*September 26, 2023*

# Energy Efficiency Pilot Program Final Report to Board of County Commissioners

## Table of Contents

Table of Contents .....	2
Executive Summary.....	3
Pilot Program Overview .....	4
Program Goals.....	4
Pilot Program Goals.....	4
Pilot & Full Program Goals .....	4
Pilot Timeline .....	4
Program Status.....	5
Weatherization Upgrades .....	5
Seventeen (17) pre-assessment tune-ups complete.....	5
Seven (7) Affordability Commitments Pending.....	6
No final upgrades are anticipated to be completed by 2023 Fiscal Year End .....	6
Prioritized Pilot Locations .....	6
Pilot Funds.....	6
Promoting equitable outcomes .....	7
Community Outreach.....	7
Barriers and Challenges .....	7
Building a Program.....	7
Eligibility Requirements .....	8
Affordability Commitment .....	8
Contractor Availability.....	9
Performance Report.....	9
Program Outcomes .....	9
Performance Indicators.....	9
Pending Report Metrics .....	10

# Energy Efficiency Pilot Program Final Report to Board of County Commissioners

## Executive Summary

In response to the COVID-19 Pandemic, the Federal government has provided the Alachua County Board of County Commissioners (BOCC) funding through the American Rescue Plan (ARPA) State and Local Fiscal Recovery Funds. Many disenfranchised and marginalized communities were disproportionately impacted in their ability to find and maintain affordable housing due to job loss and other income insecurities caused by COVID-19. This project is intended to bring affordable housing relief to communities with limited financial resources by using energy efficiency improvements and weatherization to address the high costs of utilities on renters.

The program functions by providing funding for energy efficiency upgrades on the properties of low-income tenants in exchange for a short-term commitment from the landlord to keeping the unit affordable. The length of the affordability commitment is dependent on how much funding a landlord is interested in receiving, per the table below:

Award Amount	Term of Affordability Commitment
Up to \$5000	3 years
\$5001 to \$10,000	5 years
\$10,001 to \$15,000	7 years

Approximately \$337,000 in ARPA funding was budgeted for this program. From these funds, up to \$15,000 per unit was made available for eligible rental property owners within the unincorporated areas of Alachua County and smaller municipalities. Alachua County partnered with Rebuilding Together North Central Florida and the Community Weatherization Coalition to identify and vet applicants and contractors, and complete individual projects.

A pilot program was conducted over the first half of 2023, from January until September. During that time, seventeen (17) pre-assessment tune-ups were completed, of which fifteen (15) were ultimately determined eligible to move into the upgrades phase (two (2) units are still pending). Of those fifteen (15), seven (7) are currently in the process of receiving quotes which will guide conversations around what sort of affordability commitment the property owner is interested in undertaking. Currently, none of the units have received the full upgrades of the program.

Of the approximately \$337,000 allocated to the pilot program, \$58,500 has been spent as of August 25, 2023. The difference is due primarily to the \$180,000 in program upgrades which have not been accessed yet by the program. The RTNCF and CWC are at or under budget for all expenses except for energy tune-ups and preassessments. When the CWC reached their estimated budget limit for this item, the Alachua County program coordinator authorized them to continue tune-ups, as this activity is a necessary first step for verifying eligibility in a program that is expected to continue past the pilot program.

# Energy Efficiency Pilot Program Final Report to Board of County Commissioners

## Pilot Program Overview

A pilot program was conducted over the first half of 2023, from January until September.

### Program Goals

Per the pilot program work plan, which was approved by the Board on December 6, 2023, the following were the goals for both the pilot program and the full program:

#### *Pilot Program Goals*

- Test program work plan and subrecipient agreement to determine if alterations or amendments are needed for the smooth functioning of the full program
- Collect data to determine whether program is sufficiently reaching Alachua County residents with an equity lens, and to allow adjustments to outreach plans as needed

#### *Pilot & Full Program Goals*

- Reduce energy insecurity in Alachua County, particularly for the most vulnerable residents. Residents served by the energy efficiency program will be from marginalized communities hardest hit by COVID-19. These residents include low-income, elderly, youth, and housing-insecure populations, and will reflect a broad racial and ethnic demographic
- Promote affordable housing by addressing the largest household expense after rent payments
- Build climate resiliency and energy independence in traditionally underserved areas by reducing the burden on energy infrastructure

In addition, the program outlined two outcomes for the pilot program:

- Reduce energy burden for at least 15 energy insecure rental households
- Avoid energy insecurity health impacts and COVID hospitalizations due to lack of access to (or an inability to maintain) quality, affordable housing

The success indicators, developed to determine how effective the County was in meeting these goals and outcomes, are discussed in more detail in the “Performance Report” section.

### Pilot Timeline

March 1, 2022: Alachua County Board of County Commissioners moves to create an energy efficiency pilot program for rental properties, with a focus on affordability concerns around utility costs

April 11, 2022: Solicitation of Interest released

May 5, 2022: Solicitation of Interest period closed

December 6, 2022: Alachua County Board of County Commissioners approve the work plan for the pilot program, and the professional services agreement with Rebuilding Together North Central Florida and the Community Weatherization Coalition

January 15, 2023: The Alachua County Energy Efficiency and Weatherization for Affordable Housing program is announced in conjunction with Codes Administration’s rental housing program

January 31, 2023: County website with details about program and contact information goes live

# Energy Efficiency Pilot Program Final Report to Board of County Commissioners

February 27, 2023: Hiring complete for CWC Coordinator and RTNCF Rental Program Manager

April 5, 2023: Legal paperwork, including applications, contracts, and mortgage documentation are approved. Rebuilding Together NCF is authorized to begin accepting applications

April 14, 2023: Pilot Program completes first pre-assessment tune-up

June 27, 2023: Alachua County Board of County Commissioners approves expansion of water heater guidelines. Deadline for pilot program extended until October 2023.

August 21, 2023: Pilot program hits 15 pre-assessment tune-ups

October 2023 (planned): Professional Services contract revisions will be completed based on scope of work in final work plan. Landlord contract, mortgage, and applications will be updated based on final work plan. Full program scheduled to begin.

## Program Status

### Weatherization Upgrades

*Seventeen (17) pre-assessment tune-ups complete*

Once a tenant is determined to be eligible and both the tenant and landlord have completed applications, the home becomes eligible for a pre-assessment tune-up. While all homes are vetted virtually by program staff to determine their eligibility to the program, pre-assessments are completed to ensure the home matches the structural and safety requirements of the program. A weatherization tune-up is also completed at this time, which includes inexpensive energy efficiency upgrades like pipe insulation, lightbulb replacement, and tenant energy-use education. Pre-assessments are also used to determine where the largest energy inefficiencies are occurring, to create recommendations for program improvements.

Program staff are not certified home inspectors or structural engineers and have no authority to make determinations of code compliance. For this reason, the property owners of homes which appear to not qualify for the program based on structural or safety concerns are informed of the concern and may either hire a certified professional to verify that the area of concern is indeed structurally sound and/or safe, or to correct the concern in some other way. The unit is allowed to proceed with the program when the concern is addressed in either of these ways.

Those units which are not found to have concerns, or which address those concerns in the above way are allowed to continue with the program.

Current status of pre-assessed units:

- 15 units approved for continuation in program (including 5 which addressed pre-assessment concerns)
- 2 units pending approval based on pre-assessment concerns which must first be addressed
- 1 unit placed on hold (mobile home, awaiting additional direction from the Board, contained in this document)

# Energy Efficiency Pilot Program Final Report to Board of County Commissioners

## *Seven (7) Affordability Commitments Pending*

Once a home has passed the pre-assessment, RTNCF coordinates between the property owner, the tenant, and local contractors to put together a list of quotes for energy efficiency upgrades based on the pre-assessment report. Once these quotes are complete, RTNCF works with property owners to determine which upgrades make the most sense for them based on their affordability commitment preferences and which projects can make the biggest energy efficiency difference for their tenants.

Once a property owner has made a final decision on which upgrades they are interested in, an appointment is scheduled with Alachua County Community Support Services to complete the paperwork.

Current status of approved units:

7 quotes completed

*No final upgrades are anticipated to be completed by 2023 Fiscal Year End*

## Prioritized Pilot Locations

Rental units throughout Alachua County are eligible to participate in this program, provided their tenants are eligible and the home meets structural and safety requirements. However, the pilot program work plan instructed RBNCF and the CWC to focus on three areas as areas of priority: the unincorporated areas of the Southwest Advocacy Group (SWAG) area, the unincorporated areas of East Gainesville, and one smaller municipality. The following results were achieved:

SWAG area: 5 tune-ups

Unincorporated East Gainesville: 5 tune-ups

Smaller municipality: 2 tune-ups in Newberry

Early focus for the smaller municipality was on Alachua, where two residences were identified early in the process, and where the presence of a Qualified Census Tract would have made determining participant eligibility easier. The units, however, were found to be not-yet ready for tenants, and ultimately a foothold for the program was not able to be established within the time period of the pilot.

## Pilot Funds

Of the approximately \$337,000 allocated to the pilot program, \$58,500 has been spent as of August 25, 2023. The difference is due primarily to the \$180,000 in program upgrades which have not been accessed yet by the program.

The RTNCF and CWC are at or under budget for all expenses except for energy tune-ups and preassessments. When the CWC reached their estimated budget limit for this item, the Alachua County program coordinator authorized them to continue tune-ups, as this activity is a required component to program participation. Pre-assessment tune-ups are a necessary first step for verifying eligibility in a program that is expected to continue past the pilot program.

# Energy Efficiency Pilot Program Final Report to Board of County Commissioners

## Promoting equitable outcomes

The Alachua County Board of County Commissioners has demonstrated its strong commitment to promoting equity in its programming, and this program is directly designed to prioritize historically marginalized and low-income populations. Per the guidelines of the pilot work plan, only participants who make 50% of Area Median Income (AMI) or less were allowed to participate in the program.

Of the 17 households that received tune-ups with program funding, a total of 32 individual residents were served from the program, including 5 households (16%) with children and 8 households (25%) identified as elderly or disabled. Fifty percent (50%) of household members self-identified as white, and thirty-four percent (34%) self-identified as Black, with the remaining sixteen percent (16%) identifying as Latinx, Native, or multiracial. All residents were under 50% AMI, with half of residents making 30% AMI or less.

## Community Outreach

County staff, RTNCF, and the CWC took the following steps to ensure that information regarding the program is freely available to the public.

- Published a website with information targeted to landlords and renters, including a map which allowed interested parties to type in their address to see their unit's eligibility.
- Attended community meetings in qualifying neighborhoods to introduce the program and help with applications as needed
- Lead a coordination group of local weatherization organizations to workshop the program and identify broader resident weatherization needs
- Spread the word via community groups in Alachua County, including, but not limited to, those engaged in climate action and affordable housing
- Promoted the program on all partner's respective social media and/or website(s)
- Reached out to targeted neighborhood contacts, such as the SWAG resource manager, to help disseminate information on the program
- Clipboarded/canvassed prioritized neighborhoods
- Initiated creation of an intake via community partnerships

## Barriers and Challenges

### Building a Program

The time between the January 15<sup>th</sup> announcement and the April 5<sup>th</sup> date when RBNCF and CWC formally began accepting applications was used to prepare the multiple actors for program success. The County used the time to work with budgeting, contracting, legal, administration, community support services, codes administration, growth management's GIS services, and IT to conceptualize and finalize paperwork, develop a reimbursement process, plan a secure method for sensitive document delivery (some income verification documents include social security numbers and other personally identifying information), plan for reporting requirements, and develop an online location for interested participants. RBNCF and CWC, per their proposal, required time to hire the staff necessary to implement the program, and, once hired, train them with the County's help.

# Energy Efficiency Pilot Program Final Report to Board of County Commissioners

While some paperwork will need to be updated to meet the new requirements of the full program, most of the back-end processes developed for the pilot can be easily transitioned to the full program and will not need to be replicated for the second round of this program.

## Eligibility Requirements

Due to our focus on rental housing, this program requests three levels of vetting before upgrades can proceed: the tenant, the unit, and an interested, available landlord. Delays in application processing could occur at each of these levels. Tenants can struggle to put together the right income verification paperwork. Eligible tenants may have absentee landlords or landlords who are not willing to take on the affordability commitment. Units that appeared to qualify could, upon inspection at the pre-assessment tune-up, end up not qualifying due to structural and/or safety concerns, as occurred in 8 of the 20 pre-assessments completed during the pilot.

This barrier is not unique to the Alachua County program. Conversations with other weatherization providers in Alachua County have revealed that, as of September 2023, we are the only provider of these services to renters in the County. Other programs, such as GRU's LEEP<sup>Plus</sup> program, chose to discontinue their work with renters at the conclusion of ARPA funding, due to the barriers described above.

The program manager and professional services team are working to find solutions to this situation. Currently, RTNCF and the CWC is engaging directly with local organizations to spread the word of services, which has resulted in several successful program applications. The program manager is working with a coordination group of the local weatherization organizations to brainstorm ways of improving weatherization services throughout the County. The current effort involves outreach to affordable housing organizations to see if there is a way to combine effort in identifying eligible tenants in eligible units to improve the efficiency of the vetting process.

## Affordability Commitment

As anticipated, some landlords are unwilling to take on the affordability commitment as part of their participation in the program. The primary concern reported is that the cost of inflation won't keep up with the rising cost of homeowners insurance and property taxes—concerns which appear founded. While the CPI puts the 2022 annual inflation rate at 6.5%,<sup>1</sup> the 2022 Property Appraisers report found that the overall taxable value of properties in the County increased 10.7%.<sup>2</sup> Meanwhile, the Insurance Information Institute says that Florida residents can expect to see an increase of 40% in homeowners' insurance costs in 2023.<sup>3</sup>

---

<sup>1</sup> U.S. Bureau of Labor Statistics. January 17, 2023. "Consumer Price Index: 2022 in review." *TED: The Economics Daily*. Electronic Source: <https://www.bls.gov/opub/ted/2023/consumer-price-index-2022-in-review.htm>

<sup>2</sup> The Alachua County Property Appraiser. The 2022 Annual Report. Electronic Source: <https://www.acpafl.org/wp-content/uploads/Annual-Reports/2022-Annual-Report-ACPA.pdf>

<sup>3</sup> Insurance Information Institute. February 2023. "Trends and Insights: Addressing Florida's Property/Casualty Insurance Crisis." Triple-I Issues Brief. Electronic Source: [https://www.iii.org/sites/default/files/docs/pdf/triple-i\\_trends\\_and\\_insights\\_florida\\_pc\\_02152023.pdf](https://www.iii.org/sites/default/files/docs/pdf/triple-i_trends_and_insights_florida_pc_02152023.pdf)



# Energy Efficiency Pilot Program Final Report to Board of County Commissioners

This was considered a significant barrier to participation and is discussed in more detail and an attempt to tackle it has been included in the associated final program work plan.

## Contractor Availability

The existence of the affordability commitment can result in a long delay between the final approval of the tenant and unit and moving a landlord through the affordability commitment process. All the recommended upgrades need to be priced in order for the landlord to make an educated decision on what upgrades to accept at what affordability commitment level. In each instance, different contractors have to be hired to put together the quote, and the timeline depends on their availability.

In discussions with GRU LEEP<sup>Plus</sup> program coordinators, there is currently not a large supply of contractors who do the sorts of upgrades these programs need, and delays on quotes is a common issue. During the time period of the pilot project, however, Alachua County worked with Santa Fe College (via our participation in the EMPOWER Project) to help design a new weatherization technician training program, which is starting this semester (Fall 2023), and should help bring new weatherization technicians into the market. In addition, we are anticipating getting more time from existing contractors in the coming months, as the summer is traditionally their busiest time of the year.

## Performance Report

### Program Outcomes

Two measurable outcomes were identified for the first seven months of the program's pilot.

- Reduce energy burden for at least fifteen (15) energy insecure rental households
- Avoid energy insecurity health impacts and COVID hospitalizations due to lack of access to (or an inability to maintain) quality, affordable housing

While no homes made it to the upgrade phase of the program during the pilot period, seventeen (17) homes received pre-assessment tune-ups, which, in addition to vetting the unit for structural and safety eligibility, included a weatherization tune-up. This process includes pipe insulation, changing to energy efficient lightbulbs, and the installation of low-flow water filters.

### Performance Indicators

In addition, addition to these two outcomes, the pilot work plan outlined specific performance indicator output measures which were of interest to the BOCC.

Performance indicators output measures	Pilot program results
Number of homes assisted with total family members served	Seventeen (17) households were served by the program, with a total of thirty-two (32) individual residents
Number and type of improvements made	Of the seven (7) pending estimates, six (6) include recommendations of upgrades to the HVAC system and ductwork. Three (3) recommend insulation upgrades. One (1) recommends an appliance upgrade, one (1) a water heater upgrade, and one (1) a window replacement. Some units had multiple recommendations.

# Energy Efficiency Pilot Program Final Report to Board of County Commissioners

	<p>It is ultimately up to the discretion of the respective landlords which of these upgrades are ultimately installed.</p> <p>All seventeen (17) units received a pre-assessment tune-up which includes pipe insulation, lightbulb replacement, and tenant energy-use education</p>
Number of time-sensitive utility housing concerns addressed by the services.	Pre-assessment tune-ups uncovered one (1) major and four (4) minor housing concerns which required immediate attention from property owners. All five instances involved plumbing and water damage.
Increase in the safety and independence of elderly and or disabled residents served by the services	Eight (8) households, totally nine (9) residents reported being over 65 or living with a disability. Of these, 7 households were single-member households.

## Pending Report Metrics

Because no units fully completed the upgrade stage (and no contractors have been hired) over the course of the pilot program, the following metrics currently have no data:

- Decrease in energy insecurity as reported by families, through a qualitative satisfaction survey post-upgrade
- Utility Consumption and Cost Reduction Post Intervention in kWh, kGals, Therms, and related metrics
- Estimated carbon offset resulting from 1) education and utility bill management awareness, and 2) home efficiency improvements.
- Rental cost of home and post improvement verification that the rental cost is still affordable per the program terms
- Support for local, minority, and women-owned businesses via subcontracted services