

Alachua County, FL

12 SE 1st Street Gainesville, Florida

Agenda Item Summary

File #: 24-00883 Agenda Date: 9/24/2024

Agenda Item Name:

Alachua County Energy Efficiency Program Land Use Restriction Agreements and Ratification of Delegation of Authority

Presenter:

Betsy Riley

Description:

Land Use Restriction Agreements signed by landlords, ready for Board approval and signature. Approval and signature will result in these agreements being filed with the Clerk and contract work to commence to improve the energy efficiency of these rental units.

Recommended Action:

Approve agreements and authorize Chair to sign. Adopt Resolution 2024-XX, ratifying delegation of authority to County Manager to sign certain land use restriction agreements.

Prior Board Motions:

June 22, 2021 - American Rescue Plan - State and Local Fiscal Revenue Recovery Funds Fiscal Consideration: \$26,129,224.50 has been received from the U.S. Treasury. The County has \$3 million in American Rescue Plan (ARPA) funding budgeted for this program. Out of these funds, up to \$15,000 per building unit is available for eligible rental property owners within the unincorporated areas of Alachua County and smaller municipalities.

August 24, 2021 - Commissioner Alford directs staff as follows, which are reflected in the proposed pilot project submitted for approval:

- Time frames for affordability lien changed to 3 years for less than \$5,000, 5 years for \$5,000 to \$10,000, 7 years for \$10,000 to \$15,000
- Include landlords/property managers and have a workshop to educate them on the program and allow them to provide feedback. (Completed 9/27/2021)
- Authorize staff to recommend a pilot program that will include some of the small towns, something on the eastside, and one of the Southwest Advocacy Group Inc. (SWAG) neighborhoods.
- Include an administrative fee or penalty of at least 10% if the grant is paid back early.
- Identify data collection points in order to track outcomes for the renters in the program.
- Limit the pilot program to a maximum of \$500,000

March 1, 2022 - Commissioner Prizzia moves to adopt 50% of Area Mean Income (AMI) as the definition of low income. Motion carries 5-0.

March 1, 2022 - Commissioner Cornell moves to approve the Energy Efficiency and Affordable Housing Grant Pilot Program and direct staff to issue the Solicitation of Interest and bring back all ARPA program documentation and related budget amendments. Motion carries 5-0.

December 6, 2022 – Board approved work plan for the Energy Efficiency and Weatherization for Affordable Housing Grant Pilot Program and Contract #13489 with Rebuilding Together NCF. Motion carries 5-0.

May 23, 2023, item 23-00109, Board approved the Budget Adjustments to American Rescue Plan – State & Local Fiscal Recovery Funds – Revenue Recovery. The fiscal note clarifies that the remaining American Rescue Plan – State and Local Fiscal Recovery Funds (ARP – SLFRF) qualify as Revenue Recovery and thus are being reported as such use. The budget amendment transfers the remaining balance of all qualifying revenue recovery funds from the ARP – SLFRF Fund 234 to a sub fund of the General Fund, Fund 052. All remaining balances of projects identified and allocated by the Board will remain funded and in process out of Fund 052. This action makes NO changes to the plan approved by the Board of County Commissioners (BoCC or Board), just in the way we account for the funds.

June 27, 2023, item 23-00306, Board approves extension of pilot program until October 2023. Board approves expansion of eligible upgrades to include water heaters of appropriate size to meet the needs of the household as determined by energy tune-up specialists, rather than limiting water heater size to 15 gallons.

September 26, 2023, item 23-00563, Board approved the commencement of a second pilot program, with instructions to return to the Board with an update in March 2024. Board adopted new proposed program workplan, and removed requirement that eligible buildings have four units or less.

April 9, 2024, item 24-00250, Board approves an extension of the second pilot program in order to allow for the completion of a technical assistance grant from the American Council for an Energy-Efficient Economy.

September 24, 2024, at commission comment, Board delegated authority to the County Manager to sign certain LURAs.

Fiscal Note:

Approval and signature on the LURAs commits Alachua County for up to \$15,000 in energy efficiency upgrades for the rental unit in question, per the terms of the Alachua County Energy Efficiency Program.

Revenue Recovery Fund: 052.00.0064.554.82.15 Project ARP2021X021

Strategic Guide:

Housing

Background:

In response to the COVID-19 Pandemic, the Federal Government provided the Alachua County Board of County Commissioners (ACBoCC) 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.

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 applicants, vet contractors, and complete individual projects. The full agreement between Alachua County and Rebuilding Together North Central Florida can be found in the associated Professional Services Agreement.

The first pilot program was conducted over the first half of 2023, from January until September. A second pilot program has been running from September 2023 until the present. In February 2024, staff received notification that our application for the ACEEE Energy Equity for Renters application had been accepted. In April 2024, the Board approved an extension to the second pilot for the purpose of receiving technical assistance from the ACEEE.

It was determined by staff leadership after that date that future agreements with property owners should be conducted through a Land Use Restriction Agreement (LURA) rather than through a mortgage program, as the original program had been (modeled off the SHIP program). This determination requires Board approval of LURAs going forward.