



Multifamily Housing Green Retrofit Accelerator Workshop

Workshop Discussion

Topic 1: Finding services for assessment and design of energy efficiency projects

Owners: What is your approach for determining how to improve the energy performance of your building? How do you go about finding service providers to move projects forward?

- There are service providers who work with owners specifically to structure the funding for LMI projects and they typically refer owners to their preferred consulting partners to get clients started with energy efficiency design.
- Some owners look to the utility programs directly as the starting place for energy savings projects, especially direct install programs.
- Owners of smaller properties and those that are generally less sophisticated (e.g. fewer in-house staff resources) may need more assistance finding services.

Service Providers: What challenges do you face engaging with owner/operators? Can you think about situations where it has gone well and what are the conditions that helped?

- Owners trust other owners first. Owners who have had a positive experience going through a retrofit will be your best spokespeople.
- Building trust at the neighborhood level can help increase owner willingness to have discussions about building performance and improvement programs
- Utilities often reach out to block captains and business corridor leaders to get the word out about incentive programs.
- Utilize data-driven approach for engaging with owners utilizing public information for targeting owners.
- Understand the owner's barriers and address those. Be transparent with offerings and don't offer things that they don't need.

- Owners of smaller properties are hard to reach but often have worse performing properties.
- Have a strong partner network to help identify owners who need your service and make referrals
- Many owners don't have the funds to do initial property assessment and then even when that's done, they don't have funds to get a consultant engaged to do development work.
- It's challenging to develop a holistic project when starting from utility programs since they are focused on single utilities.
- When health and safety issues need to be addressed first (e.g. mold and asbestos), this can eat up a lot of the budget. Some utilities have funds for health and safety work.

In the wake of COVID19, are you considering building improvements focused on health? Could PEA help add energy savings measures to these projects?

- This topic has come up in context of schools. Helping them get off oil helps reduce childhood asthma triggers
- NYC is developing a COVID19 scorecard for buildings to identify those that are likely to have ventilation systems that could create higher risk environments.
- Some owners are increasing their focus on interior air quality at their properties, though many already consider this if they serve vulnerable populations.
- There is a real need to educate owners on the potential benefits and tradeoffs of improved building ventilation when it comes to health and energy.
- Auditors have halted using blower door tests in occupied properties at this time due to COVID19 concerns.
- The way this can work is to amortize the health and safety work over a longer-term agreement (e.g. 15 year) to be offset by energy measure savings.

Can PEA help be a matchmaker between owners and service providers (e.g. through prequalified vendor lists)? Is there any other way that PEA can support owners and service providers finding each other?

- Continue to provide these workshop type forums that enable exchange between owners/service providers/utilities
- Rich datasets really help with identifying potential projects. Large-scale benchmarking helps significantly. There is a lot more to discuss with owners of poorly performing properties.
- Coop properties may need technical assistance to grow their capacity to take on a project.

Topic 2: Assessing the initial viability of a project

Owners: How big of a priority is your portfolio's energy performance and its impacts on operating costs & health and safety?

- There's often a need to educate the owner on appropriate building maintenance practices and schedules and this may need to come first before the owner is able to dialog about building retrofits.
- For some organizations, energy reduction is seen as a cost reduction strategy, as well to reduce environmental impact. This is top of mind when clean energy and health are part of the organization mission.
- Often owners see energy efficiency as part of their typical capital planning.
- Philadelphia doesn't have strong regulations or incentives to shift EE into a higher priority for owners.
- Philadelphia should require benchmarking of smaller MF buildings (currently only required for buildings > 50,000 sf)
- Water costs are more of a priority than energy and are easier interventions for them to take on. They can often be done in-house.
- Operating costs are very high and tend to be primary focus of owners.

How do we help advance projects from lighting-only jobs to upgrading major systems?

- Phase 4 Act 129 will have an influencer in the type of projects that can be shaped. Aspects of Act 129 will affect the marketing of services to owners and will impact engagement with owners.
- Having aggregate data on the entire building enables generation of stronger project proposals.
- When looking at new construction, it's possible to recommend measures that earn additional Qualified Action Plan points for competitive LIHTC applications.
- There is a real benefit in starting with the "easy" projects (e.g. lighting only) to demonstrate the process to an owner and then keep working with them to go for larger system improvements.
- Encourage owners to develop asset plans to get ahead of emergency jobs and find opportunities for bundled projects.
- Deeper measures also take longer to bring to fruition and that hurts project close rates.

What more can PEA do to help you identify good energy improvement opportunities in your building portfolio?

- Develop and provide education collateral about utility incentive opportunities
- To get word out about PEA services, PEA can issue a checklist of services offered
- Provide more support to owners of smaller properties and less sophisticated owners. Assisting with benchmarking property performance is first step.
- Tie energy evaluation to lead-free space assessments and retrofits. This could help owners take on energy projects and plan for later energy capital expenses.

Topic 3: Securing project financing

Can PEA provide information about utility incentives or otherwise support this process?

- Continue to support bundling utility incentives from PECO PGW and PWD for owners.
- Help the utilities promote their programs. Consider developing case studies.
- Find ways to get through the market noise that building owners are encountering. Be careful with the language choice when working with owners to avoid turning them off; best to focus on saving money and other benefits for them.

What financial constraints are you facing that PEA could assist with (note: PEA does not have grant funds available at this time)?

- It would be helpful for owners/service providers to have financial tool details available earlier in the project development process.
- Owners may not be aware of the funding alternatives available from PHFA and PEA can help inform them.
- Develop system flow to support owners of LIHTC buildings coming to end of compliance period. Proactively go to owners.
- Make capital available to help get projects started and to do marketing and sales to get projects in the door.

Can/should we, as a community of owners/servicers, better communicate the needs for specific incentive structures to PECO and PGW? What are those needs?

- There's opportunity for more robust incentives; having more flexibility in packaging incentives would be helpful in search for funding also.
- There are split incentive challenges when addressing separately metered buildings that are not totally overcome by the current utility incentive structure.

Recommendations for Consultants:

- Interest expressed in having the ability to present project design and financing options in a matrix fashion.
- It can be helpful to owners considering adopting a project to see project measures split up or separately listed for the Owner versus the Residents
- Critical to educate both owners and residents on energy consumption and on savings programs.
- Critical to obtain accurate utility data up front; caution expressed about using 'quick' metrics which prompt additional request back to the utility for stronger data.
- If insufficient data is gathered during assessment, it may result in later scope changes that have large impacts on project cost. This can slow down the project funding phase or kill the project.

Workshop registrants

(email addresses withheld for non-attendees)

Name	Organization	Email
Alexandra Moorhead	Stone Sherick	amoorhead@sherickpm.com
Laila Reilly	MaGrann	lailareilly@magrann.com
Ennio Rossi	HumanGood	ennio.rossi@humangood.org
Karen Kaminsky	Pennrose	kkaminsky@pennrose.com
Kim Stevenson	Inclusive Prosperity Cap.	kim.stevenson@inclusiveteam.org
Marcelo Rouco	Ecosave	jgeathers@ecosavinc.com
Rania Campbell-Bussiere	FRP	rcampbell-bussiere@frpinc.org
Madeline Priest	Inclusive Prosperity Cap.	madeline.priest@inclusiveteam.org
Keith Kinch	BlocPower	Keith@blocpower.io
Patrick Coleman	New Ecology	coleman@newecology.org
Douglas Miller	MaGrann	DouglasMiller@magrann.com
Katie Bartolotta	Green Bldg United	kbartolotta@greenbuildingunited.org
Corey Wurster	Inclusive Prosperity Cap.	Corey.Wurster@Inclusiveteam.org
Andrea Lee	BlocPower	Andrea@blocpower.io
Sofia Jurema	CMC Energy	sjurema@cmcenergy.com
Carolyn Placke	LISC	cplacke@lisc.org
Laura Rigell	PEA	lrigell@philaenergy.org
Lisa Shulock	PEA	lshulock@philaenergy.org
Nancy Mifflin	PEA	nmifflin@philaenergy.org
Ellis Guiles	Graboyes	
John D'Agostino	Inclusive Prosperity Cap.	
Paul Spiegel	Practical Energy	
Marty Follman	Capital Realty	
Tom Timmins	Ecosave	
Rose Gray	APM	