

**DOCKETED**

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*Comment Received From: Andrew Dawson  
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## **California Housing Partnership - EBD Solicitation Comments**

*Additional submitted attachment is included below.*



Reliability, Renewable Energy & Decarbonization Incentives Division  
California Energy Commission (CEC)  
715 P Street Sacramento, CA 95814

[Re: Docket No. 22-DECARB-03– Comments regarding the Equitable Building Decarbonization \(EBD\) Direct Install Program Solicitation by the California Housing Partnership](#)

Dear Commissioners and CEC Staff,

The California Housing Partnership (Partnership) is thankful for the opportunity to comment on the Equitable Building Decarbonization Direct Install Program Solicitation.

The Partnership is a private nonprofit created by the State in 1988 with the public mission of increasing the supply of affordable and sustainable homes through technical assistance and policy leadership at the state and national level. Since 1988, the Partnership's on-the-ground technical assistance, applied research, and legislative leadership has leveraged more than \$35 billion in private and public financing to preserve and create more than 93,000 affordable homes and to provide training to more than 40,000 people.

As part of our mission, the Partnership has been a part of program administrator (PA) teams in implementing decarbonization programs including the Low-Income Weatherization Program (LIWP), Solar on Multifamily Affordable Housing (SOMAH) program, Building Initiative for Low-Emissions Development (BUILD) program, and Los Angeles Department of Water and Power's Comprehensive Affordable Multifamily Retrofit (CAMR) program. Additionally, we have written various reports related to building decarbonization in affordable multifamily housing, including

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a recent publication on pathways for electrifying these properties and on developing tariff on-bill financing.<sup>1,2</sup>

We have two main recommendations for the CEC to consider when releasing the final solicitation:

### **5% Cap for Administrative Costs**

The draft solicitation limits administrative costs, which include outreach and marketing, to 5%. While we recognize the importance of ensuring as much money flows to benefitting low income households, limiting the administrative costs to this degree will limit who will participate. SOMAH and BUILD cap their administrative costs at 10%. SOMAH requires the administrative cost breakdown to be publicly available.<sup>3</sup> From 2021-2023, marketing and outreach was over  $\frac{1}{3}$  of administrative costs for SOMAH. SOMAH is also only available for deed-restricted, multifamily properties. Whereas the EBD program includes unsubsidized affordable housing, which can be more difficult to access. Similarly, the guidelines call for culturally competent outreach, which includes translation and more extensive in-person engagement, adding cost. CBO's are often within the communities this program is hoping to help, it is important to pay them fairly and appropriately for their work.

The CEC may choose to increase the marketing and outreach budget in a number of different ways, but here are a few suggested methods:

- 1) Increase the administrative budget to 10%, similar to other programs
- 2) Include marketing and outreach into project-related costs since many other household/owner interaction tasks fall under project-related costs
- 3) Separate out marketing and outreach along with other tasks that will primarily fall under the CBO's purview into its own cost category
- 4) Streamline reporting requirements, by simplifying invoice requirements, to ensure more houses are spent on marketing and outreach than on processing complex invoices and timesheets for applications.

### **15% Retention**

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<sup>1</sup> [The Pathway Forward for Electrifying Multifamily Affordable Rental Housing](#). California Housing Partnership. September 2023

<sup>2</sup> [Financing Energy Savings through On-Bill Repayment](#). California Housing Partnership. March 2017

<sup>3</sup> [SOMAH Semi-Annual Expense Report](#). January 2024

Ensuring that the installations are done correctly and that the appliances work effectively are important. However, we recommend clarity on the 15% hold until the energy savings are verified. Specifically, would this impact the property owner, administrator, or contractor? It is very common for equipment to be underperforming in multifamily housing. This is often due to incorrect installation or tenants that are still familiarizing themselves with new equipment.<sup>4</sup> Energy savings might not be in full control of any specific entity. Similarly, even though the HOMES and the EBD program do not fund solar and storage, will installing solar or storage be accounted for in modeling or measuring utility savings? We have found that solar and storage can be the difference in whether there are or are not utility savings for certain types of retrofits.<sup>4</sup> This clarification will help with knowing what types of retrofits are possible.

We appreciate the CEC allowing us to comment on the solicitation for the EBD program, and we look forward to continuing working with you all on making this a successful program for low-income households in California.

Thank you,  
Andrew Dawson  
Policy Advocacy Manager  
California Housing Partnership

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<sup>4</sup> [Findings from the Los Angeles Affordable Housing Decarbonization Summit](#). California Housing Partnership. September 2023