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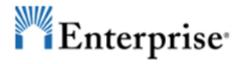
Comment Received From: Julia Branco

Submitted On: 6/29/2020

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## **Enterprise Community Partners Comment on the BUILD Implementation Plan**

Additional submitted attachment is included below.



June 29, 2020

To whom it may concern,

Enterprise Community Partners (Enterprise) is grateful for the opportunity to comment on the Building Initiative for Low-Emissions Development (BUILD) Program Implementation Plan presented at the CEC-CPUC Joint Agency Workshop held on June 15<sup>th</sup>, 2020.

Enterprise is a national nonprofit that develops technical and capacity building programs, advocates for policies, and delivers the capital to create and preserve affordable housing for low-income families. Our vision is that one day, all people – regardless of race, income, or zip code – will live in vibrant, inclusive communities. To realize our vision, we advocate for policy and housing delivery systems that are centered on racial equity and designed to effectively meet the individual and cultural needs of all people. Over the last 37 years, Enterprise has worked across California to invest \$4.2 billion through Low Income Housing Tax Credits, grants, and loans to provide residents with high-quality affordable homes and strengthening community-based resources. We also provide technical assistance and capacity building support to affordable housing developers, public sector agencies, and community-based organizations, which provides us with both an in-depth and wide-reaching look at opportunities and challenges for affordable housing across the state.

Since 2014, Enterprise has been deeply engaged in the development of the Affordable Housing and Sustainable Communities (AHSC) Program guidelines and has delivered extensive technical assistance to cross-sector applicant teams across California. We were deeply honored to be awarded a technical assistance contract by the Strategic Growth Council for Rounds 3, 4 and 5 to provide state funded AHSC technical assistance.

Enterprise is pleased that the funding for BUILD at \$60 million will help spur electrification of essential appliances in new deed-restricted multifamily affordable housing. This is an incredible opportunity for the affordable housing industry to take part in achieving the State's climate goals—especially as the cost of construction in California is at an all-time high. Given Enterprise's experience working with affordable housing developers at the intersection of affordable housing and climate resiliency, we would like to comment on the following:

<u>BUILD Program Outreach:</u> As a technical assistance provider for the State's AHSC program, we can attest to the value of technical assistance in helping to ensure that a complex and highly technical program achieves its policy goals equitably across the state. We therefore commend the CEC for issuing a request for proposal for a third-party technical assistance provider.

We understand the CEC is still considering whether stakeholder outreach will be conducted by a third-party technical assistance provider or through the Energy Commission. To ensure that affordable housing developers are comprehensively provided with information about the BUILD program and have equitable access to technical assistance for applying to the program, we strongly encourage the

CEC to elect to use a third-party technical assistance provider to conduct outreach. A recent study¹ by UCLA's California Center for Sustainable Communities found that many of California's clean energy programs disproportionately benefit wealthier homes. It is imperative therefore that the BUILD program ensure that low-income residents can also benefit from clean energy dollars by making certain that low-income developments have access to clean energy technologies. Using an outreach provider that has existing and comprehensive relationships with affordable housing developers is crucial to ensuring this outreach is successful. Furthermore, an outreach provider that is familiar with the affordable housing industry and its financing structures and requirements will help make this program successful among the deed-restricted multifamily affordable housing.

Available Funds: We understand that \$10 Million of the \$80 Million BUILD program budget has not yet been allocated. Through Enterprise's direct partnerships with developers, we've learned that affordable housing developers are committed to employing sustainable technology in new development. However, designing and maintaining all-electric developments is new to the affordable housing industry, carrying higher than usual soft costs that cannot be absorbed by developers with tight profit margins. Enterprise recommends that the additional \$10 million be dedicated to direct incentives to support affordable housing developers including paying for soft costs for designing all-electric developments, additional design or engineering assistance, complying with Title 24, and costs for commissioning and monitoring post project completion.

Thank you for your commitment to ensuring that affordable housing residents have access to clean energy technologies and for your consideration of these comments.

Sincerely,

Justine Marcus

State and Local Policy Director, Enterprise Community Partners

<sup>&</sup>lt;sup>1</sup> Fournier, E.D., Cudd, R., Federico, F. and Pincetl, S., 2020. On energy sufficiency and the need for new policies to combat growing inequities in the residential energy sector. *Elem Sci Anth*, 8(1), p.24. DOI: <a href="http://doi.org/10.1525/elementa.419">http://doi.org/10.1525/elementa.419</a>