



**CIC**

community investment  
corporation

# CIC Energy Efficiency Ideas

Illinois Energy Efficiency Stakeholder Advisor Group  
Joint with Income Qualified EE Advisory Committees

May 13, 2020

# Community Investment Corporation (CIC)

- CIC's mission is to be a leading force in affordable housing and neighborhood revitalization through innovative financing, programs, and policy leadership
- Founded 1974, not-for-profit 501(c)3
- Chicago's multifamily rehab lender
- Preservation of rental housing is the core business of CIC

## BY THE NUMBERS Since 1984

 **\$1.5 billion**  
loaned

**2,500**  
loans financed

**63,000**  
units rehabbed



homes for  
**157,000** low and  
moderate income people

# CIC Energy Savers

- Launched in 2008 as a strategy to preserve and improve affordable rental housing
- Partnership: Elevate Energy and Community Investment Corporation
- >\$29M CIC loans and grants
- 11,100 units in CIC financed buildings retrofitted

Less Gas.  
Less Water.  
Less Electric.  
More Savings.



# CIC Energy Efficiency Ideas

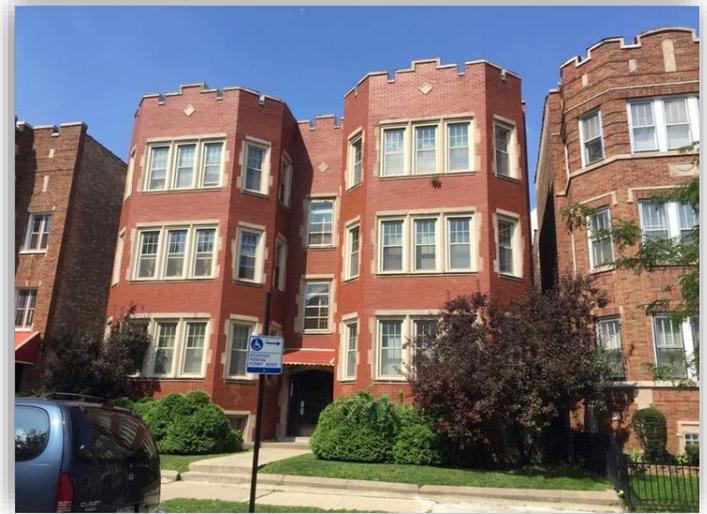
- **Additional Gas Funding – Income Eligible Multifamily Savings**
- **Portfolio Applications**
- **Targeted Multifamily Building Owner Outreach**
- **One-Stop-Shop: Multifamily Program Marketing**
- **One Stop Shop: Combining Incentive and Financing Programs**
- **Non-Owner Occupied 1 and 2-Unit Homes**
- **Affordable New Construction and Major Renovations: Incentivizing Above-Code Energy Efficiency**
- **Special mention: Determine IQ eligibility using the qualification methodologies that are the least burdensome and time-consuming for building owners**

# Additional Gas Funding – Income Eligible Multifamily Savings

- **Illinois Utility Impacted:** Nicor Gas (with ComEd)
- **Energy Efficiency Sector:** Residential Customers – Multifamily Income Qualified/Income Eligible
- **Description of Idea:** The jointly implemented ComEd/Peoples/North Shore program is highly successful and impactful for IQ customers in those service territories. For Nicor, however, fewer customers are served because of limited Nicor funding.
- **Funding:** Ensure that at least the minimum percentage spend on IQ MF from the last portfolio's stipulation agreement is met and maintained (at least 30% of IQ budgets should be spent on IQ MF).

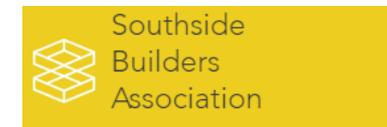
# Portfolio Applications

- **Illinois Utility Impacted:** ComEd, Peoples Gas & North Shore Gas, Nicor Gas
- **Energy Efficiency Sector:** Residential Customers – Multifamily Income Qualified/Income Eligible (**IEMS** and **Affordable New Construction**)
- **Description of Idea:** Allow streamlined application process for portfolios of similar buildings or project with multiple addresses in a complex.
- **Idea Impact:** Potentially 50% of current annual IEMS customers could benefit from streamlined applications.



# Targeted Multi-Family Building Owner Outreach

- **Illinois Utility Impacted:** ComEd, Peoples Gas & North Shore Gas, Nicor Gas
- **Energy Efficiency Sector:** Residential Customers – Multifamily Income Qualified/Income Eligible & Multifamily (non-income qualified/income eligible)
- **Description of Idea:** Enhance multifamily building owner customer outreach by targeting building owners. **Build relationships with neighborhood owners groups and industry associations** like Chicago Apartment Association and Chicago Association of Realtors.



# One-Stop-Shop: Multifamily Program Marketing

- **Illinois Utility Impacted:** All Illinois Utilities
- **Energy Efficiency Sector:** Residential Customers – Multifamily Income Qualified/Income Eligible & Multifamily (non-income qualified/income eligible)
- **Description of Idea:** There should be a one-stop-shop intake process that ensures that IQ customers are never routed to market rate programs.
- **Background:** Utility programs are siloed and run by separate implementers. There is no systematic inter-program referral process.

# One Stop Shop: Combining Incentive and Financing Programs

- **Illinois Utility Impacted:** All Illinois Utilities
- **Energy Efficiency Sector:** Residential Customers – Multifamily Income Qualified/Income Eligible (On Bill Financing Program)
- **Description of Idea:** Ensure that income qualified multifamily owners can combine incentives with on bill financing. Program participants should always complete retrofits with eligible utility incentives before financing.
- **Idea Impact:** There may be a relatively small number of multifamily participants that opt to layer financing with the incentive programs; however, it ensures that no IQ customer is routed to a market-rate financing program over an IQ program they qualify for.

# Non-Owner Occupied 1 and 2-unit Homes

- **Illinois Utility Impacted:** All Illinois Utilities
- **Energy Efficiency Sector:** Residential Customers – Single Family (non-income qualified/income eligible) & Residential Customers – Single Family Income Qualified/Income Eligible
- **Description of Idea:** Improve energy efficiency programs for non-owner occupied 1- and 2-unit homes.
- **Background:** One and two-unit homes are currently served by a variety of utility-funded and braided-funded programs including the Income-Eligible Single-Family and Illinois Home Weatherization Assistance Program (IHWAP). These programs are available exclusively to owner-occupants. However, in the ComEd service territory, an estimated 70% of units in two- to four-flat buildings are renter-occupied, while 30% are owner-occupied.
- **Implementation:** Building on the market research in the Emerging Technologies project, "Energy Efficiency in 2 Unit Buildings," program eligibility should be adjusted so that non-owner occupied one and two-unit are served.
- **Impact:** In last five years, CIC has financed more than 700 units of investor-owned properties in 1-4 unit sector. These buildings undergo major renovations and are either rented or sold to home owners, often without energy efficiency improvements.

# Affordable New Construction and Major Renovations: Incentivizing Above-Code Energy Efficiency



CHICAGOBUSINESS.COM

**Distressed properties hitting market on South Side**

After default, thousands of apartments are ripe for investors.

# Affordable New Construction and Major Renovations: Incentivizing Above-Code Energy Efficiency

- **Illinois Utility Impacted:** ComEd, Peoples Gas & North Shore Gas, Nicor Gas
- **Energy Efficiency Sector Targeted:** Residential Customers – Multifamily Income Qualified/Income Eligible
- **Description of Idea:** Enable energy efficiency programs to incentivize bringing vacant/distressed units to above-code energy efficiency.
- **Background:** Rehabilitating **vacant, distressed, and Class C apartments** beyond code can be cost-prohibitive without incentive or subsidy; however, many buildings do not qualify for the IEMS program due to free ridership. The Affordable Housing New Construction and Major Renovation program retains barriers to participation and is difficult to achieve for otherwise unsubsidized projects.
- **Implementation and Impact:** Adjusting timing and technical standards may be required to serve these customers. These properties are often either rehabilitated with no energy efficiency measures above code, or are lost to the housing market. This could affect several hundred additional units annually (CIC has tracked at least 205 units in the past two years).



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**Katherine Elmore**

**Program Manager, Energy Efficiency and New Business**

**312.870.9928 direct | 312.725.8067 cell**

**[katherine.elmore@cicchicago.com](mailto:katherine.elmore@cicchicago.com)**

**[www.cicchicago.com/energy-savers](http://www.cicchicago.com/energy-savers)**

**222 S. Riverside Plaza, Suite 380 | Chicago, IL 60606-6109**