

Illinois Energy Efficiency Stakeholder Advisory Group

Policy Resolution:

Income Eligibility Verification Guidelines for Electric Homes New Construction (EHNC) Program

Policy Issue:

The Electric Homes New Construction (EHNC) Program aims to support the development of all-electric, energy-efficient homes for households across ComEd territory. Verifying income eligibility in the context of new construction presents unique challenges, particularly when homes are not yet occupied, and traditional tenant-based verification methods are not feasible. To ensure that these challenges do not hinder participation or delay project timelines, the EHNC Program proposes multiple pathways for builders and developers to establish income eligibility. These pathways are designed to be efficient, minimally burdensome, and equitable—supporting timely delivery of incentives and ultimately opening a pathway for Income Eligible targeted offerings within the EHNC program.

Policy Resolution:

The following pathways are all acceptable ways to demonstrate income eligibility verification for projects completed in the EHNC program (including single-family and multifamily new construction). Each Program Administrator has the discretion to choose any of the following pathways:

1. Participation in an Affordable Housing Program. Automatic qualification for any property that can provide documentation of participation in a property-based federal, state, or local affordable housing program (~~agencies can also provide documentation on behalf of a property~~), for example: Low Income Housing Tax Credit (e.g., LIHTC), Housing and Urban Development (HUD), United States Department of Agriculture (USDA), State Housing Finance Agency (HFA), local tax abatement for low-income properties, etc.. Tenant-based programs (e.g., Housing Choice Vouchers) are excluded as they do not guarantee affordability at the development level.
2. Participation in the Weatherization Assistance Program. Submission of documentation showing ~~that the rehabbed~~ property is on the waiting list for, currently participating in, or has in the last five years participated in, the Weatherization Assistance Program.
3. Location in a Low-Income Census Tract. Location in a Census Tract identified by the Program Administrator as low-income. ~~As a starting point, the Program Administrator should use~~ using HUD's annually published "Qualified Census Tracts." HUD's Low-Income Housing Tax Credit Qualified Census Tracts. Developers must have fifty percent (50%) also demonstrate affordability through attestation of households with incomes below sixty percent (60%) of Area Median Income final sale price caps (≤120% AMI for for-sale units) or areas that have a poverty rate of twenty-five percent (25%) or more. However, the Program Administrator's target Census Tracts may be expanded or restricted based on additional analysis demonstrating that the change would long-term rent caps (≤80% AMI for rental units). A lease stabilization affidavit is recommended to ensure ~~that the majority of buildings treated would have tenant~~

~~retention for at least fifty percent (50%) of tenants with incomes at or below eighty percent (80%) of Area Median Income. For example, a Program Administrator may choose to target a higher percentage of poverty within their definition of a low-income Census Tract. three years.~~

4. Rent Roll Documentation. ~~Submission of Rehabbed projects may submit~~ rent rolls documenting that the median ~~rents~~rent charged by a ~~particular~~ property are at or below ~~eighty percent (80%)~~ of “HUD’s Fair Market Rent”, ~~as published annually by HUD, which is intended to define rents that are affordable to households with incomes at or below eighty percent (80%) of Area Median Income.~~ To ensure long-term affordability, developers should include provisions or commitments supporting preservation affordability for a minimum duration aligned with program goals.

5. Tenant Income Information. ~~Submission~~Pre-construction submission of tenant income information ~~showings~~shows that at least fifty percent (50%) of units are rented to households, meeting one of the following criteria: a. At or below two hundred percent (200%) of the Federal Poverty Level, or b. At or below eighty percent (80%) of Area Median Income.

~~6. Alternative Approaches for Income Eligible Verification for EHNC (including single family and multifamily new construction) Customers. Program Administrators may use alternative approaches to verify income where a Program Administrator can demonstrate that potential residents (including single family and multifamily new construction) building have incomes at or below 80 percent (80%) of Area Median Income and the verification process is less burdensome than individual tenant income certification. Program Administrators will employ the qualifications methodologies that are the least burdensome and time-consuming for building owners first and maximize the potential for and ease of participation in their Income Qualified multifamily Programs.~~