



SEEA

SOUTHEAST ENERGY EFFICIENCY ALLIANCE

How to Make Clean Energy Upgrades More Accessible to Renters

OUR MISSION

To optimize the use and impact of energy to enhance the quality of life in the Southeast.

OUR VISION

All people in the Southeast live and work in healthy and resilient buildings, utilize clean and affordable transportation, and thrive in a robust and equitable economy.

OUR VALUES



Take Initiative

We take responsibility for realizing a better quality of life in the Southeast.



Value Others

We seek, respect, and promote diverse perspectives.



Earn Trust

We pursue our work with benevolence, competence, and reliability.



Pursue Equitable Solutions

We recognize, acknowledge, and account for a history of prejudice and inequality in Southeastern communities.

OUR CORE SERVICES



Research



Facilitation



**Consultation &
Education**



**Program
Management &
Financial Services**

Stakeholder Recommendations for Reducing Energy Insecurity in the Southeast United States

HOUSING WORKING GROUP AND RECOMMENDATIONS

01

Improve housing codes and renter programs to lower energy costs without harmfully raising the costs of affordable housing.

02

Increase access to weatherization and clean technologies through in rental properties through existing home energy programs.

03

Utilize existing and encourage new electric utility appliance programs to overcome barriers to affording energy efficient appliances.

Today's Speakers



Duanne Andrade
Executive Director
*Solar and Energy Loan
Fund*



Solar and Energy Loan Fund, Inc.

Resilient, Healthy Communities for a Sustainable Future

Florida, Alabama, Georgia, South Carolina



Our Mission is to rebuild and empower underserved communities by providing accessible and affordable financing for climate resilient, energy efficient and clean energy projects that will help create healthy, resilient and sustainable communities for all.



Background

- **SELF was the First “Green” CDFI created in the Southeast**
- SELF was created in Florida by St. Lucie County with a \$3 million seed grant from the U.S. Department of Energy (DOE).
- SELF was founded with a vision to jump start the clean energy economy by providing low-cost capital to stimulate green jobs while helping homes reduce energy costs, build resilience and reduce carbon footprint.
- To date SELF has deployed over \$30 million in over 2,800 home improvement projects; and has leveraged \$100million in total project value to create over 500 new affordable housing units.

A scenic landscape featuring a calm lake in the background, a green picnic table in the foreground, and a large tree with red flowers on the right. The text is overlaid in the center.

**Until recently, SELF was the
only Green Bank in the
Southeast, and is still the only
green CDFI in the nation.**

VISION

Our vision is to play an integral role in advancing climate equity in the SE United States by working with private and public and non-profit partners and creating viable programs that will help LMI communities transition to a thriving clean energy economy that will ensure a sustainable future for generations to come.



SELF's Triple Bottom Line Impact Model

SELF's is a Triple Bottom Line Impact Model seeking to advance Social, Economic and Environmental Justice for LMI Communities, through access to flexible and innovative capital to advance affordable, low-carbon, resilient housing

The need to scale investments in resiliency, energy efficiency and low-carbon housing in the Southeast

- The Southeast is the most vulnerable region to severe weather events including hurricanes, extreme heat, and sea level rise.
- More people are cost-burdened in the South than in any other part of the country. **More than a1/3 of households have trouble paying their energy bills.**
- The Southeast has the lowest average FICO scores, and the highest rates of underbanked populations
- **High energy and home insurance bills disproportionately impact low-income households and communities of color**



SELF FILLS CAPITAL GAPS BY OFFERING LOAN PROGRAMS FOR:



Homeowners: Unsecured loans for upgrades to single-family and small multifamily properties.



Landlords: Unsecured Energy Efficiency and Resiliency Rehab Loans for Affordable Rental & workforce housing



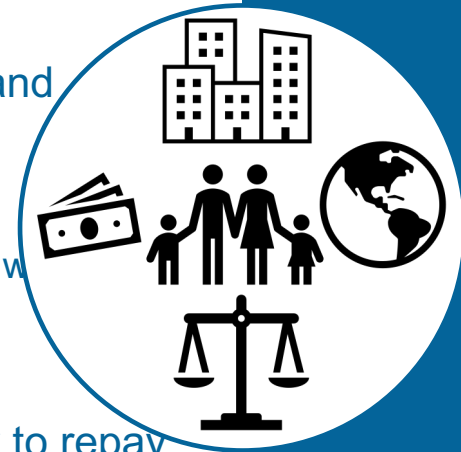
Developers: Predevelopment and Construction Gap Funding for Green Affordable Housing



Contractors: Working Capital loans through Partner CDFI (NDC).

How are SELF Loans Different From Traditional Lenders?

- **Mission-driven loans with a focus on climate equity**
 - SELF loans help LMI residents reduce energy burdens, increase access to insurance and improve health and quality of life
- **Loans that foster Green Jobs**
 - Pre-vetted contractor network to help support green and minority contractors and businesses
- **Loans focused on Consumer Protection**
 - Project Management to ensure quality work and compliance with codes.
- **Loans that advance Financial Inclusion**
 - Unsecured home improvement loans based on ability to repay can help repair or build credit
- **Loans for inclusion of BIPOC and Novice Housing developers.**
 - Construction, Predevelopment, mezzanine loans for BIPOC and novice affordable and workforce housing developers with Green building Technical assistance and training.



Results and Impacts



**\$30 MILLION DEPLOYED IN
UNSECURED LOANS FOR
>2,800 PROJECTS
BENEFITTING >7,000
RESIDENTS**



**7,000 RESIDENTS
ACHIEVED HEALTHIER,
AFFORDABLE, RESILIENT
HOMES**



**77% CLIENTS BENEFIT
FROM CREDIT REBUILDING
AVERAGE CREDIT SCORES:
50% < 640
27% < 600**



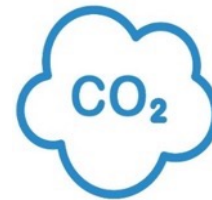
DEFAULT RATE < 2%)



**\$4.6 MILLION IN NEW
AFFORDABLE HOUSING
LEVERAGING \$100 MILLION IN
TOTAL INVESTMENT AND OVER
300 NEW AFFORDABLE
HOUSING UNITS**



**FINANCIAL INCLUSION
74% LMI CLIENTS**



**CARBON REDUCTION AND
ENERGY SAVINGS**

- **25% AVERAGE SAVINGS ON ENERGY BILLS.**
- **1,700 METRIC TONS OF CO2 AVOIDED; 193,408 GALLONS OF GASOLINE SAVED.**



**29,000 JOB HOURS
CREATED**

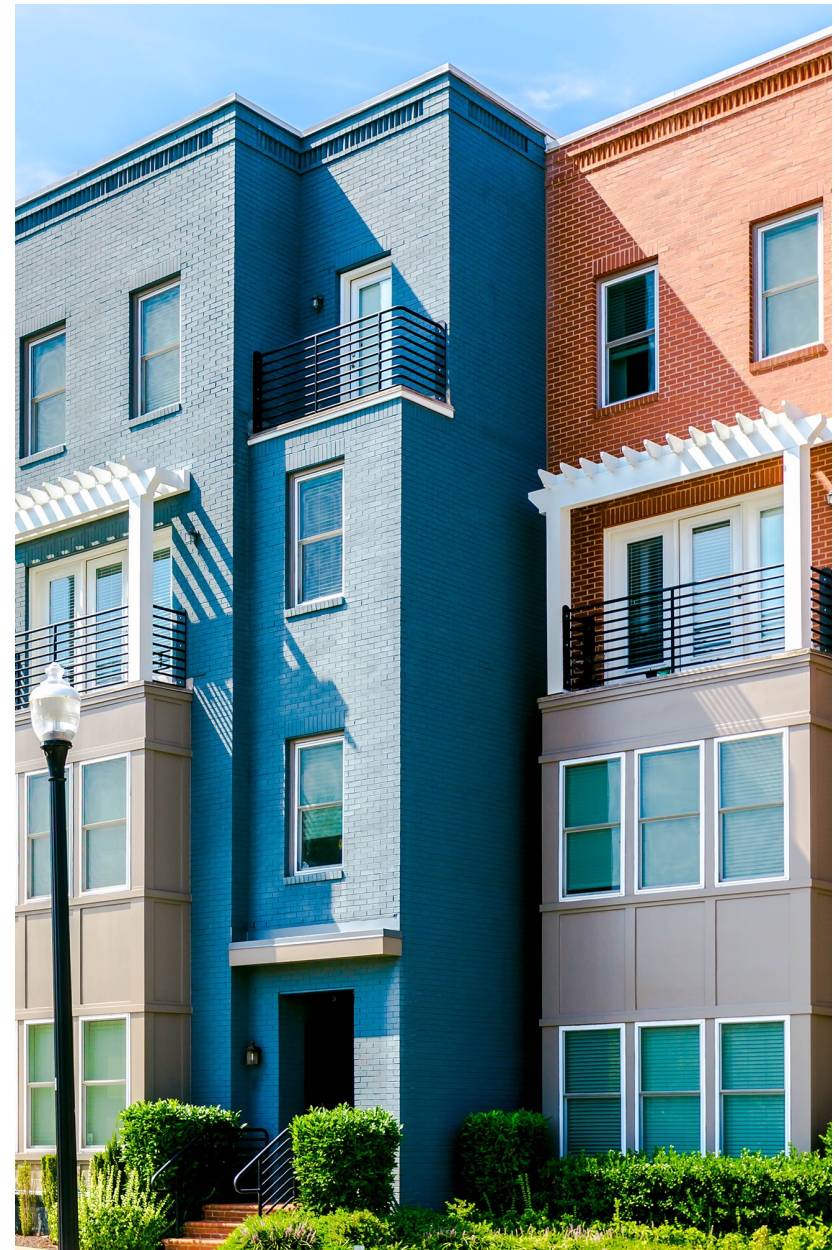
Leveraging Capital and Resources: Customized Programs & Public- Private Partnerships

- SELF partners with local governments, housing authorities and non-profits to help create and preserve resilient, energy efficient, affordable housing.
- SELF is an implementation tool for climate equity and resiliency goals.
- SELF customizes programs with local government and community partners to fit needs.
- SELF **leverages** local government resources and raises blended impact capital to deploy in local communities.



“Cracking the Nut” on How to
Expand Benefits of Energy
Efficiency and Climate Resiliency
upgrades for Renters.

The “Green Homes” Atlanta Housing Program with SELF SEER Loan Program



Goal: Create Innovative Solutions to systemic Problems

Addressing the "Split Incentive" issue.

The Atlanta Housing –SELF Partnership created an innovative pilot to provide landlords with a **rent- boost incentive** to invest in energy upgrades and reduce the energy burden for low-income renters with Housing Choice Vouchers (HCV).

INCENTIVES for landlords + Solutions to capital for energy upgrades

SELF designed a flexible "SEER" unsecured loan with monthly repayments below the "Rent Boost.

Landlord Rent Boost	=	\$175
SELF Loan Repayment	=	<u>\$173</u>
Net Cash flow (+)	=	\$2

Key areas of focus:

- Making access to "rent boost" easy with easy access to capital.
- Keeping investment cash flow positive with rent boost
- **Measuring:** Auditing method by AH to gauge energy savings investments (Methodology developed with South Face)

Incentivizing maximum energy efficiency investments

1. **Atlanta Housing** designed tiered rent boost to motivate investments that would achieve 25% reduction in energy costs.
2. **SELF** designed Loan to be paid by rent boost.

Tiered Rent Boost

Bronze : Approx. 10% energy savings (LED; low flow water appliances and others)

Rent Boost: \$50



Silver: Approx. 15% energy Savings

Rent Boost: \$75



Platinum: Min 25% savings (including high efficiency AC/ Heat Pump)

Rent Boost: \$175

Energy Efficiency and Resiliency Loans for Landlords to Upgrade Rental Homes to Reduce Energy Burdens for Low Income Tenants



SEER Loan for Landlords

Unsecured loans to help landlords make energy efficiency upgrades on affordable housing rental units.

SEER (Sustainable, Energy Efficient Rental) loans help reduce the utilities costs for low-to-moderate income residents, make homes healthier with better air quality, and stabilize communities with lower tenant turnover.

Teaming up with Atlanta Housing to expand access to energy efficiency improvements



Impacts of SEER MF Rehab Program

- **For Residents-**
 - Reduced Energy burden.
 - Goal: Reduction of 25% in energy bills.
 - Residents will benefit from increased health and quality of life in home
- **For Landlords:**
 - Increased equity in the property and a guaranteed repayment source from the loan with the rent boost.
 - Unsecured nature of the loan does not tie up financial ability to grow their business
- **For Contractors/ businesses:**
 - SELF focuses on recruiting minority and BIPOC contractors to do the projects.
 - Contractors gain access to low-cost capital with **NO dealer fees** to expand their businesses into other communities.



Questions?

Future Webinars Topics	Future Webinar Dates
Working Group: Awareness and Community Engagement	January 25th
Working Group: Housing	March 15th
Working Group: Utility Solutions	April 12 th , 1-2 pm
Working Group: Data Access and Improvement	Early May
Working Group: Systemic Change	End of May
Working Group: Programs and Access to Financing	End of June

Upcoming Events

Learn more at seealliance.org/events



October 25–27
Atlanta, GA

SEEA

FREE MEMBER EVENT

Join us for our first ever
Member Meeting!

HOSTED BY

TVA EnergyRight

HUNTSVILLE UTILITIES
ELECTRICITY • NATURAL GAS • WATER

June 22-23
Huntsville, AL

Thank You



SMART ENERGY. STRONG ECONOMY. FOR ALL.

WWW.SEEALLIANCE.ORG



Results and Lessons Learned

- The Atlanta Housing has retrofitted over 340 units with the Rent-boost Program.
- SELF has only financed 3 of these (!!)
- **Lessons Learned**
 - Program was launched in late 2021 as rents and housing costs soared.
 - No need for any additional effort to obtain rent boost as market rates rose and rents were adjusted regardless of upgrades.
 - SELF was unable to directly access landlords in the AH, HCV program due to government entity limitations to 'share' their landlord information.
 - Heavy reliance on AH to promote SELF's financing piece and too much caution/ limitations to do so (red tape).
 - The program has no way of locking in the units in affordability. Upgrades will benefit renter for one year while lease is in place with HCV, but after, the landlord may seek to take advantage of market and place unit out of affordability having benefitted from program.
 - The program is replicable, scalable and can lead to more positive results with greater access to landlord database and shared marketing.

A pair of hands is shown holding a small, colorful globe of the Earth. The hands are positioned as if cradling the globe, with fingers gently gripping it. The globe shows various continents in green and yellow, and oceans in blue. The background is a warm, out-of-focus brown. Overlaid on the left side of the image is white text.

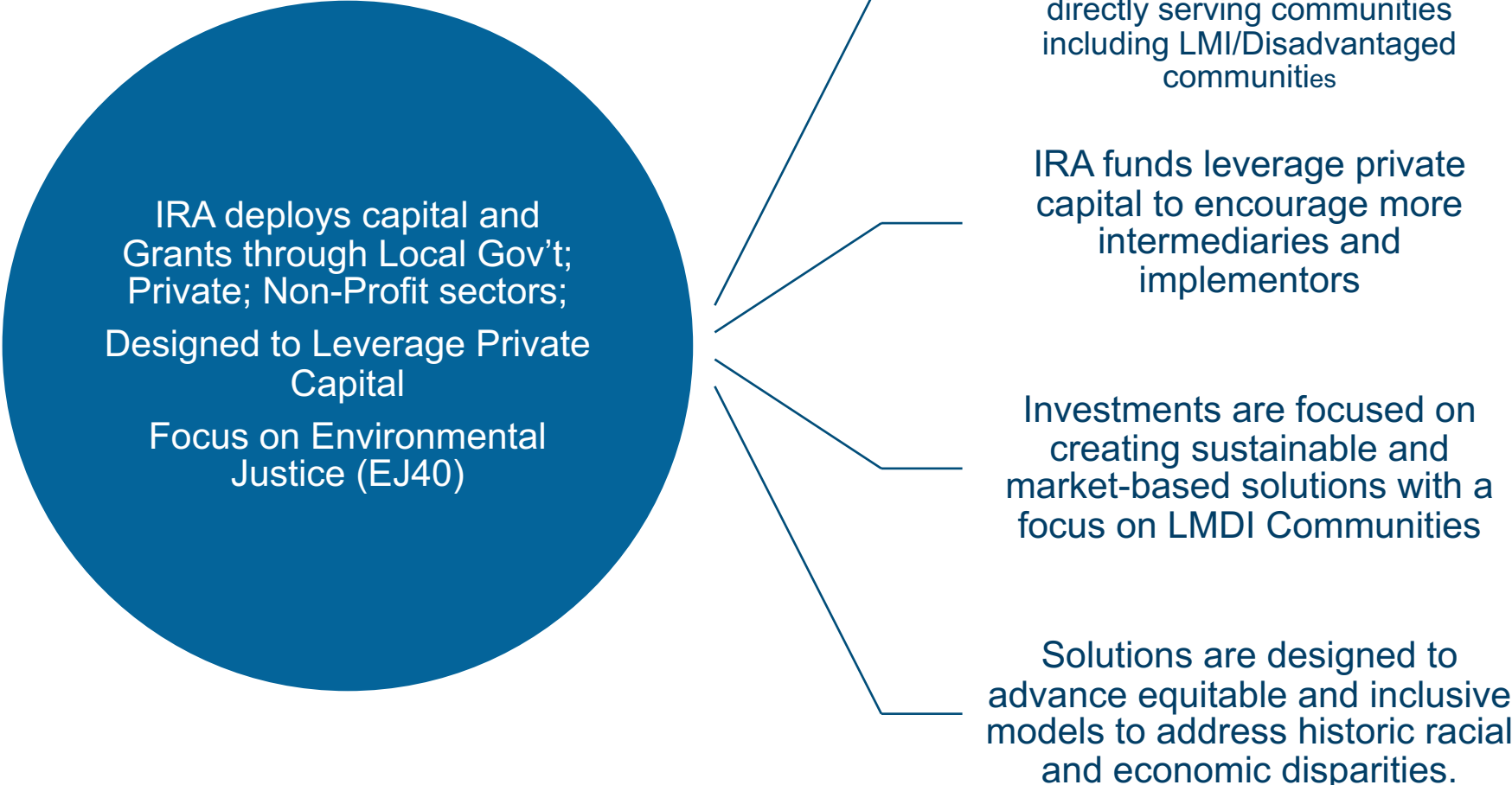
**IRA Green House Gas
Reduction Fund (GHGRF)
THE HISTORIC OPPORTUNITY
TO ADVANCE CLIMATE GOALS
WITH EQUITY AND INCLUSION**

IRA – Inflation Reduction Act \$393.7 billion

Breakdown of Funds:

- **Investments** through tax credits that will catalyze private investment in clean energy, transport, and manufacturing to support resilient, low carbon communities.
- **Grants** Deployed through local community organizations to ensure Low Income and Disadvantaged populations access critical capital to advance climate equity, financial inclusion and social justice.
- **Direct Pay**, is available for Non-Profits to help Low to Moderate Income communities and residents access the benefits of the 30% Investment Tax Credit (ITC), allowing for broader access to solar energy.

How IRA works as Catalytic Capital



IRA deploys capital and Grants through Local Gov't; Private; Non-Profit sectors; Designed to Leverage Private Capital
Focus on Environmental Justice (EJ40)

The diagram features a large blue circle on the left containing the text 'IRA deploys capital and Grants through Local Gov't; Private; Non-Profit sectors; Designed to Leverage Private Capital' and 'Focus on Environmental Justice (EJ40)'. Four lines extend from the right side of this circle to four separate text blocks on the right, detailing the IRA's focus areas.


CDFIs; Green Banks; Credit Union Networks; Community Based Organizations; Developers; Academic organizations and others directly serving communities including LMI/Disadvantaged communities

IRA funds leverage private capital to encourage more intermediaries and implementors

Investments are focused on creating sustainable and market-based solutions with a focus on LMDI Communities

Solutions are designed to advance equitable and inclusive models to address historic racial and economic disparities.

Green House Gas Reduction Fund (GHGRF)

- **\$27 billion** to **mobilize** and **leverage** private capital for GHG emission reduction.
 - **Focus** on Low-income and disadvantaged community
 - **Goals:**
 - Strengthen Capacity of ecosystem
 - Accelerate transition to an equitable Net zero economy
 - Catalyze jobs of the future.
- 
- \$7 billion for States, Tribes and Municipalities and eligible No-profits. Focus on Solar.
 - \$20 billion to eligible non-profit entities who will deploy capital and facilitate technical assistance and capacity building to strengthen the ecosystem of community- based intermediaries.

Green House Gas Reduction Fund (GHGRF)

An Opportunity to scale equitable investment in carbon reducing projects across the nation

Deployment

GHGR funds will **catalyze** and **leverage** billions to help transition ALL communities to an equitable, clean energy economy.

Through an ecosystem of community focused intermediaries, funds will leverage public, private and philanthropic capital that will flow to communities both rural and urban.

40% of funds will be invested in Low and moderate disadvantaged communities.

- Green Banks
- CDFIs
- Credit Unions
- Developer, Contractor, and Regional Networks
- Community Based Organizations and more.

IRA Opportunities to address energy burdens for renters

- IRA funds will create more incentives for landlords to make Energy upgrades.
- For multifamily property owners, the IRA bill offers a large chunk of funding and incentives for building upgrades—with:
 - \$9 billion for consumer home energy rebate programs & 10 years of tax credits for clean and energy-efficient home improvements.
 - Property owners will also benefit from workforce training programs for the jobs required to implement retrofits and a widened domestic supply chain.
- Multifamily property owners who want to retrofit their existing properties can access [\\$4.3 billion via rebates for energy-efficiency purchases](#).
- Owners can also receive an additional 30 percent credit for implementing solar power and geothermal heating over the next 10 years.
- Funding is available for upgrades in affordable housing units, including energy storage, electrification, improved air quality, energy efficiency and water conservation.

<https://retrofitmagazine.com/the-inflation-reduction-act-opportunities-for-multifamily-property-owners-and-managers/>

■ IRA Incentives for Energy Efficiency Investments in Homes

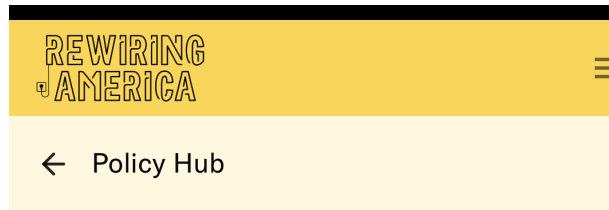


space heating and cooling, up to \$2,000.

The **New Energy Efficient Home credit**, or 45L, has received a substantial boost, providing up to \$5,000 to developers to build homes that qualify for the Department of Energy's Zero Energy Ready Homes standard. This applies to new single family, multifamily and manufactured homes, as well as existing homes that undergo a deep retrofit.

25C Residential Energy Efficiency Tax Credit and 25D Residential Clean Energy Tax Credit →

The 25C and 25D tax credits incentivize household electrification by lowering the total cost of qualified electrification upgrades. 25C provides a capped 30 percent tax credit for air-source heat pumps, heat pump water heaters (HPWHs), qualifying electrical panel upgrades, select weatherization measures, and energy audits. 25D provides an uncapped 30 percent tax credit for rooftop solar, battery storage, and geothermal heat pumps.



The **Commercial Buildings Energy Efficient credit**, or 179D, has been significantly expanded, offering \$2.50 to \$5.00 per square foot for businesses achieving 25 to 50 percent reductions in energy use over existing building performance standards.

In addition, \$30 billion is available as a **production tax credit** to accelerate U.S. manufacturing of solar panels, wind turbines, batteries and critical minerals processing in the U.S., and another \$10 billion is allocated as an **investment tax credit** for building new facilities that manufacture these technologies.



8. One billion dollars for affordable housing

The **Improving Energy Efficiency and Water Efficiency or Climate Resilience in Affordable Housing (formerly known as the GREAH Act)** includes \$1 billion in grants and loans for retrofit projects that advance building electrification, improve energy and water efficiency, and more in affordable housing.

<https://www.rewiringamerica.org/ira-fact-sheets>

SELF Loan Programs

An example of how Community Lenders work in Private-Public Partnerships to Leverage and Maximize Benefits of the IRA

How IRA + Private non-profit work together in Real Life for Hurricane Disaster Recovery



- SELF Client suffered severe storm damage. Home was deemed uninhabitable
- Roof repair price: \$18,000
- FEMA funds available: \$5,000
- **Gap: \$13,000**
- Client Income: Low-moderate
- Credit score: ZERO “0”
- Insufficient savings
- Unable to access credit.
- SELF’s mission driven loan program provided him with unsecured, low-cost loan with repayments based on ability to repay.
- **Homeowner saved his home; was able to access insurance again; increased equity and financial inclusion**

S2S- Water Quality and Environmental Preservation Loan Programs (On Bill Financing)

Public funds: \$200,000
SELF Private Funds: \$2million



Martin County Septic to Sewer Loan

Sign up for Martin County Utilities (MCU) Septic-to-Sewer (S2S) Conversion Program today
and receive an automatic \$1000 discount and the option to apply for a fixed 10 year,
\$85/month payment plan through SELF!



SELF Green Home Loan Program

Innovative Loan Programs for LMI and low-credit score homeowners that will Leverage IRA tax benefits and and rebates.



SELF has leveraged Public Funds 16:1 through the home improvement program

SAGE HOMES LOAN PROGRAM

Flexible, Low-Cost Predevelopment and Construction financing + Technical Assistance Green Affordable Housing Developments led by Black and other minority Developers



**\$3 million Housing Innovation Grant
grant by JP Morgan Chase & Co**

Leveraging \$50+ million in new housing development.

Solar + Battery Emergency Response Resiliency Project

Local Government- Philanthropic-Community Partnership

GIBSON PLAZA

COOL ROOF AND PROPOSED
SOLAR PANEL LAYOUT



THE LEON LOWENSTEIN
FOUNDATION



- Leon Lowenstein Foundation Grant Funds \$200K
- Leveraged by Miami Dade County
- \$500k
- Solar Ready Roof
- Rooftop Solar PV + Battery Storage



RESILIENCY HOME IMPROVEMENT LOANS

Based on Ability to Repay- Not on Credit Scores

A photograph of a woman with short curly hair and glasses, wearing a pink shirt, smiling broadly. She is surrounded by four young children of African descent. One child is holding a small white dog. They are all smiling and looking towards the camera. The background shows a window with a grid pattern.

Climate Resilience – Roof Loans
Pamela Turner: U.S. Veteran; Single Mother
<500 Credit Score
Roof Loan
Impacts: Health, Safety, Quality of Life, Climate Resilience, Financial Inclusion

Other Key IRA Provisions for LMI and Disadvantaged Communities

Office	Total	Description
DOE	\$8.9B	<ul style="list-style-type: none"> - Up to \$14,000 in upfront discounts for electrification and efficiency projects - Rebates for energy efficiency and electrification upgrades in LMI single-family and multi-family buildings with more than 50% LMI occupants
EPA	\$39B	<ul style="list-style-type: none"> - \$27B for non-profit financing institutions. Roughly 1/3rd for LMI and disadvantaged communities - Grants and TA funding for community-based nonprofits to pursue climate justice - Funding to reduce air pollution at schools, ports, and from diesel emissions
HUD	\$1B	<ul style="list-style-type: none"> - Direct loans for affordable housing projects implementing: resource efficiency, low-emission technologies, climate resilience
BIA	\$422M	<ul style="list-style-type: none"> - Tribal electrification, home retrofits, and climate resilience
FHA	\$3B	<ul style="list-style-type: none"> - Roughly 1/3rd of funding for LMI and disadvantaged communities to remediate pollution and improve walkability, safety, and affordable transportation access
USDA	\$11.7B	<ul style="list-style-type: none"> - Financial assistance for rural electric cooperatives and small businesses to afford renewable energy and energy efficiency improvements
IRS	Tax Credits	<ul style="list-style-type: none"> - Tax credits for single-family, manufactured, and multi-family homes meeting efficiency standards (\$2,500 for EPA's Energy Star; \$5,000 for DOE's Zero Energy Ready Homes) - Tax credits for clean energy generation and storage in low-income communities

THANK YOU

**Maria Duanne Andrade : Executive Director
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