



USING EECBG FUNDS FOR GREEN PRESERVATION of AFFORDABLE HOUSING:

By June 25, state and local governments must submit plans to the Department of Energy on how they propose to use their allocated Energy Efficiency and Conservation Block Grant (EECBG) funds. The American Recovery and Reinvestment Act (ARRA) created this new funding stream for localities and states in order to implement strategies that reduce fossil fuel emissions, improve energy efficiency and create jobs. While there's flexibility in using these funds, focusing on energy retrofits of affordable multifamily homes achieves several objectives.

Why Emphasize Multifamily Housing?

- **Reduce Greenhouse Gas Emissions.** Improving energy efficiency in affordable housing decreases consumption of fossil fuel-based energy. An ENERGY STAR qualified home emits 4,500 less pounds of greenhouse gas emissions each year.
- **Meet DOE Priorities.** The Department of Energy is encouraging grantees to develop programs that link energy efficiency efforts to long-term priorities including community stabilization and poverty reduction. In addition, DOE is urging grantees to use these funds to leverage private investment.
- **Reduce the Energy Burden of Low Income Families** There is a programmatic void in the area of energy retrofits of multifamily housing. By excluding multifamily buildings from green retrofits, cities miss the opportunity to create healthier homes for low-income residents. Households living in multifamily buildings are predominantly low-income (over 70%), and over a quarter of these households are living below the poverty line^[1]. An average low income family spends 20% of their income on energy costs.
- **Create Green Jobs.** Deploying the funds for multifamily will quickly produce much needed green jobs.
- **Preserve Affordable Housing.** Using EECBG funds could help fill financing gaps and preserve much needed affordable rental housing while leveraging private investment to improve housing conditions. Energy efficiency improvements will decrease operating costs and help stabilize rents.

By targeting EECBG funds to green retrofit multifamily buildings, cities will improve the quality of life and increase savings for many low-income residents, improve neighborhood conditions, decrease operating costs and create green jobs, all while reducing energy demand.

How can this be done?

The [City of Chicago plans](#) to use Energy Efficiency and Conservation Block Grant (EECBG) and State Energy Program (SEP) funds to support implementing geothermal systems in affordable housing and for a pilot ESCO program working with multifamily low-income housing developers.

New York City plans to use EECBG funds to create a revolving loan fund that will provide money to large multifamily buildings (50 units or more) that are in financial distress to retrofit their building.

^[1] ACEEE Multifamily PDF - <http://aceee.org/energy/national/multifamily.pdf>
"low-income" = earning less than \$40,000 and "below poverty" = earning less than \$20,000