

# Housing Innovations in Energy Efficiency (HIEE) Program

Eighth Stakeholder Advisory Group and Public Meeting

September 13, 2021

10:30 am – Noon

# Agenda Outline

- I. Welcome and introductions
- II. Stakeholder Advisory Group – Roll call
- III. DHCD staffing and updates since May meeting
- IV. Proposed meeting schedule and public input process
- V. Advisory Group input and feedback
- VI. Public comments
- VII. Virginia Center for Housing Research analysis
- VIII. Wrap up and adjourn

## Updates Since May Meeting

- June 2, 2021 – Second RGGI auction for VA compliance entities; net \$22.6m in program funds
- July – Agreements with weatherization agencies established; Weatherization Deferral Repair program launched
- September 1 – HIEE requirements webinar for affordable housing project development teams
- September 8 – Third RGGI auction (**net proceeds not established yet**)
- September 14 – ASNH how-to-apply webinar
- October 31 – Fall ASNH application round
- December – Stakeholder Advisory Group meeting

# Workgroups

- Historically Economically Disadvantaged Communities (HEDC)
  - Met June 22 and July 26
    - July 26 Presentation from VHRC on GIS mapping with focus on energy burden data and analysis
  - Next meeting September 27
- Energy Efficiency and Energy Data
  - Met June 23 and consulted on Sept. 1 HIEE requirements webinar in July/Aug
    - Obtaining data on post-occupancy energy use is challenging for many reasons
  - Next meeting September 17 (Friday)

# Stakeholder Advisory Group transition

- Purpose of group was to advise DHCD early on in terms of HIEE structure and funding into operational phase: this has been successful and DHCD is grateful for your commitment of time and expertise
- Final quarterly meeting of this group will be scheduled in Q4 (likely early Dec.)
- Transition in 2022 to twice-yearly HIEE public meetings, open to all interested parties
- Timing: Spring/Summer 2022 (after General Assembly session)
- Purpose: Review proposed FY'23 adjustments to funding allocations; DHCD will share outcomes and updates

## Stakeholder Advisory Group transition

- Spring/Summer 2022 - Proposed allocations posted on HIEE webpage for review and comments/written feedback prior to meeting date
- Spring/Summer 2022 – Reconvene for stakeholder discussion and input on FY '23 allocations and feedback on programs
- As with other programs at DHCD, all HIEE funding opportunities will be publicly announced and each program funded with HIEE funds will have separate guideline development process

# Fiscal Year '21 HIEE allocations

<b>HIEE Component</b>	<b>FY '21 - % HIEE allocation</b>	<b>Net revenue (\$21.7m from March 2021 auction)</b>	<b>Actual Allocation (total \$21.1m)</b>
Weatherization Deferral Repair Program	60%	\$13.0m	\$15.2m
Affordable and Special Needs Housing Program	40%	\$8.7m	\$5.9m
Housing Innovation Partnerships Grants	0%	\$0 m	\$0

Fiscal Year 2021 is July 1, 2020 – June 30, 2021



# Fiscal Year '22 allocation percentages

<b>HIEE Component</b>	<b>FY '22 - % HIEE allocation</b>	<b>Projected revenue (\$55 m from Q2-Q4 2021 &amp; Q1 2022 auctions)</b>
Weatherization Deferral Repair Program	30%	\$16.5 m
Affordable and Special Needs Housing Program	60%	\$33 m
Housing Innovation Partnerships (HIP) Grants	10%	\$5.5 m

Fiscal Year 2022 is July 1, 2021 – June 30, 2022

**Q2 2021 (June 2) net was \$22.6m; DHCD will create programs with the projected \$55 million revenue and use any additional revenue above these amounts to allocate to programs with the most demand at DHCD's discretion**



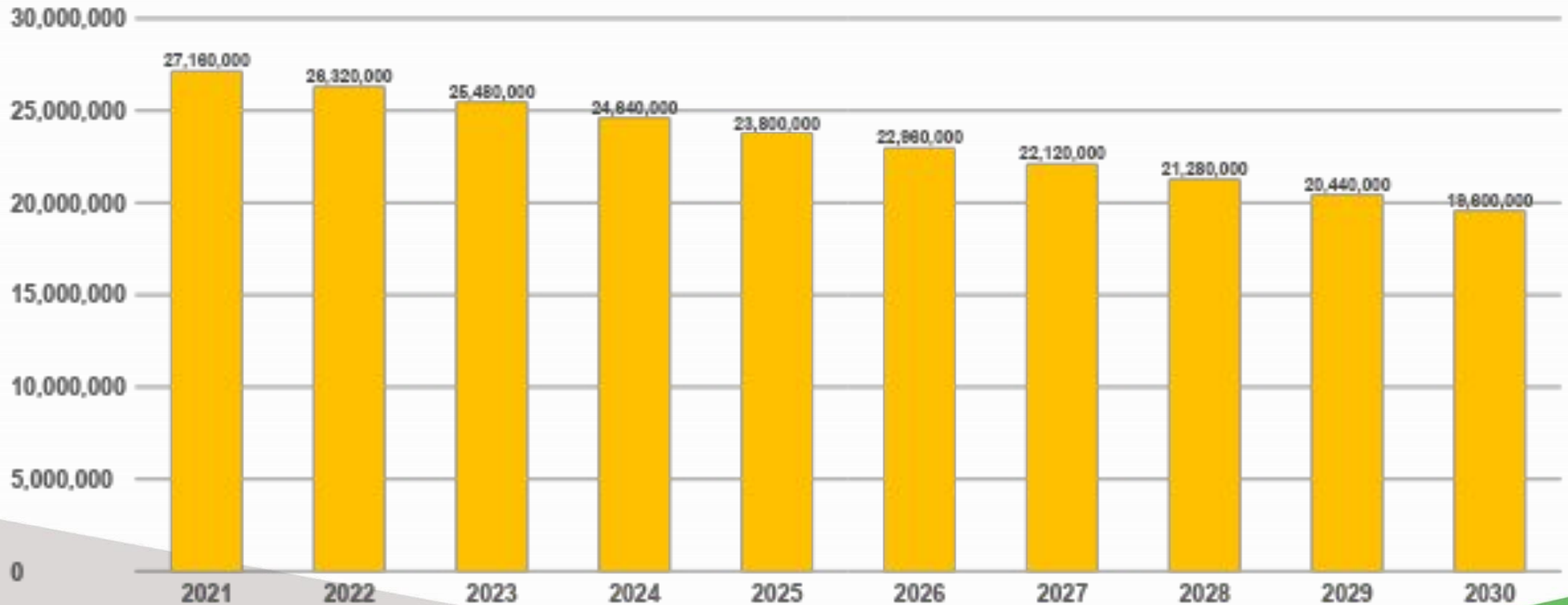
# RGGI – Allowance prices over time



Image source: US EIA from RGGI.org data

# Virginia Yearly CO<sub>2</sub> Allowances

VIRGINIA TRADING RULE YEARLY EMISSION BUDGETS



# ASNH – April and October funding rounds

## April 2021

- \$7.2m in HIEE funds requested across 14 projects (out of \$8.7m available)
- \$5.9m HIEE funds obligated over 11 projects; 705 units to be produced or preserved meeting HIEE requirements

## October 2021

- \$27m in HIEE funding available; how-to-apply webinar tomorrow (Sept. 14)
- Includes 60% of June 2 and projected Sept. 8 revenue (~\$42m) plus \$2m carryover from Spring round
- HIEE funds will be available up to 10% of total construction costs, up to \$2m

# Weatherization Deferral Repair (WDR) program

- All 17 weatherization agencies are participating and have active WDR agreements with DHCD
- \$15.2m in FY '21 HIEE funds requested, encompassing 1,064 homes/dwelling units; program has been operating since mid-July
- 30 projects approved in CAMS to date; \$440,000 total value; jobs are starting to complete and remittances submitted
- Ramp-up time: agencies do not have to spend all HIEE funds in program year one, but need to show reasonable progress
- Performance pool – Additional HIEE funds available to be added to agreements if agencies spend all funds down

# Weatherization Assistance Program Updates

- October 5 - Association of Energy Conservation Professionals (AECOP) Peer Exchange
  - Focus will be on Weatherization Deferral Repair program launch and discussing any operational issues
- New weatherization provider will be sought for service area covering Brunswick, Lunenburg, Mecklenburg and Nottoway counties (current Telamon service area)



# Advisory Group Input and Discussion

## I. FY '23 allocation percentages – Input on allocation plan

- DHCD plans to develop programs based on allocation plan percentages tied to the \$55m projection and reserves right to move allocations or pilot new ideas based on demand for each program and availability of additional funds.

## II. Housing Innovation Partnerships (HIP) grant program

- Fall 2021 – Proposals for deep energy retrofits for affordable housing in HEDCs (up to \$5.5m)
- Spring 2022 – Planning and capacity-building grants (up to \$5m)

# VA Center for Housing Research - Updates

- I. Energy Analysis - Predictive energy modeling for HIEE program savings and GHG emissions reductions
- II. GIS – Use of mapping tools to identify communities with high energy burdens; geo-locate projects receiving HIEE funds on map; develop “package” so that DHCD staff can readily update



## Next Steps

- Review September 8 RGGI auction results
- Polling to schedule Workgroup meetings and December Advisory Group meeting
- ASNH Fall round applications due October 31
- Coordination with other agencies on RGGI annual report (due Jan. 1, 2022)

# Upcoming HIEE presentations

- Council of State Community Development Agencies ([COSCDA](#)) national conference – September 28
- [Viridiant](#) – Building Sustainability virtual conference – September 29
- [Virginia Housing Alliance](#) (VHA) Housing Credit conference – October 1
- [Governor's Housing Conference](#) – November 10-12