



Updating Middle Neighborhood Housing Stock for Energy Efficiency and Climate Resiliency

The National Middle Neighborhoods Community of Practice

Middle Neighborhoods Initiative

A **National Initiative** focused on mobilizing attention to reverse the disappearance of middle neighborhoods through decline or gentrification. The initiative does this through

- A **Community of Practice** that facilitates peer-to-peer learning among middle neighborhood practitioners. The CoP connects more than 400 practitioners, policymakers and researchers to each other through webinars, events, case studies, newsletters, and virtual site visits.
- **Research** into topics relevant to middle neighborhood practitioners and policymakers.
- **Policy analysis and advocacy** around housing, lending and other community development issues.
- **Communications** strategies to advance awareness and technical knowledge among a wide variety of audiences.

The initiative is coordinated by the **National Community Stabilization Trust** and **NeighborWorks America** and is advised by a **Steering Committee** of 20 prominent researchers, practitioners, and policy makers.





Characteristics of Middle Neighborhoods

- Mostly single-family homes built for families with children.
- Still well more than 50% owner-occupied, but slowly eroding.
- Housing stock is aging, still in generally acceptable condition, but often lacks features and updates to compete well for today's homebuyers.
- More racially, ethnically and economically diverse.

Click [here](#) to learn more about defining Middle Neighborhoods

Refresh Your Map Zoom Questions or feedback? Type in location GO

Your Map

Map Satellite

Choose a 2014-2018 layer to display

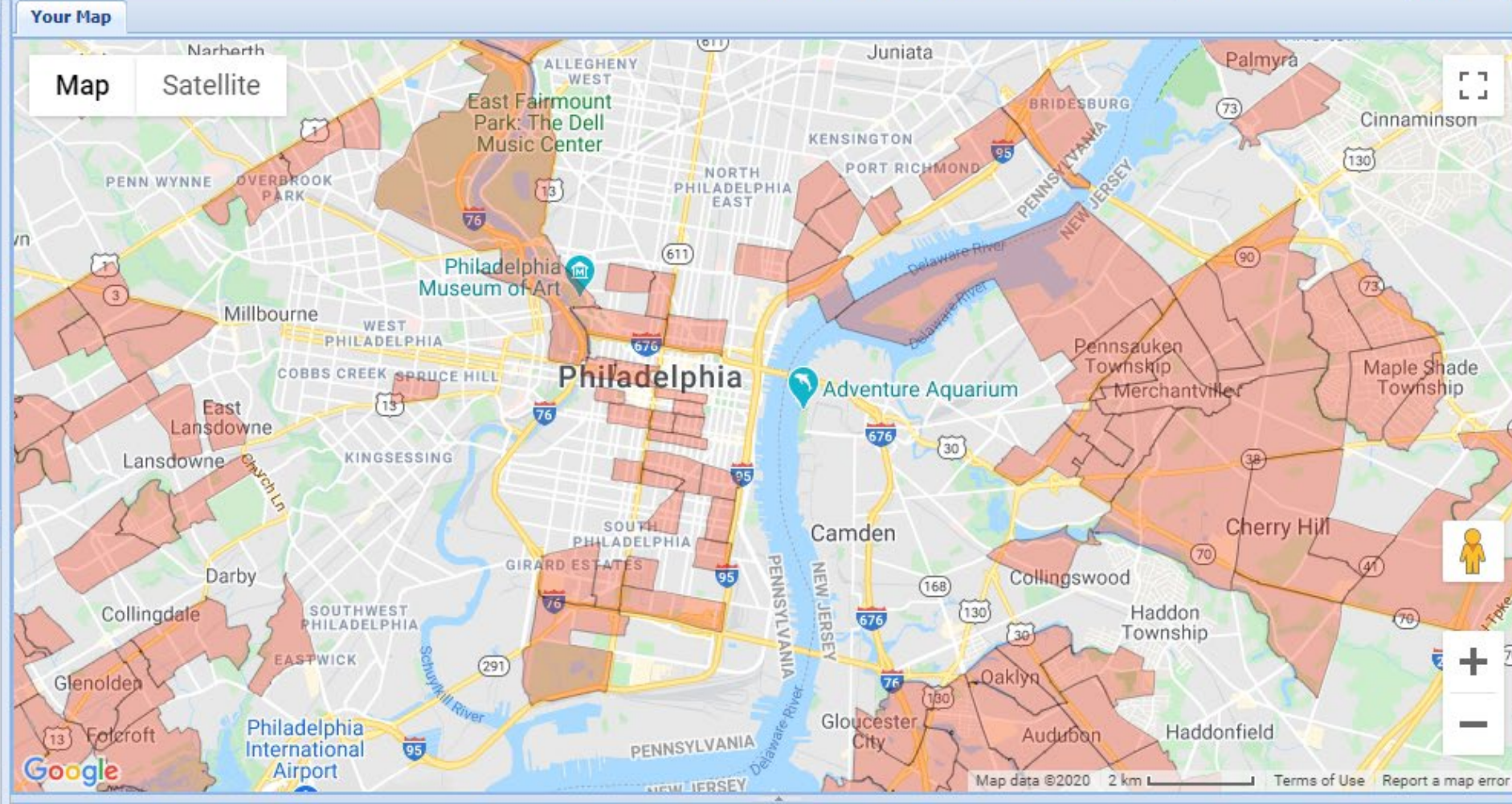
- 2018 City Test 1: 60-100% CMI
- 2018 City Test 2: 80-120% CMI
- 2018 National Test 1: 60-100% NMI
- 2018 National Test 2: 80-120% NMI
- 2018 Regional Test 1: 60-100% AMI
- 2018 Regional Test 2: 80-120% AMI
- 2018 Regional Test 3: 100-160% AMI

Choose a 2006-2010 layer to display

- 2010 City Test 1: 60-100% CMI
- 2010 City Test 2: 80-120% CMI
- 2010 National Test 1: 60-100% NMI
- 2010 National Test 2: 80-120% NMI
- 2010 Regional Test 1: 60-100% AMI
- 2010 Regional Test 2: 80-120% AMI
- 2010 Regional Test 3: 100-160% AMI

MSAs

- Panama City, FL Metro Area
- Parkersburg-Vienna, WV Metro Area
- Pensacola-Ferry Pass-Brent, FL Metro Area
- Peoria, IL Metro Area
- Philadelphia-Camden-Wilmington, PA-NJ-DE-MD Metro Area
- Phoenix-Mesa-Scottsdale, AZ Metro Area
- Pine Bluff, AR Metro Area
- Pittsburgh, PA Metro Area
- Pittsfield, MA Metro Area



Displaying census tracts with median household incomes between 80 and 120 percent of regional/MSA median (\$69,465), or \$55,572 - \$83,358

Speaker

Eric Hangen

- CEO, iSquared Community Development
- Senior Research Fellow and Faculty at University of New Hampshire
- Faculty at NeighborWorks Training Institute

Agenda
12:00 – 1:30 PM

- Welcome and Introductions
- Presentation by Eric Hangen
- Audience Q&A
- Closing

Updating Middle Neighborhood housing stock for energy efficiency and climate resiliency



Photo provided by Clean Energy Credit Union. Clean Energy CU is a member of the [Inclusiv](#) network of Community Development Credit Unions.



Your Presenter- Eric Hangen

- Senior Fellow, Center for Impact Finance, University of New Hampshire
- Principal, I Squared Community Development Consulting
- Over 25 years of experience working in community development with CDCs, CDFIs, NWOs
- Board member, US EPA Environmental Finance Advisory Board

New federal legislation

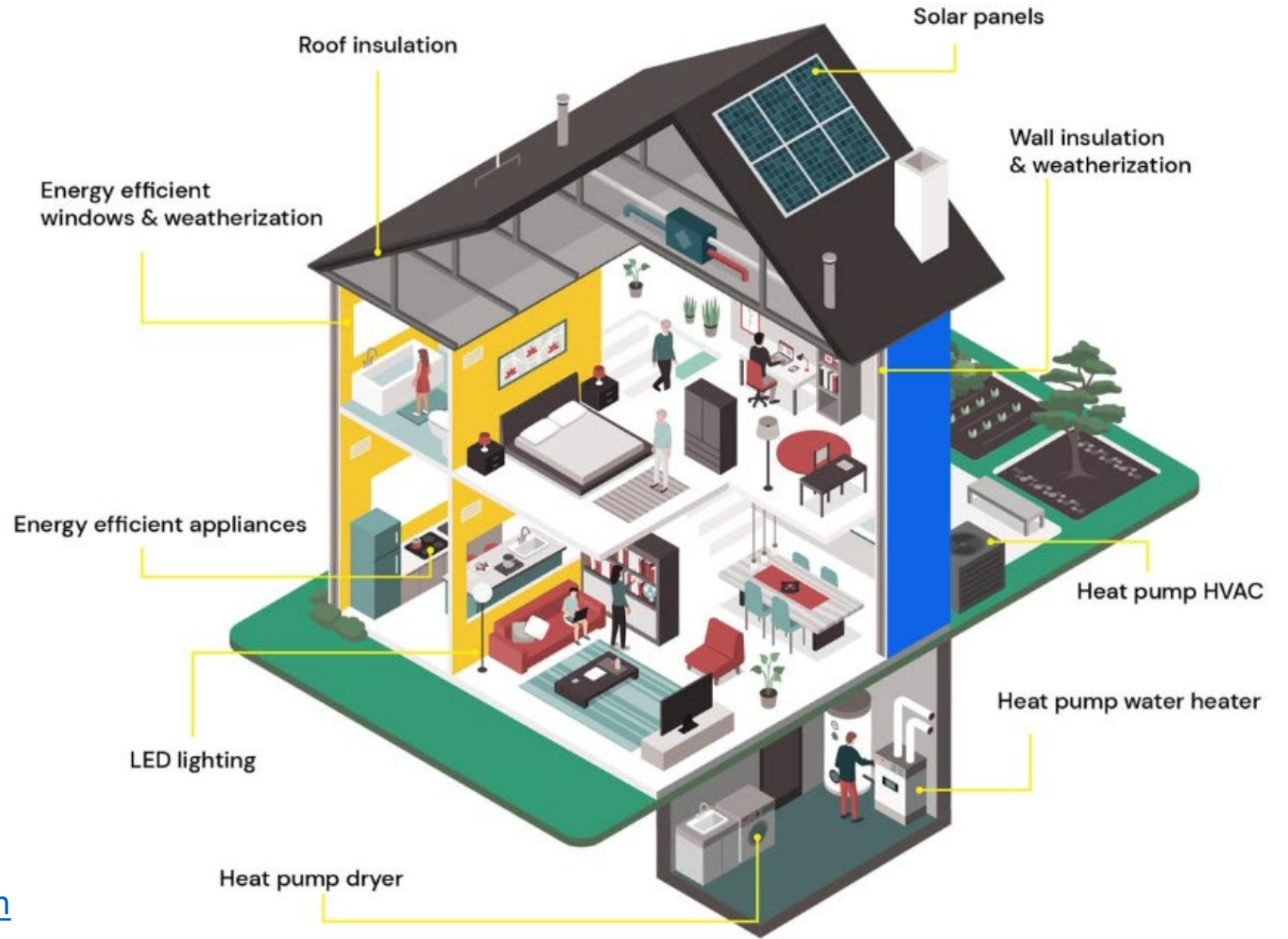
- Inflation Reduction Act (IRA): provides at least \$400 billion in climate funding, with a heavy emphasis on climate mitigation
 - Over 30 programs with a significant community development connection, including tribal, rural, and agriculture programs
- Bipartisan infrastructure bill: many programs with emphasis on climate adaptation, and with a community development connection
- “Justice 40” commitment that at least 40% of benefits go to low-income and underserved communities
 - Substantial set-asides or deeper incentives for programs and projects in these communities

Rewiring America Benefits Calculator: <https://www.rewiringamerica.org/app/ira-calculator>

Introductions

- Your name and organization
- One question / thing you'd like to get out of this webinar

An efficient, decarbonized home



Source: [Maine Climate Action Plan](#)

Opportunities to promote social equity through climate mitigation

- Energy cost savings
- Health benefits
- Energy and climate resilience
- Community wealth building
- Workforce development / strengthen local economy



Photo provided by Clean Energy Credit Union. Clean Energy CU is a member of the [Inclusiv](#) network of Community Development Credit Unions.

Energy cost savings

- Investing in energy [efficiency can reduce cost burdens](#) for low-income households by an average of 25 percent.
- [ACEEE](#) finds that deep retrofits can cut a home's energy use by 58% to 79% while reducing emissions by 32% to 56%.
- Studies estimate that home electrification can save households an average of [\\$1,800 per year](#) in energy costs.
- In many states low-income homeowners can save even more money through rooftop solar or [community solar](#); solar costs less than 1/3 what it did in 2009
- Save on gas costs through location efficiency



Photo credit: Inclusive Prosperity Capital (IPC). IPC's [Smart-E](#) platform has helped over 60,000 homeowners in 3 states with home energy retrofits.

Health benefits

- Energy retrofits can have important [health and safety benefits](#), including reductions in chronic illnesses and respiratory health conditions as well as improved general health.
- [Home electrification](#) has particularly large benefits in this regard, by removing gas stoves and furnaces
- Other [health and safety](#) issues that energy retrofits may address include removal of old vermiculite insulation, replacing knob and tube wiring, repairing leaky roofs, and lead paint abatement.



Climate resilience

- Opportunity to provide reliable access to energy even after storms and blackouts
- [Barrio Eléctrico](#): affordable rooftop solar & storage leases for vulnerable families in Puerto Rico
- Opportunity to help homeowners identify and mitigate their home's vulnerability to climate events like flooding, wildfires, drought



Community wealth building and empowerment

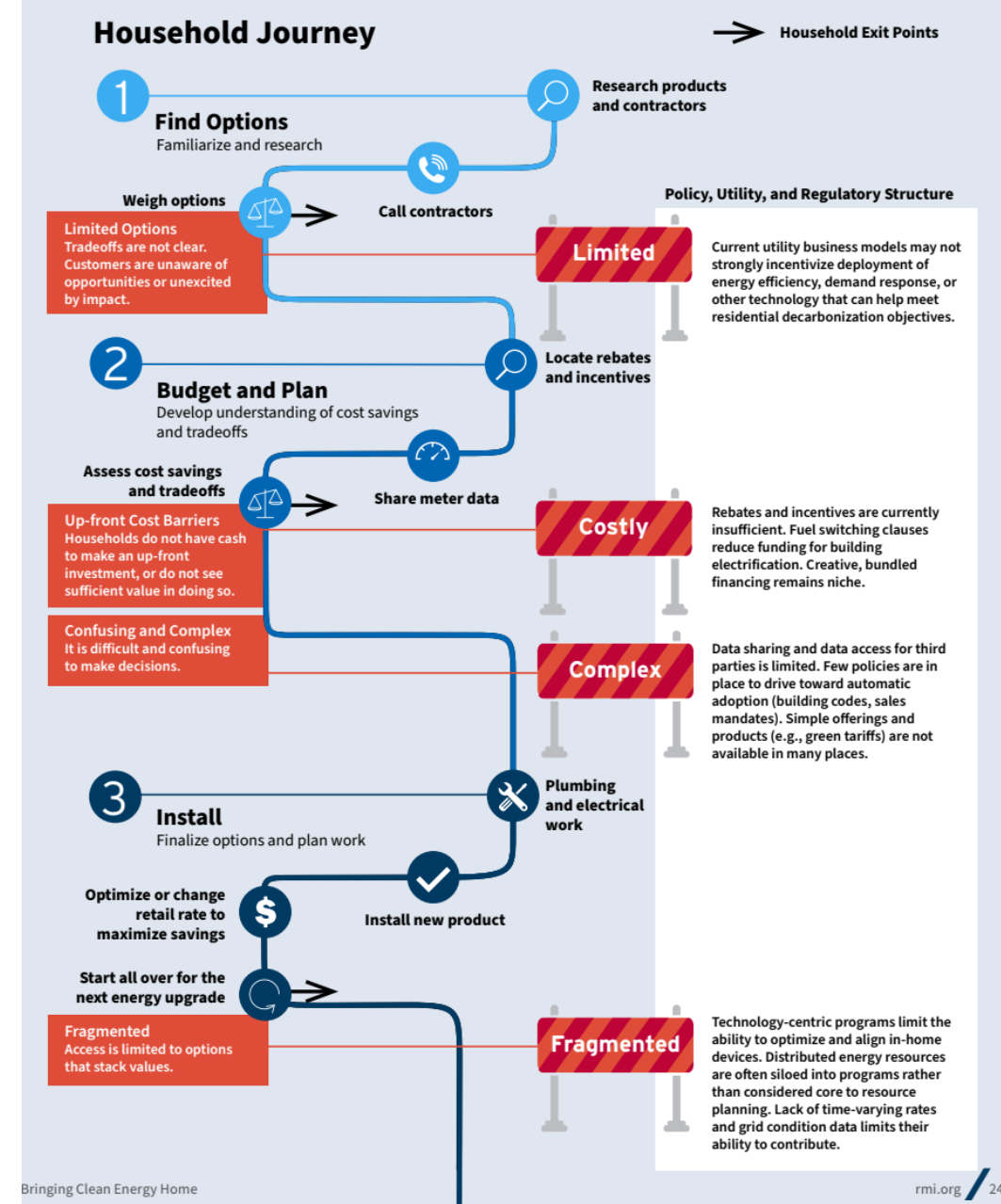
- Community ownership models, e.g. community solar cooperatives, could help [communities build wealth](#) through clean energy, rather than having returns extracted by outside investors
- [Cooperative Energy Futures](#) – establishes member-owned cooperatives that own community solar gardens
- Solar United Neighbors and other groups help with “solarize” campaigns – save on rooftop solar through group purchasing
- Energy efficiency improvements can help increase the resale [value of homes](#)



Photo credit: Cooperative Energy Futures website.
Cooperative Energy Futures has developed 6.9 MW of low-income-accessible community solar arrays.

Why climate mitigation policymakers need you

- Pace of home energy retrofits needs to increase 25x in order to meet climate goals (ACEEE)
- Billions of dollars now programmed to help make this happen
- Massive need for community outreach and education
- Homeowners need a trusted advisor to navigate the process of:
 - Knowing whether their home needs energy improvements and which ones to prioritize
 - Finding and managing contractors
 - Accessing financing, incentives and rebates



Q&A

- Questions or comments?
- What mission and business motivations for engaging in climate mitigation (reducing carbon pollution) or climate resilience have been central for your organization?
- Use chat or raise hand and unmute

Opportunities for linking Neighborhood Revitalization and Homeownership Programs with Climate Equity



Pre-purchase education and counseling

- Evaluate how location will impact drive times, commuting costs, and resale value
 - Housing and Transportation Affordability Index
 - WalkScore
- Evaluate how home energy efficiency will affect cost of ownership
 - Utility usage information
 - Energy Star rating or HERS rating
 - Plan for home energy audit / integrate energy into plans for home improvements
 - Understand opportunities for solar (eg roof shading, south-facing roof space, roof age)
- Evaluate climate risks and resiliency, e.g.
 - Flood zones
 - Fire risks
 - Water efficiency
 - Ability to withstand high winds
- Talk with Home Inspection partners about whether and how they look at energy issues

Post-purchase education and counseling

- Screen homeowners for energy-related issues:
 - Home feel drafty?
 - Struggling with utility bills?
 - Age of home?
 - Type and age of HVAC systems; using heat pumps or heat pump water heaters?
 - Ever had an energy audit?
- Inclusiv (community development credit union network) has developed a tool for its network financial counselors to use
- Link homebuyers and homeowners to existing efficiency and solar programs
 - Local utility programs
 - Local weatherization programs and contractors
 - Your [State Energy Office](#)

Information resources for homeowners

- EPA Energy Savings Hub: <https://www.energy.gov/save>
- DOE Energy Saver page: <https://www.energy.gov/energysaver/energy-saver>
- Rewiring America:
 - Guide to Inflation Reduction Act for homeowners: <https://www.rewiringamerica.org/IRAGuide>
 - Savings calculator: <https://www.rewiringamerica.org/app/ira-calculator>
- Energy Sage (helps homeowners learn about efficiency and solar): <https://www.energysage.com/energy-efficiency/>
- Get solar help or find a community solar project with Solar United Neighbors (SUN):
<https://www.solarunitedneighbors.org/>
- Homeowners can get free advice and content on reducing their carbon footprint with Canopy Climate:
<https://canopyclimate.com/for-homeowners>
- Find out if your roof is good for solar: <https://sunroof.withgoogle.com/>
- Get a remote home electrification assessment using your phone: <https://www.zerohomes.io/>

Home repair and improvement programs

- Opportunities to integrate energy improvements into standard home rehab and repair programs
- NeighborWorks of Western Vermont “HEAT Squad”:
 - Homeowners can access a low-cost energy “assessment” (audit), financing, help getting rebates, and quality assurance working with vetted contractors - all from a trusted Home Energy Advisor
 - Community-based marketing and outreach
 - The program also supports contractors with training and financing
 - Program has helped over 2,000 Vermonters, saving them an average of \$1,000 per year in energy costs.
 - Third-party evaluation showed nearly a 50% improvement in the likelihood of low-income homeowners getting energy retrofits
 - <https://www.heatsquad.org/>



Neighborhood revitalization and community engagement programs

- Street tree plantings
- Green stormwater management projects
- Transit-oriented development; neighborhood walkability / bikeability
- Small business development opportunities
- “Green guides” to promote buildings efficiency and other green consumer choices
- Community-led “sustainable neighborhood” plans
- New Kensington CDC Sustainable 19125 [overview](#) and [case study](#)



Q&A

- Questions or comments?
- How are climate-related issues currently integrated into your homeownership and neighborhood revitalization programming?
- Use chat or raise hand and unmute

Funding resources

DOE Rebate Programs for home energy improvements

- \$8.8 billion total funding
- Will be administered through [State Energy Offices](#)
- Serve both single- and multi-family units
- Link to program page: <https://www.energy.gov/scep/slsc/home-energy-rebate-programs>
- New [DOE Office of State and Community Energy Programs](#) (SCEP) will oversee these programs along with weatherization, workforce training, building codes TA, and other efficiency programs

DOE Rebate programs

Hi-efficiency electric home rebate

- Get rebates in exchange for installing certain measures
- 100% of costs for households under 80% AMI
- 50% of costs for households between 80-150% of AMI
- Maximum rebate about of \$14,000 per household
- \$ also capped by measure: e.g. up to \$8,000 for heat pumps, up to \$1,750 for heat pump water heaters, \$4,000 for a new breaker box...
- \$500 per unit fee for “aggregator” entities including nonprofits, contractors
- More info on ReWiring America: <https://www.rewiringamerica.org/policy/high-efficiency-electric-home-rebate-act>

HOMES rebate program

- Get rebates based on modeled or actual improvement in energy performance
- For households < 80% of AMI, rebate of 80% of project costs, up to \$8,000 per unit if modeled energy savings are 35% or more
- **No income limit**; 50% of project costs up to \$4,000 for all other households
- \$200 per unit administrative fee for “aggregator” entities including nonprofits, contractors
- More info on ReWiring America: <https://www.rewiringamerica.org/app/ira-calculator/information/whole-home-energy-reduction-rebates>

Section 25C “Energy Efficient Home Improvement Tax Credit”

- 30% tax credit for home energy efficiency improvements
- Up to \$2,000 annually for heat pumps and heat pump water heaters
- Plus up to another \$1,200 annually for other energy improvements like insulation, air sealing, efficient doors and windows, energy audits
 - Labor costs to install not included for insulation, doors and windows
 - Certain limits (e.g. credit only goes to \$250 per door, \$600 total for windows)
- Maximum of \$3,200 in credits per year, but no lifetime limit
 - Could split up a project over 2+ years to get more total credits
- Credits run through 2032
- Can be combined with the DOE Rebate programs!
- Not refundable
- No income limits
- For existing homes only
- For more details see [IRS Fact Sheet 2022-40](#)

Section 25D “Residential Clean Energy Tax Credit”

- 30% tax credit for rooftop solar, solar water heating, geothermal heating systems, residential-scale wind, battery storage...
- Credits run through 2034
- No dollar limit
- No income limits
- For both new and existing homes
- For more details see [IRS Fact Sheet 2022-40](#)
- Not refundable. For low-income solar, consider rooftop solar leasing or power-purchase-agreement (PPA) programs, or community solar programs, where allowed
 - Can utilize another solar tax credit, Section 48, with special “adders” for serving low-income communities

EPA Community Change Grant

- Competitive grants for community-based organizations (or CBO's in partnership with local gov't's or institutions of higher education)
- \$2 billion in funding
- All activities must benefit "disadvantaged" communities as EPA will define
- Eligible uses:
 - Investments in "low and zero-emissions" technology
 - Climate resiliency
 - Mitigating heat islands
 - Reducing indoor air toxins
 - Air pollution monitoring / prevention
 - "Facilitating engagement of disadvantaged communities" in public processes
- Link to EPA [Community Change Grant program home page](#)

EPA Greenhouse Gas Reduction Fund

Open to qualified nonprofit lenders, states, local governments, tribes:

- \$7 billion Solar for All Fund
 - 60 applications funded
 - Rooftop and community solar
 - Focused on low-income communities

Open to qualified nonprofit lenders only:

- \$6 billion “Clean Communities Investment Accelerator” Fund (CCIA)
 - 2-7 “hub” applications will be funded
 - Hundreds of community lenders will be funded in turn by these hubs
 - For buildings decarbonization, solar & storage, and EVs in LMI communities / individuals
- \$14 billion “National Clean Investment Fund” (NCIF)
 - 2-3 applications will be funded
 - May serve a range of incomes

Website: <https://www.epa.gov/inflation-reduction-act/greenhouse-gas-reduction-fund>

EPA Thriving Communities Technical Assistance Centers (TCTACS)

- Funded 17 Technical Assistance Centers across the US with \$177 million of Climate Justice Block Grant money
- Training and capacity building to help community-based organizations navigate federal funding
- Support for community engagement, meeting facilitation, translation
- Hotlines / referral services for technical assistance
- Website: <https://www.epa.gov/environmentaljustice/environmental-justice-thriving-communities-technical-assistance-centers>

EPA Climate Pollution Reduction Grants

- \$5 billion program
- Planning grants were made to 46 states, DC, Puerto Rico (\$3 million each), ~80 MSAs, 80+ tribes have received planning grants.
- Plans due March 1, 2024, competitive grants for the implementation of these plans due around April 1, 2024
 - General competition: grants between \$2 and \$500 million
 - Municipalities covered by a CPRG plan can apply
 - Tribal grants \$1 to \$25 million
- Opportunity for community developers to get involved in their state planning processes and partner with others
- Website : <https://www.epa.gov/inflation-reduction-act/climate-pollution-reduction-grants>

Climate –related funding for neighborhood engagement and revitalization

- USDA [Urban and Community Forestry](#) grants, \$1 billion
- DOT [Reconnecting communities](#)
- \$4.5 billion in flood mitigation \$ through the Bipartisan Infrastructure Law – [FEMA BRIC and Flood Mitigation Assistance](#)
- EPA [Clean Water Revolving Fund](#) - \$13 billion (can be used for green infrastructure)
- [EV Charging](#) Infrastructure

Suggested next steps for you

- Learn about your state climate action planning process
- Get to know your state energy office
- Talk to homeownership services, home rehab, and neighborhood engagement / revitalization staff about the opportunities
- Track programs that interest you on the appropriate federal agency websites
- Get to know the TCTAC in your region
- Get to know the state of housing conditions in your neighborhood – look for data on home energy use, eg with your utility

Where to learn more?

Training and information resources to take the next step

Information resources: home energy audits

- Building Performance Institute — residential energy audits and energy audit certification: <https://www.bpi.org/>
- RESNET — energy audit certification: <https://www.resnet.us/>

Training resources

- University of New Hampshire training series:
 - Solar Lending Professional Training
 - Upcoming course in Green Home and Consumer Lending
 - <https://carsey.unh.edu/center-for-impact-finance/education-and-trainings>

Thank you!

Upcoming Events

OCT TBD

Supporting DIY Home Improvements for Best Results

OCT 18: Engagement Chat (Noon, ET)

Finding Leaders in Your Community or Using AI to Engage with Residents (contact Ann with ideas)

Questions: anndipetta@gmail.com

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Center for Community Progress

Check out: The Cornerstone Webinar Series

Thank you for
joining us!

Please email us if you have ideas for webinars, case studies, news stories, etc.

Tell us about your experience today!

JOIN US!
**The Middle Neighborhoods
Community of Practice
(CoP)**

The Middle Neighborhoods CoP is an informal, facilitated network of practitioners, researchers and policymakers engaged in revitalizing middle neighborhoods. CoP members share learnings through topical webinars, referrals, site visits, phone calls, and occasional larger group events.

There are currently more than 400 people in the CoP. Please join us!

middleneighborhoods.org

