



# Residential GHG Reduction Pilot Program

Presented to City Council on October 24, 2017

CITY OF  
**LONG BEACH**

# Background

- On May 9, 2017: City Council requested a report on how to promote and encourage the use of Energy Efficient Mortgages (EEM) and other home energy efficiency financing options
- On July 27, 2017: status update provided
- Pilot program proposed to educate home buyers on their energy efficiency financing options during the 2018 calendar year

# What is an Energy Efficient Mortgage (EEM)?

- Home buyers, or refinancing home owners, automatically qualify for 5-15% of their home value added to their mortgage loan to finance energy efficiency improvements
- This 5-15% can also be used to purchase a home that is already energy efficient
- This program has existed since 1980, but a lack of awareness and education, has lead EEMs to be vastly underutilized

# Potential Benefits of Energy Efficiency

- Long Beach has an aging housing stock, with 80% of owner-occupied units built before 1970
- Older buildings have large potential energy savings through upgrades
- Upgrades provide an average of 25% savings on energy bills
- Upgrades also create healthier indoor environments with cleaner air and better climate control
- Upgrades create economic dividends through job creation
- Greenhouse Gases (GHG) are also reduced, helping to meet state and local GHG reduction goals

# The Residential GHG Reduction Pilot Program

In partnership with local nonprofit Green Education Inc.:

- Provide a series of 5 workshops during the 2018 calendar year in locations spread throughout Long Beach
  - Workshops will cover Energy Efficient Mortgages, other energy efficiency financing options, and rebates/grants that can be paired with financing
- Market workshops to local home buyers, and conduct in person outreach to Long Beach employers
- Utilize prizes and giveaways to encourage attendance
- Follow up with workshop participants to evaluate program performance and energy savings

# Financial Impact

- The budget for this pilot program is \$40,000 and would be funded through the Gas & Oil Department's Cap-and-Trade GHG reduction funds
- This budget will provide for a 1 year pilot program including:
  - Marketing campaigns and materials produced by staff
  - Green Education Inc. services conducting in-person outreach and teaching 5 workshops
  - Monitoring and evaluation of the pilot program