Housing Innovations in Energy Efficiency (HIEE) Program

Third Stakeholder Advisory Group and Public Meeting

January 26, 2020
10:00 am – 12:00 pm
Department of Housing and Community Development is committed to creating safe, affordable and prosperous communities to live, work and do business in Virginia.
I. Welcome and introductions
II. Stakeholder Advisory Group – Roll call
III. HIEE proposed timeline and funding areas; working groups
IV. Income qualification guidelines
V. Advisory Group Discussion
VI. Public Comments
VII. 2018 Virginia Energy Code Updates
VIII. Closing discussion and recommendations summary
HIEE Program Development – Tentative Timeline

- November 2020 - Named agency meetings (DEQ, DHCD, DMME)
- December 15, 2020 – First Advisory Group public meeting
- January, 2021 – Additional Advisory Group meetings (Jan. 13 and 26)
- February 2021 – FY ‘21 draft allocation percentages developed, and reviewed by Advisory Group
- Mid-March 2021 – Review RGGI auction results; proposed funding areas and allocation percentages reviewed by Governor’s and SOCT’s office
- Mid-April 2021 – Program-specific draft guidelines ready for discussion
Proposed HIEE funding buckets

I. Affordable and Special Needs Housing (ASNH) - Serve additional households; increase energy efficiency and health and safety requirements

II. Weatherization Assistance Program (WAP) - Address deferrals and serve additional households

III. Housing Innovation Partnerships (HIP) Grants – Foster innovative and scalable solutions to increase access to energy efficient affordable housing in the Commonwealth
Proposed Working Groups

1. HEDCs – Focused on ensuring HIEE is identifying and serving these communities well
2. Affordable and Special Needs Housing – Focused on additional energy efficiency and health and safety requirements to access HIEE funds

Tentative schedule:
- Working groups to meet early to mid-February and develop recommendations
- Advisory Group to reconvene late February
Serving Low-Income Communities

Historically Economically Disadvantaged Communities (HEDCs) definition from VA Clean Economy Act:

"Historically economically disadvantaged community" means (i) a community in which a majority of the population are people of color or (ii) a low-income geographic area.“

HB 981 (2020) Low-income geographic area (language is specific to VA Community Flood Preparedness Fund):

"Low-income geographic area" means any locality, or community within a locality, that has a median household income that is not greater than 80 percent of the local median household income, or any area in the Commonwealth designated as a qualified opportunity zone by the U.S. Secretary of the Treasury via his delegation of authority to the Internal Revenue Service.

Low to moderate income definition in ASNH guidelines: Beneficiaries must be at 80 percent or less area median income for competitive loan pool.
Weatherization Assistance Program

• Provides FREE energy conservation measures to low income households (those at or below 60% of state median income – currently $62,791 for family of 4)
• Prioritizes the elderly, persons with disabilities and families with children
# ASNH Program Income Guidelines

<table>
<thead>
<tr>
<th></th>
<th>VA -HTF</th>
<th>HOME</th>
<th>NHTF</th>
<th>PSH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Amount</td>
<td>$16,680,000*</td>
<td>$7,547,851</td>
<td>$5,552,095</td>
<td>$500,000</td>
</tr>
<tr>
<td>Geographic Targeting</td>
<td>Statewide</td>
<td>Preference for non-entitlement</td>
<td>Statewide</td>
<td>Statewide</td>
</tr>
<tr>
<td>Match</td>
<td>NA</td>
<td>25% entitlements</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Mix-Income Projects</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Homebuyer Projects</td>
<td>✔</td>
<td>✔</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Assisted Units (income)</td>
<td>80% or below AMI</td>
<td>60% or below AMI 80% or below (homebuyer)</td>
<td>30% or below AMI</td>
<td>30% or below AMI</td>
</tr>
<tr>
<td>Assisted Units (rent limits)</td>
<td>Project Specific</td>
<td>HOME</td>
<td>NHTF</td>
<td>Project Specific</td>
</tr>
<tr>
<td>Affordability</td>
<td>30 yrs. 5 yrs. Homebuyer</td>
<td>30 years Homebuyer (5-20 yrs.)</td>
<td>30 yrs.</td>
<td>20 yrs.</td>
</tr>
</tbody>
</table>
2018 significant changes to the Residential Energy Efficiency provisions:

• **Blower door testing**: Removes the visual option for verifying building envelope air tightness, requiring blower door testing. Maintains the 2015 leakage rate of 5 Air Changes per Hour (ACH).

• **Ceiling Insulation**: Minimum ceiling insulation was increased from R-38 to R-49, consistent with the 2018 IRC requirement.

• **REScheck Compliance Option**: When REScheck is utilized as a compliance path, the calculations are based on the 2018 IECC, without any Virginia amendments.

• **Certificate Required**:
  - R-values of insulation installed
  - U-factors and solar heat gain coefficient of fenestration
  - Results of required duct system and building envelope air leakage testing performed
  - Types and efficiencies of the heating, cooling and water heating equipment
  - Whether there is a gas-fired, unvented room heater, electric furnace, or baseboard electric heater installed (efficiency shall not be indicated for these)
Next Steps...

- The approved changes to the code are awaiting approval from the governor.
- Publication in Virginia Register will likely occur in March/April.
- The date for 2018 codes to go into effect is yet to be determined – tentatively planning for July – Sept.
- Updates to the 2021 Energy Code will begin soon after the effective date of the 2018 Codes.