

ACTION Network Research Report

In 2004, Leaders from ACTION Network churches began reporting that families were paying utility bills that were beyond their means. Some families shared that their bills were above \$300 and at times above \$500 for small homes.

In 2006, ACTION Network churches decided to address this issue. Our information leads us to believe that the reason for these high bills is that families are living in older homes that are not energy efficient. Their homes lack insulation, their A/C ducts leak, windows and doors need replacing and caulking, and they need new air conditioners and other energy consuming appliances. These small homes are consuming more energy than families living in larger newer homes.

It also came to our attention that many working families who rent were paying large utility bills. Tenants cannot control the energy efficiency of the rental property's systems. A tenant does not have the right to make property improvements. We have heard stories of families paying \$400 a month for a

two bedroom apartment and that they can stand outside and feel the air flowing through the doors and windows.

This is a major financial burden for working families. Families are spending as much as 20% of their annual income on utilities. For many families this is as much as their rent, health insurance, or car payment. Homeless agencies are reporting this as one of the strongest influences for transitional homelessness among families.

This spring, ACTION Network leaders began researching what could be done. We met with Gainesville Regional Utilities, City Commissioners, Code Enforcement, the City Attorney, Congressman Cliff Stearns, and local agencies. We learned there are many facets to this difficult problem that affects all of our neighbors.

GRU, has helped us understand that there are 3 important areas of concern. The first is **EDUCATION**. Many people do not know how to maintain and run their energy systems for maximum efficiency. For example: Clean and change A/C filters, turn lights off and use compact florescent light bulbs. GRU has a complete education program that they will bring to local

community groups and the ACTION Network churches to provide training for our families.

Second is that homes need STRUCTURAL improvements to improve their energy efficiency. Many homes have doors and windows that do not seal tightly. The A/C ducts leak, or there is no insulation in the attic, or appliances are old and need to be replaced. A home may have multiple, costly structural needs that most working families cannot afford.

The problem is huge. This map illustrates the energy efficiency per square foot of every home in Gainesville. Blue is very good; Yellow is bad; and Red is very bad. Most of the red and yellow homes are located in our older poorer communities; most of the green homes are located in our newer communities. In terms of conservation, it is in older, working communities that the majority of high, inefficient consumption is occurring. It is in these communities that families need conservation improvements and can least afford them.

Recently, GRU has been making radical changes in its conservation program and funding for these programs is increasing. For example in 2005 GRU

gave away approximately \$56,000 in rebate programs for roof reflectors, window air conditioner replacements, and other energy improvements. In 2006, they increased funding for rebate programs to almost \$80,000 and their total conservation budget was \$236,467. **This coming year, they project to have an income of \$315 million, and have budgeted \$1.7 million for conservation programs.**

ACTION Network is concerned how much of these programs are being utilized by working families. These programs are structured as rebates and therefore the customer must first purchase equipment or services before money is rebated. We believe that working families earning between \$20,000 and \$40,000 a year will not have finances available to participate. To put central air conditioning into a home including the air conditioner can cost from \$5-10,000. How can a family of four or five earning \$30,000 afford these additional expenses?

Our third main area of concern is REGULATION. The only codes regulating building construction are the State of Florida "Minimum Housing Code" that regulates construction of new homes. However, there are no codes regulating the energy efficiency of existing buildings or rental

properties. The city government has limited authority to determine energy efficiency regulations or to enforce “Minimum Housing Code” violations and cannot exceed the authority that the state allows. The city is studying energy efficiency as a requirement for landlord licensing. 65% of the residences in Gainesville are rented by families that cannot now affect the energy efficiency of their dwelling.

Local agencies report that when landlords have been offered programs that would pay for 90% of the improvements for their rental property, they still do not participate.

Thank God for the social service agencies of our area. Catholic Charities, Gainesville Community Ministries, and the Central Florida Community Action Agency are some of the agencies that help pay utility bills. They report that they receive between 500 to 1000 calls per month for financial assistance to pay utility bills. Agencies are able to help families once or twice a year to partially pay their utility bills. Last year they paid more than \$400,000 to subsidize the cost of utility bills. This money comes from individual donations and city, county, state and federal tax dollars. In addition, many of our churches assist families with thousands of dollars each

year. The numbers of families in need continues to grow without changing the root causes.

The ACTION Network is responding to these needs and requests:

- We are getting our churches involved and we are here tonight to say we are committed to being involved.
- We are opening our churches and making them available for the educational programs of GRU.
- We have spoken with our city commissioners and requested them to support the Low Income Whole House Program and to support regulations for energy efficiency on rental properties and invited them here tonight to hear from our community.
- We have spoken to Congressman Stearns and his staff and he has promised us his support.
- We have spoken with local banks about supporting a low interest loan program for home improvements that have expressed an interest in helping.
- We are here to say yes, we will partner to help our families.

In March GRU is initiating a pilot program, the Low Income Whole House Program. \$110,000 is budgeted for this program to help 40 families this year. Each household would receive up to \$2,700 in home improvements and low-interest loans would be available to help pay for larger costs. ACTION Network believes that this program has the ability to reach the families who need assistance and we are committed to making this work. GRU has \$1.7 million in conservation rebates that could be shifted to expand this program. The State of Florida also has matching grants that could be sought.

GRU is very important to the well-being of our community. They are one of the largest employers and diligently provide all of our water, waste, and energy needs. GRU provides the city with about a third of its revenue which helps keep taxes down. **During the hurricanes of 2004, GRU employees worked night and day to get the community up and running. Thank you for your dedication to the residents of Gainesville.**

GRU -- ACTION Network is here to help. Let's design a program that you can bring to local churches and community groups that will include education and also have staff available to help people with paper work, have

banks present to qualify people for loans, and energy auditors available to go to people's homes. Let's make the application process easy for families and have all the available information on programs and tax credits together in one packet. City and County Commissioners -- we ask that you too make this a priority. You have developed a 10-year plan to end homelessness, well here is an opportunity to address the root causes of poverty and prevent homelessness. Candidates for State office -- we need your support too. Federal energy dollars come through the state and you determine local regulations. **Together we can change this problem.**