

GRU And Landlord Programs: A Brief Review Of All Legislative Efforts Since 2002

In 2002, the City Commission (CC) recommended that GRU implement an energy efficiency program in multi-family complexes built prior to 1993 as part of the Green Building Program and based on the recommendation of the Gainesville Energy Advisory Committee (GEAC) to the Community Development Committee (CDC)¹. These initial recommendations lead to the creation of the Green Building Program Ordinance (Attachment A), the development of our rebate programs, and the Energy Efficiency Standards and Requirements (EESR) legislation (Referral File # 050761) which evolved into the Residential Energy Conservation Ordinance².

The next request for the development of Energy Efficiency Standards for rental units came out of the CC ad hoc task force on housing issues in July of 2004. The report included in their list of recommendations to incorporate "...energy requirements as part of the City of Gainesville's Minimum Housing Code; and 2) hear an update on the Emergency [Energy] Efficiency Standards for landlords for rental units as part of the qualifications for Section 8 reimbursements from staff and Housing Authority representatives". In December of 2005, the CC referred these recommendations to the CDC³ where the discussion item stayed until June of 2007 undergoing a number of legal clarifications, changes, and updates based on the recommendations of CC members and public commentary. The item to amend the Housing Code, to require R-19 as a minimum attic insulation level, was added to the CC's July 2007 Agenda where it was initially approved for implementation once the pending GRU financing program is in place⁴. The CC reviewed it again in January 2008 once the implementation of the Low-Interest Loan Program occurred and it was during this second reading when comments from members of the CC and the public led members of the CC to withdraw the initial motion to approve and referred the entire matter back to the CDC for more public input.

GRU conducted landlord focus groups in July 2009 and presented those results along with an amended version of the EESR at the November CDC meeting (Attachment B). Discussions that followed included the GRU sponsored Gainesville Green and Tools for Tenants websites that went live in August 2010. Staff brought up that the proposed EESR would be "included in the City's minimum housing code, so there isn't a specific provision stating that an owner has to allow an inspection of a property, but would fall under whatever Codes normally enforces the minimum housing code." The CDC approved the non-regulatory proposals in the recommendation⁵ and referred them to the CC then asked GRU staff to return with a proposal on the regulatory items in November 2009.

In October 2010, the CDC viewed a presentation regarding minimum standards for time of sale, notice at time of rental, as well as an analysis of the proposed Commercial PACE program that would assist landlords and property owners to upgrade their properties. They requested that the item be brought back for final review prior to forwarding to CC, however, it remained on the referral list until June of 2011 when it was referred by the CDC to the new Regional Utilities Committee (RUC). The RUC heard its first presentation in March of 2012 then made additional recommendations for changes in July (Attachment C). There was no more official movement on the discussion item in the CDC, RUC, or the CC.

GRU Staff developed the Residential Energy Conservation Ordinance in September 2013, based on the EESR program from 2009, and included amending the City of Gainesville Housing Code (Chapter 13) and adding a new section that would create a minimum set of efficiency standards for residential rental units (Attachment D). The Ordinance also allows designated City employees to inspect dwellings on a complaint driven basis to determine their condition in order to safeguard the health, safety, and welfare of the public where there is reasonable cause to believe a violation exists. From this point forward, there was no more official movement on the RECO within GRU.

Services provided in the past to GRU property owners for single-family and multi-family rental units:

- Landlord Rebate Incentive Policy (FY07-13) - Designed to encourage energy efficiency upgrades to residential rental properties with GRU services by allowing property owners to apply for service-related (electric, gas or water) available rebates up to \$40,000 per landlord, rental management company or corporation. [Well over 500 rebates totaling over \$60,000]
- Customized Business Rebate (FY07-13) – This all-encompassing program was designed for the business community from the small family businesses to the large industrial customers. The rebate was based on a value matrix for energy savings over the next 18 years based on the Total Resource Cost (TRC) of energy generated at our plants. This matrix also determined how much value in avoided cost each kWh of energy contained. The rebate paid customers who made energy improvements the Net Present Value of the avoided cost of the energy they saved, or 50% of the project cost, whichever was less. [20 rebates for a total of \$233,387]
- Individual Item Rebates and Programs (FY07-13) - Demand Side Management (DSM) related programs designed to encourage energy efficiency upgrades to residential, small business, and multi-family property customers. These rebate programs ranged from adding insulation and replacing central HVAC systems, to duct leak repair and pool pump replacement. During this time there were 18 rebates and programs available for property owners of single-family and multi-family rental units.

Current Landlord programs and Incentives

- Green Building Program - An Ordinance designed to encourage builders to use certification-based Green Building programs with incentives ranging from fast tracked permits to reduced development plan review fees for all projects other than one and two-family residential projects. (City Code Chapter 6, Article 1.5)
- Apartment Complex Customer Support – Energy and Business Services works with property management companies to assist them with their energy needs in conjunction with Billing Services to handle billing issues, inquiries, or services needed by these customers.
- Residential Surveys - An in-home evaluation of a customer's home and utility consumption history and are currently done with GRU staff. A recent review of 2815 survey customers from FY08-13 show an average savings of 797 kWh or 5.6% the year following the survey with additional water, wastewater and natural gas savings. There is an average of 1682 residential surveys performed each year.
- Tools for Tenants – Online web portal that allows potential renters to compare many of the apartment complexes in the GRU Service territory based on average electricity and natural gas usage. Listed communities include links to the website for that community.
- Gainesville Green - Online web portal that allows potential homeowners and renters to compare single family-homes in the GRU Service territory based on the home's carbon footprint, energy, natural gas, and water consumption. It also allows you to search for your home and compare your home's use with that of your neighbors.
- Stealth Toilet Retrofit Program (FY12-current) – A cooperative program with the St. Johns River Water Management District that offered free replacement of pre-1994 apartment toilets with 0.8 gallons per flush ultra-high-efficiency (UHE) toilets. Initial analysis on the first 400 units show total water reductions of 2411kgal the first year and an additional 2261kgal the next (total of 27% reduction).

Much of the information provided in this document is based on the agendas, meeting minutes, and video recordings from the CC, CDC, and the RUC meetings.

¹ CC Meeting 4/8/02, page 4

The City Commission refer the following Green Building program suggestions made by the Gainesville Energy Advisory Committee (GEAC) to the Community Development Committee. 1) the City of Gainesville/Gainesville Regional Utilities implement an energy efficiency program in multi-family complexes built prior to 1993; 2) a preliminary budget of \$50,000 be authorized, contingent on availability; 3) the program be incorporated into the Gainesville Green Builder Program; 4) a certification of participation be issued to each participating complex that meets the full compliance criteria to be developed by GRU; 5) the program addresses, at a minimum, the energy effects of duct leakage with an initial goal of reducing total duct leakage to 10%; and 6) the program incorporate state licensed mechanical contractors and state certified energy raters with specific requirements to be developed by GRU

This Matter was Approved as Recommended on the Consent Agenda.

² CC Meeting 10/14/02

GAINESVILLE GREEN BUILDING PROGRAM (B) ORDINANCE NO. 0-02-05

An ordinance of the City of Gainesville, Florida, creating a new Section in Chapter 6, consisting of sections 6-5 through 6-15 inclusive; and adding said sections to the Code of Ordinances of the City of Gainesville, relating to the "Gainesville Green Building Program" (Attachment A)

³ CC Meeting 12/12/05 page 14-15

Final Report of the Ad Hoc Affordable Housing Committee (B)

SECOND MOTION (REFERRAL): Commissioner Lowe moved and Commissioner Chestnut seconded to refer to the Community Development Committee the following issues: 1) Energy Efficiency standards for landlords for rental units as part of the qualifications for Section 8 re-reimbursements; and 2) investigate incorporating energy requirements as part of the City of Gainesville minimum housing code. (See following referral #050761).

⁴ CC Meeting 7/19/04 page 2-3 time 347-425

re: Affordable Housing Workshop

Community Development Committee to the City Commission: 1) direct the City Attorney to draft, and the Clerk to advertise, changes to the Minimum Housing Code; 2) The Minimum Housing Code will incorporate R-19 insulation in the attic as a minimum requirement with no change to the current inspection levels; 3) The standard will be implemented when the GRU financing program for energy updates of owner-occupied homes are in place; and 4) remove this item from the referral list (Motion Carried)

⁵ Non-Regulatory items included:

"GRU should increase its marketing of its energy conservation incentives and rebate programs. This would include marketing these programs to be used with local housing programs. GRU should consider expanding its energy conservation assistance and rebate programs for low income Customers."