

**RECOMMENDATION FOR COUNCIL ACTION****City Council Meeting Date**

December 7, 2017

**Posting Language**

Approve issuance of a rebate to Starwood Capital Group, for performing energy efficiency improvements at Mission Grace Woods located at 3209 South I-35, in an amount not to exceed \$195,427. (District 3)

**Fiscal Note**

Funding is available in the Fiscal Year 2017-2018 Operating Budget of Austin Energy. A fiscal note is not required.

**For More Information:**

Jeff Vice, Director, Local Government Relations (512) 322-6087; Denise Kuehn, Director, Energy Efficiency Services (512) 322-6138.

**Council Committee, Boards and Commission Action**

To be reviewed by the Electric Utility Commission on November 13, 2017 and by the Resource Management Commission on November 14, 2017.

**Additional Backup Information:**

Austin Energy requests authorization to issue a rebate to Starwood Capital Group, in an amount not to exceed \$195,427, for energy efficiency measures at the Mission Grace Woods (apartment complex) located at 3209 South I-35 in Council District 3.

The property is comprised of 22 buildings and 430 apartment units, with a total of 305,559 square feet of conditioned space. The average rent for a one-bedroom unit is \$855 and a two-bedroom unit is \$1,044. Some residents, however, receive housing subsidies from the Housing Authority of the City of Austin (HACA) and/or participate in Austin Energy's Customer Assistance Program (CAP).

The efficiency measures at this property include: attic insulation, solar screens, LED lighting, and water-saving devices. The estimated total cost of the project is \$195,427; the rebate will cover 100% of the total cost. This rebate is funded by Austin Energy's Multifamily Weatherization Assistance Program. While similar to the standard Multifamily Rebate Program, the rebates are larger for low income housing and are customized for each measure, based on historical savings and cost data.

These improvements will be made in accordance with Austin Energy's Multifamily Weatherization Assistance Rebate Program guidelines and the Energy Conservation Audit and Disclosure (ECAD) Ordinance. The rebate program is one element of Austin Energy's comprehensive Resource, Generation and Climate Protection Plan to realize 1000 MW of energy efficiency and demand response by 2027. It is designed in part to reduce local air pollution through energy conservation, reduce peak demand, reduce the need to purchase additional generation, and assist customers in reducing electric consumption.

The avoided kilowatt-hours (kWh), estimated at 305,857 kWh per year, represent a major benefit to the local environment. This project is estimated to prevent the production of the following air emissions annually: 163.7 metric tons of Carbon Dioxide (CO<sub>2</sub>), 0.073 metric tons of Nitrogen Oxides (NO<sub>x</sub>), and 0.184 metric tons of Sulfur Dioxide (SO<sub>2</sub>). The project savings is equivalent to an estimated 367,672 vehicle miles traveled, the removal of 31 cars from our roadways, or the planting of 4,207 trees or 210 acres of forest in Austin's parks.



## MULTIFAMILY REBATE FACT SHEET

### Mission Grace Woods

Community Name	Mission Grace Woods				
Customer Name	Starwood Capital Group (SOF-X Mission Grace Woods LP)				
Property Address	3209 IH 35 S				
Year Built	1982				
Average Rent per Floor Plan	1 br/1 ba \$855; 2br/1ba \$1,044; 2br/2ba \$1,135				
Number of Rentable Units <sup>1</sup>	430				
Housing Type <sup>2</sup>	Market rate and low income				
Air Conditioner Tonnage	N/A				
Water Heater Type	Electric				
On Code Department's Repeat Offender List? <sup>3</sup>	No				
Electric Utilization Intensity for this property	10.72 kWh/sq ft				
Average Electric Utilization Intensity for cohort <sup>4</sup>	11.17 kWh/sq ft for properties built before 1985 with electric heat				
Energy Conservation Audit and Disclosure (ECAD) status <sup>5</sup>	Compliant				
Total Measure Costs	\$195,427				
Total Rebate – Not to Exceed	\$195,427				
% of Total Measure Costs	100%				
Rebate per Unit	\$454.50				
Scope of Work					
101,853 sq ft Attic Insulation 6,463 LED Fixtures 16,478 sq ft Solar Screens 1,372 Water Saving Devices					
Project Annual Savings at 100% Occupancy <sup>6</sup>					
Kilowatts (kW) Saved – Estimated	278.3				
Dollars per kW– Estimated	\$702				
Kilowatt-hours (kWh) Saved – Estimated	788,121				
Monthly Savings Per Customer - Estimated <sup>7</sup>					
Dollar savings	\$16.80				
Scope of Work					
Measure	Rebate Amount	kW Saved – Estimated	kWh Saved – Estimated	\$/kW	Average annual dollar savings per customer
Attic insulation	\$117,080	147.9	3323,892	\$791	\$78
LED lighting	\$19,777	31.6	280,560	\$625	\$68
Solar screens	\$50,033	81.7	61,838	\$612	\$15
Water saving devices	\$8,538	17.1	183,587	\$499	\$44
Measures Performed - Last 10 Years at this property		Completion Date		Rebate Amount	
Duct seal		Oct. 1, 2012		\$62,801	

<sup>1</sup> Energy Conservation Audit and Disclosure 2016 Energy Guide for Prospective residents lists total number of units and may include units space not rented, e.g., office space, model units, maintenance shops, etc.

<sup>2</sup> Some residents receive Customer Assistance Program (CAP) and/or Housing Authority of the City of Austin (HACA) subsidies.

<sup>3</sup> <http://www.austintexas.gov/department/repeat-offender-program>

<sup>4</sup> Cohort Type is determined by the year the property is built and the heating type (either gas or electric).

<sup>5</sup> Owner agrees to comply with TITLE 6. ENVIRONMENTAL CONTROL AND CONSERVATION. CHAPTER 6-7. ENERGY CONSERVATION CODE prior to issuance of the rebate check.

<sup>6</sup> Energy (kWh) and dollars (\$) saved per project varies by both the size of the project and the type of heating. Projects with electric heat generally have higher savings than projects with gas heat.

<sup>7</sup> Calculation based on 11 cents per kWh.