

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

September 19, 2019

Posting Language

Approve issuance of a rebate to SS AFFORDABLE HOUSING LP, for performing energy efficiency improvements at the Silver Springs Apartments located at 12151 North I-35 Service Road in Austin, Texas, in an amount not to exceed \$300,000. (District 1)

Fiscal Note

Funding is available in the Fiscal Year 2018-19 Operating Budget of Austin Energy.

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:

August 12, 2019 – Recommended by the Electric Utility Commission on a 9-0 vote, with Commissioners Collier-Brown and Tuttle off the dais.

August 20, 2019 – To be reviewed by the Resource Management Commission.

Additional Backup Information:

Austin Energy requests authorization to issue a rebate to SS AFFORDABLE HOUSING LP, in an amount not to exceed \$300,000, for energy efficiency measures at the Silver Springs Apartments located at 12151 N. I-35 Service Road, Austin, Texas 78753, in Council District 1. The average rent for a one-bedroom unit is \$869, a two-bedroom unit is \$1068, and a three-bedroom unit is \$1419.

The efficiency measures proposed to be implemented at Silver Springs include: duct remediation and sealing, attic insulation, lighting, smart thermostats, and HVAC tune-ups. The estimated total cost of the project is \$308,644. The rebate will cover 97% of the total cost. Per Resolution 20140807-006, the rebate is capped at \$300,000.

This property consists of 360 Income Qualified apartment units as documented in ApartmentTrends.com and is listed in the 2018 Austin Tenants' Council "Guide to Affordable Housing in the Greater Austin Area." This rebate is funded by Austin Energy's Multifamily Income Qualified Program.

These improvements are in accordance with Austin Energy's Multifamily Income Qualified Rebate Program guidelines and the Energy Conservation Audit and Disclosure (ECAD) Ordinance. The rebate program is one element of the comprehensive Austin Energy Resource, Generation and Climate Protection Plan to realize 900 MW of energy efficiency and demand response by 2025. It is designed to support energy conservation, reduce peak demand, and the need to purchase additional generation.

The avoided kilowatt-hours (kWh), estimated at 477,225 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: 255 metric tons of Carbon Dioxide (CO₂), 0.1 metric tons of Nitrogen Oxides (NO_x), and 0.3 metric tons of Sulfur Dioxide (SO₂). The project savings is equivalent to an estimated 573,675 vehicle miles traveled, the removal of 49 cars from our roadways, or the planting of 6,564 trees or 328 acres of forest in Austin's parks.



MULTIFAMILY REBATE FACT SHEET SILVER SPRINGS APARTMENTS

Property Name	Silver Springs Apartments				
Customer Name	SS AFFORDABLE HOUSING LP				
Property Address	12151 North Interstate Highway 35 Service Road Northbound Austin, TX 78753				
Year Built	1996				
Average Rent per Floor Plan¹	1 BR \$869; 2 BR \$1068; 3 BR \$1419				
Number of Rentable Units²	360				
Housing Type³	Income qualified				
Water Heater Type	Electric				
Electric Utilization Intensity (EUI)	9.26				
Average Electric Utilization Intensity for cohort⁴	10.99 kWh/sqft				
Project and Rebate					
Total Project Costs	\$308,644				
Total Rebate – Not to Exceed	\$300,000				
% of Total Construction Costs	97%				
Rebate per Unit	\$833				
Project Annual Savings at 100% Occupancy					
Kilowatt (kW) Saved - Estimated	168.25 kW				
Kilowatt-hours (kWh) - Estimated	477,230 kWh				
\$/kW - Estimated	\$1,783 / kW				
Annual Dollar Savings Per Customer - Estimated⁵	\$125				
Scope of Work⁶					
Measure	Rebate Amount	kW Saved – Estimated	kWh Saved – Estimated	\$/kW	Average Annual Dollar Savings Per Customer
Duct Remediation & Sealing	\$54,750	41.2	71,085	\$1,329	\$19
Attic Insulation	\$74,576	29.52	43,036	\$2,526	\$11
LED Lighting	\$17,280	22.72	14,445	\$761	\$4
Smart Thermostats ⁷	\$54,000	31.36	179,646	\$1,722	\$47
HVAC Tune-up	\$99,394	43.45	169,018	\$2,485	\$44
Total	\$300,000	168.25 kW	477,230 kWh	\$1,783	\$125
Measures Performed in last 10 years at this property					
Completion Date		Rebate Amount			
None		N/A		N/A	

¹ Source: CoStar.com (<https://www.costar.com/>)

² Source: ApartmentTrends.com (<https://www.apartmenttrends.com/>)

³ Per “Letter of Intent to participate” provided by the customer

⁴ Cohort Type is determined by the year the property is built and the heating type (either gas or electric)

⁵ Calculation based on 10 cents per kWh

⁶ 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.

⁷ Tenants can obtain an additional \$85 incentive when they choose to participate in Austin Energy’s Demand Response program