



Recommendation for Action

File #: 19-2936, **Agenda Item #:** 3.

9/19/2019

Posting Language

Approve issuance of a rebate to Arbor Properties, for performing energy efficiency improvements at the Metropolis Apartments located at 2200 S. Pleasant Valley Rd., in an amount not to exceed \$120,900.

Lead Department

Austin Energy

Fiscal Note

Funding is available in the Fiscal Year 2018-2019 Operating Budget of Austin Energy.

Prior Council Action:

March 28, 2019 - Approved rebate for energy efficient improvements at the Metropolis Apartments, Item 3.

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:

September 9, 2019 - To be reviewed by the Electric Utility Commission.

September 17, 2019 - To be reviewed by the Resource Management Commission.

Additional Backup Information:

Austin Energy requests authorization to issue a rebate to Arbor Properties, in an amount not to exceed \$120,900, for energy efficiency measures at the Metropolis Apartments located at 2200 S. Pleasant Valley Rd., in Council District 3. This property consists of 308 apartment units as documented in ApartmentTrends.com. The average rent for a one-bedroom unit is \$929, a two-bedroom unit is \$1,189 and a three-bedroom unit is \$1,364. This property is listed in the 2018 Austin Tenants' Council "Guide to Affordable Housing in the Greater Austin Area."

The energy efficiency measures for this project include smart thermostats and heating, ventilation, and air conditioning (HVAC) system tune-ups. The estimated total cost of the project is \$120,900 and the rebate will cover 100% of the total cost. This is the second energy efficient rebate project for the property this year. The first rebate was approved on March 28, 2019 in the amount of \$148,383 for duct work and solar screens. The combined total of both rebates is \$269,283 and is under the \$300,000 annual cap included in the multifamily rebate program.

This rebate is funded by Austin Energy's Multifamily Income Qualified Rebate 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 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

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megawatts (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 288,154 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: 154 metric tons of Carbon Dioxide (CO₂), 0.1 metric tons of Nitrogen Oxides (NO_x), and 0.2 metric tons of Sulfur Dioxide (SO₂). The project savings is equivalent to an estimated 346,391 vehicle miles traveled, the removal of 30 cars from our roadways, or the planting of 3,963 trees or 198 acres of forest in Austin's parks.



MULTIFAMILY REBATE FACT SHEET

Metropolis Apartments

Property Name	Metropolis Apartments				
Customer Name	Arbor Properties				
Property Address	2200 S Pleasant Valley Rd				
Year Built	1973				
Average Rent per Floor Plan	1 BR \$929; 2 BR \$1,189; 3 BR \$1,364; 4 BR \$1,699; 5 BR \$1,899				
Number of Rentable Units ¹	308				
Housing Type	Income Levels A, B, C, D. Income Restricted Units, TCHFC Bond Program.				
Water Heater Type	Gas				
Electric Utilization Intensity (EUI)	9.38				
Average Electric Utilization Intensity for cohort ²	8.24 kWh/sq ft for properties built before 1985 with gas heat				
Project and Rebate					
Total Project Costs	\$120,900 (this project); \$148,383 (previous project); \$269,283 (combined)				
Total Rebate – Not to Exceed	\$120,900 (this project); \$148,383 (previous project); \$269,283 (combined)				
% of Total Construction Costs	100% (this project); 100%(previous project); 100% (combined)				
Rebate per Unit	\$390 (this project); \$488 (previous project); \$878 (combined)				
Note(s)	Install 310 smart thermostats. Perform HVAC tune-up on 310 units with total tonnage of 578 tons.				
Estimated Annual Savings at 100% Occupancy					
Kilowatt (kW) Saved	61 kW (this project) + 241 kW (previous project) = 302 kW (combined)				
Kilowatt-hours (kWh)	288,154 kWh (this project) + 324,609 kWh (previous project) = 612,763 kWh (combined)				
\$/kW	\$1,972/kW (this project); \$631/kW (previous project); \$892/kW (combined)				
Annual Dollar Savings Per Customer ³	\$87 (this project) + \$104 (previous project) = \$191 (combined)				
Scope of Work					
Measure	Rebate Amount	kW Saved – Estimated	kWh Saved – Estimated	\$/kW	Annual Dollar Savings Per Customer ⁴
Smart Thermostats	\$54,250	27	154,695	\$2,009	\$47
HVAC Tune-Up	\$66,650	34	133,459	\$1,942	\$40
Total	\$120,900	61	288,154		\$87
Measures Performed in last 10 years at this property		Completion Date		Rebate Amount	
Duct remediation and sealing; solar screens		5/28/2019		\$148,383	

¹Source: ApartmentTrends.com (<https://www.apartmenttrends.com/>)

² Cohort Type is determined by the year the property is built and the heating type (either gas or electric)

³ Calculation based on 10 cents per kWh

⁴ 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.

⁵ White Rodger's Legacy thermostats (installed in 2005) being replaced with Nest thermostats. Extra \$25 rebate given for transitioning. Tenants may obtain an additional \$85 incentive if they choose to participate in Austin Energy's Demand Response Program.