

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

November 9, 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 October 16, 2017 and by the Resource Management Commission on October 17, 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. However, residents at this property may be eligible to receive housing vouchers through the Housing Authority of the City of Austin.

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 <sup>1</sup>			1 br/1 ba - \$855; 2br/1ba - \$1,044; 2br/2ba - \$1,135		
Number of Rentable Units <sup>2</sup>			430		
Housing Type			Market rate and subsidized		
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> Eligible residents may receive vouchers through the Housing Authority of the City of Austin (HACA) and pay rent based on their income.

<sup>2</sup> Energy Conservation Audit and Disclosure 2016 Energy Guide for Prospective residents lists the total number of units in the property; this may include units that are not rentable such as office spaces, model units, maintenance shops, etc.

<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 the 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.