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FOR ALL**

CASE STUDIES FROM THE GREEN COLLAR ECONOMY

Weatherization and Energy Retrofit Loan Program

Oakland, CA

February 2010

Overview

The City of Oakland offers multiple avenues for residents to retrofit their homes based on their income levels.

The City used approximately \$2 million in Stimulus CDBG funding to seed the Weatherization and Energy Retrofit Loan Program (WERLP), launched in January 2010. Through the Program, low to moderate - income homeowners (up to 80% of Average Median Income) can take out zero interest loans of up to \$30,000 for a variety of measures that include home rehabilitation in addition to more traditional weatherization.

The Program is coordinated by the City's Residential Lending and Rehabilitation Services, which already houses a number of grant and revolving loan programs for low to moderate income residents and was able to quickly expand to include energy retrofitting. By combining programs that address home repair, lead remediation, seismic safety and other efforts together with energy retrofitting, all under one City department's umbrella, the City hopes to encourage more residents to weatherize their homes. Energy audits will be conducted for all projects under this department that involve going into a home, not just for projects under the WERLP.

Funding and Financing

Nearly \$2 million in ARRA CDBG funding was used to seed the Program. Participants can take out loans ranging from \$6,500 to \$30,000 without paying any upfront costs and with no obligation for repayment until transfer of property title. As program participants sell or transfer title, loans will be repaid in full, and the revolving loan fund will be replenished. A loan loss reserve fund was not created as the program is not funded through private capital.

Retrofit Measures

The design of WERLP is currently based on Oakland's other home rehabilitation programs: The City prepares a Scope of Work (including a list of deficiencies and a cost estimate) and puts the work out to bid. Homeowners can select any contractor of their choice that meets basic qualifications (see below), so long as that contractor's bid is in alignment with the cost estimate developed by the City.

**This case study is meant to give a snapshot of the program profiled here.
For the most up to date information on this program, please visit their website**

Photographs are taken of the work in progress, and contractors are paid directly by the City after: 1) the owner signs off that the work has been completed and is satisfactory 2) the job is invoiced 3) the City verifies that the work has been completed and is satisfactory.

Though WERLP doesn't explicitly offer loans for renewable energy, renewable technologies can be installed under this program. In addition to energy retrofitting, qualifying homeowners can access grants and loans to address lead and other health and safety repairs.

The City is currently developing a plan for the evaluation of energy savings.

Marketing and Outreach

The City of Oakland has released a Request For Qualifications to receive bids for outreach services for the program. Scope of work includes:

- A. Outreach and referral, including providing eligibility information.
- B. Education to prospective Program applicants regarding the City's plans to create job opportunities for local residents through this program.
- C. Referring prospective applicants to the City's other home rehabilitation programs, as well as to programs and services operated by community-based partners, such as on foreclosure prevention, financial management, and other areas.
- D. Post-Service Follow-Up to conduct satisfaction surveys and assist in addressing follow-up needs.

Equity, Opportunity and High Quality Jobs

The City is currently developing an application for contractors seeking to be listed on the pre-screened contractors list. Contractors will be evaluated based on their compliance with Alameda County wage standards, hiring of local residents, and recruitment from local green job training programs, among other criteria. Additionally, all contractors will need to be licensed, insured, and have work references to demonstrate their ability to take on such projects.

Though the City is in the early stages of the program, the goal is for all contractors participating in the various rehabilitation programs to become trained in green building and retrofitting standards.

Workforce Training

The City expects that 108 project jobs will be created as a result of the program. Through ARRA funding, incentives have been made available for contractors to employ graduates of local job training programs, including the Oakland Green Job Corps. Contractors that hire eligible job seekers will be reimbursed for 80% of paid wages through September 30, 2010.

Participants of the Oakland Green Job Corps receive pre-construction and basic skills training, in addition to training in solar installation, energy efficiency in buildings, green construction, among others. The program provides a host of other services including GED preparation; basic literacy and math; job readiness; financial planning; social services and support including driver's license acquisition, court intervention and record expungement as needed, drug and alcohol counseling, and support in acquiring other

needed services such as childcare and financial aid.