

Department of City Development

Brian F. O'Connell, AICP
Director of City Development

Joseph G. Heck
Assistant Director of City Development



Room 102 City Hall
730 Washington Ave.
Racine, WI 53403
Phone: 262-636-9151
Fax: 262-635-5347

December 12, 2011

Members of the Loan Board of Review
c/o Housing Department

Subject: Request to amend the eligibility criteria for the REEP residential energy efficiency loan program by deleting the requirement that only homes constructed between 1946 and 1975 are eligible.

Dear Members:

In November 2009, the city entered into an agreement with the U.S. Department of Energy for Energy Efficiency Block Grant funding. One of the activities funded was a pilot project for energy efficiency home improvement loans. The project is now two-thirds of the way through the three-year grant period.

Use of the program has lagged behind our expectations. We expected about 33 loans per year. Instead, we made six loans in 2010 and five in 2011. This parallels the experience of other communities with similar programs and our experience with our broader home improvement loan program. Households are deferring making home improvements during the unsettled economy.

There is one change we can make to expand the number of eligible houses. Currently, the program is limited to homes constructed between 1946 and 1975. This limitation was to make it easier to calculate the impact of the program on energy consumption. We now have sufficient data and experience that we can include a greater variety of homes in the program without compromising the analysis.

I respectfully ask that the Loan Board of Review approve this request. The specific language of the proposed amendment is attached.

Sincerely,

A handwritten signature in blue ink, which appears to read "Brian F. O'Connell", is written over a large, faint, light blue watermark of the same signature.

Brian F. O'Connell
Director of City Development

Attachment

C: File

Attachment

Recommendation:

That the Loan Board of Review recommend to the Common Council that the eligibility criteria for the Racine Residential Energy Efficiency Loan Program, as set forth in Resolution 09-1552, be amended as follows:

That the phrase “constructed from 1946 through 1975” be deleted from criteria “b” so that the amended criteria reads, “b. Owner-occupied single family and duplex homes are eligible for participation in the program.”