



November 18, 2015

Subject: Support for the Existing Building Energy and Water Efficiency Program (Council File #14-1478)

Dear Los Angeles City Council Members:

The California Housing Partnership Corporation (CHPC) was created by the state of California in 1988 to provide leadership on affordable housing finance and preservation issues. We have helped nonprofit and local government housing agencies such as the Los Angeles Housing and Community Investment Department (HCID) leverage more than \$6 billion in public and private financing to create and preserve more than 25,000 rental homes affordable to California's lowest income households.

The Natural Resources Defense Council (NRDC) is a national non-profit membership organization with nearly 80,000 California members who have an interest in receiving affordable energy services while reducing the environmental impact of California's energy consumption. NRDC is working with CHPC to lead a network of more than 80 California-based nonprofit housing owners and energy advocates to improve the way that utilities such as LADWP are responding to the energy efficiency needs of the more than 650,000 multifamily apartments in the City of Los Angeles. The potential for utility savings in the City's apartment buildings could easily exceed \$1 billion a year to owners and tenants and save more than 30 million therms of gas and 100 million kWh annually if fully realized.

Unfortunately, the current approach taken by LADWP will not achieve these results in the near future. For this reason, CHPC and NRDC support the City Council taking bold action by passing an ordinance that would help multifamily apartment owners reduce water and energy use that will also lead to improved comfort, lower utility bills, and job creation.

A key first step is ensuring that LADWP provides all apartment building owners with utility consumption data to benchmark potential savings, as required by AB 802. A recent national study concluded that providing the data and software to building owners to benchmark their buildings resulted in 5% energy savings and 30% water even without offering other incentives.

Another critical step is requiring LADWP to provide owners of City-regulated rent-restricted apartments serving the City's lowest income households, of which there are more than 68,000, a whole-building one-stop shop incentive program that recognizes that these owners generally do not have the funds or the staff that is required to make use of LADWP's generally minimal offerings to apartment owners. LADWP and SoCalGas have taken a meaningful first step in offering a more coordinated approach to helping the City's Housing Authority make some improvements to 4,200 public housing apartments. The City should require an independent assessment of this approach and require LADWP and SoCalGas to work together to improve and expand it.

Sincerely,

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