

# Multifamily Affordable Housing Solar Roofs Program



## What is it?

The Multifamily Affordable Housing Solar Roofs (Multifamily Solar Roofs) program is the largest solar incentive program in the country targeted to disadvantaged and low-income renters residing in affordable multifamily properties. This program passed on October 8, 2015 through AB 693 (authored by Assemblymember Susan Eggman).

## How much?

As the largest solar investment program for environmental justice communities, the Multifamily Solar Roofs program will bring in a total of \$1 billion (\$100 million/year up to 10 years) to pay for solar on qualified multifamily affordable housing properties.

## Where are we now in the implementation process?

The Multifamily Solar Roofs Program is being discussed in a public proceeding at the California Public Utilities Commission (CPUC). The CPUC will determine which communities and buildings will qualify for the program and other design aspects. Funding for the projects is expected to hit the ground by June 2017.

## How many people will benefit from this program?

The Multifamily Solar Roofs Program will install over 300 megawatts of new solar projects, serving over 150,000 low-income renters at over 2,000 affordable housing properties.

## Why do low-income and disadvantaged communities need equity in renewable policies and programs?

The Multifamily Solar Roofs Program is a response to a Green Divide that has limited or denied low-income households access to clean energy technologies. The Multifamily Solar Roofs program was created to make solar energy systems more accessible to renters in low-income and disadvantaged communities. The electricity from the program will offset electricity usage by low-income renters.

## How do low-income renters benefit from solar?

Over a 12-month period, the utility customer has to pay only for the net amount of electricity used from the utility over-and-above the amount of electricity generated by their solar system.

Each utility meter at a multifamily property is allocated a percentage of solar generation based on unit size and each tenant will receive solar credits on their utility bill for the amount allocated to the tenant's utility meter.

### For example

Assuming a tenant's allocation from the solar system generation is 3,000 kWh/year, which is approximately half of the average usage of a low-income household, a household would save approximately \$360/year assuming an average utility rate of \$0.12 per kWh.

## How will the program work?

Program is for new or existing affordable multifamily housing properties. Eligible properties must be located either:

- a. In a disadvantaged community as defined by CalEnviroScreen, OR
- b. If the property is located outside of a disadvantaged community, 80% of the units at the property must be occupied by households with incomes at or below 60% of the Area Median Income for the county in which the property is located.

## Key Elements of the Program

**Tenant First Approach** – requires the systems to primarily offset tenant electricity usage.

**Shared landlord-tenant benefits** – AB 693 addresses a gap where typically only the landlord gets the financial benefit. With AB 693, both the landlord and the tenant will receive financial benefits.

**Energy Efficiency Requirements** – AB 693 includes requirements that properties receiving solar installation also include energy efficiency measures.

**Workforce Development Requirements** – Job training and job creation is currently being discussed at the CPUC for the implementation phase.

## Solar Financing Considerations

The financing strategies will permit flexibility on solar ownership structures. The following strategies will be incorporated in project financial plans:

### How does ownership work?

The property owner to purchase the solar system or to install the solar system through an agreement with a "Third-Party", such as Solar City or other solar company.

### How does financing work?

- (1) Multifamily Solar Roofs Program Incentives = 70% of total costs covered
- (2) Leverage = 30% from Federal Investment Tax Credits

Visit [keva.la/ceja](http://keva.la/ceja) for a mapping tool to find out if your building is eligible for solar under the new Multifamily Affordable Housing Solar Roofs Program!