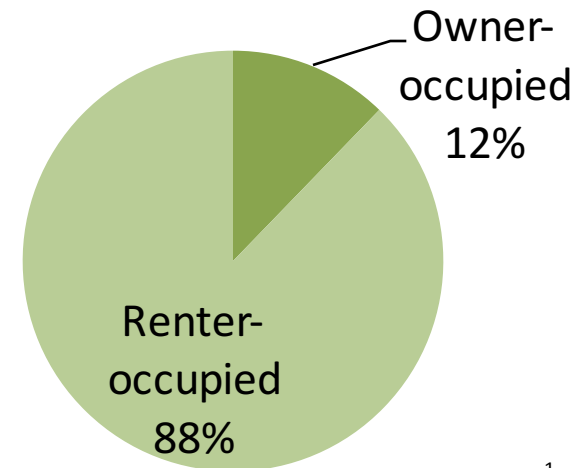
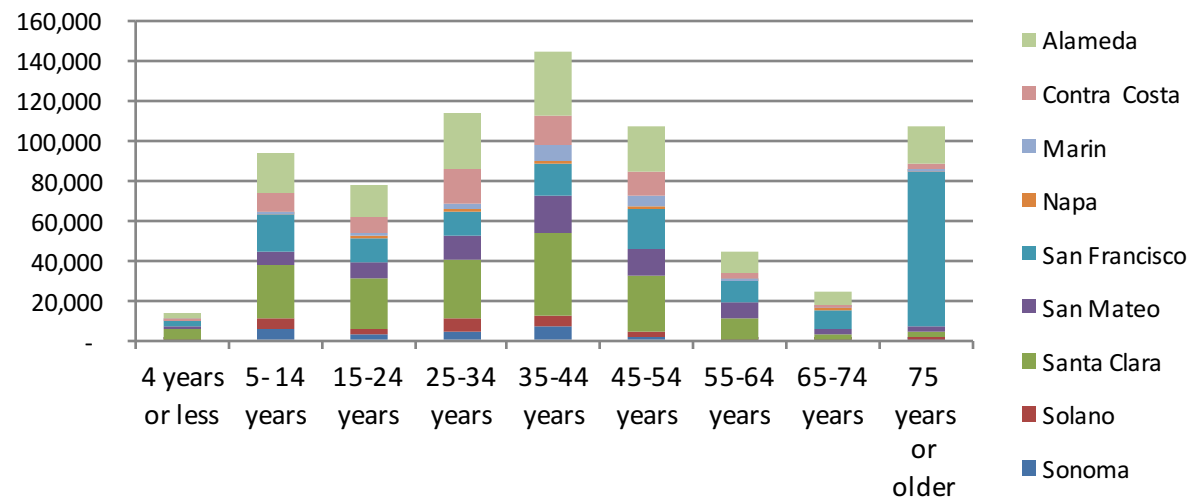
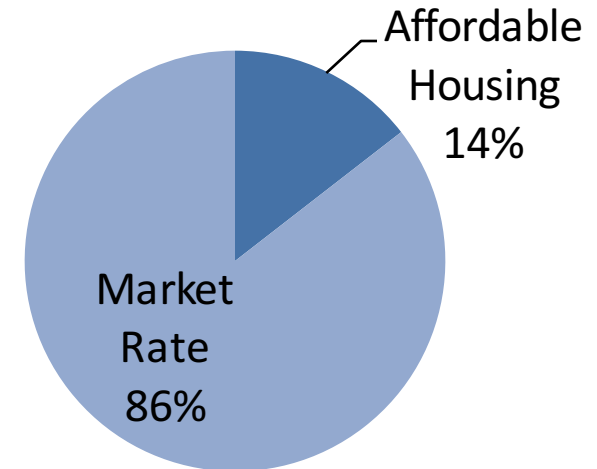
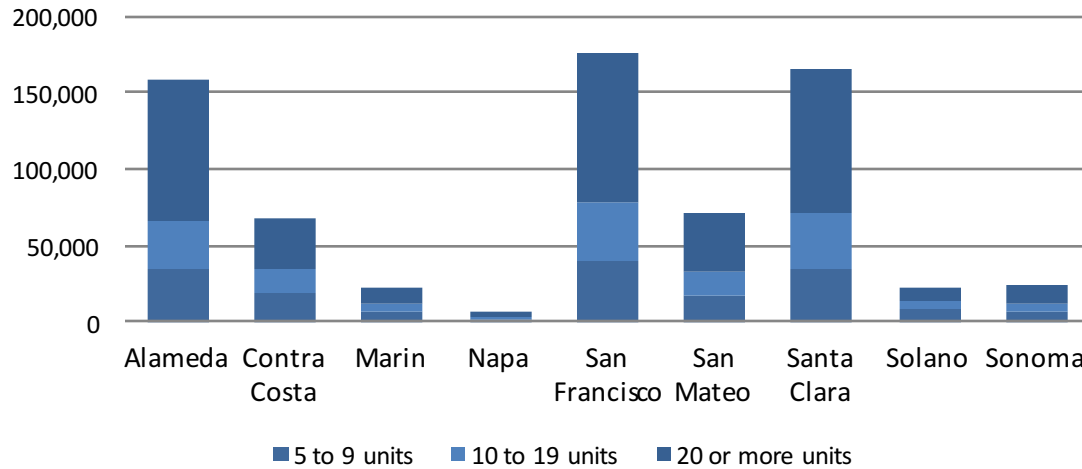


# Bay Area Multifamily Sector



# Problem Statement

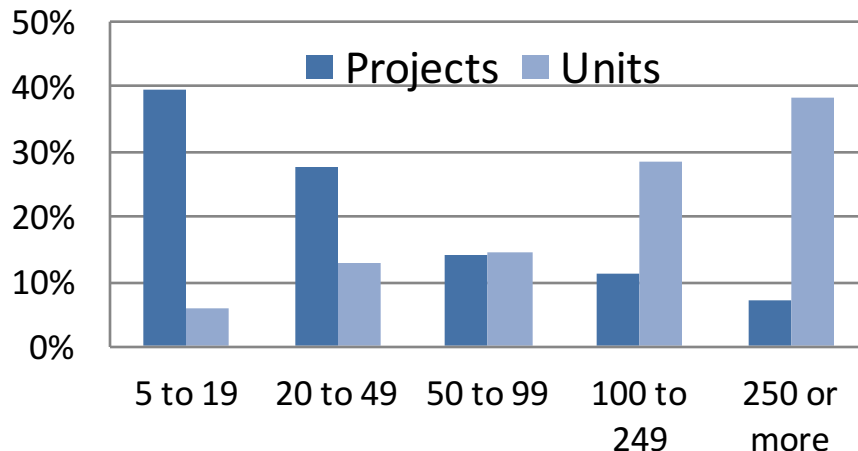
- The multifamily sector requires:
  - A **customized** yet **streamlined** approach that facilitates **upgrades over time**
  - Multiple market drivers

# BayREN MF Participation

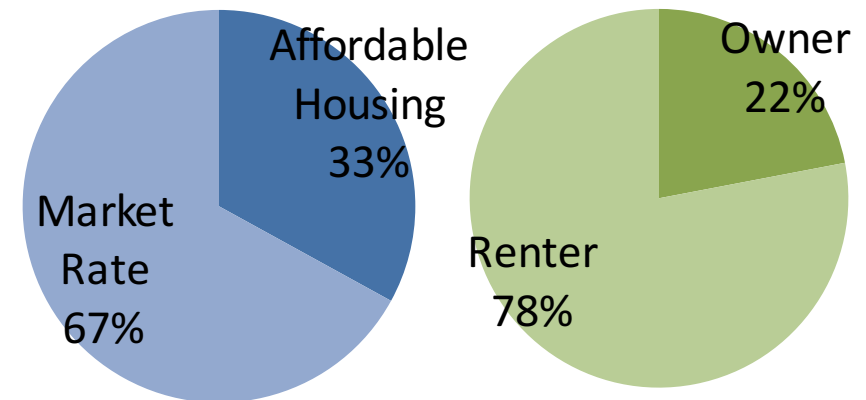
15,896 units served to date (235 projects)

- Averaging 7,900 units per year = 1% of the market per year
  - Ongoing large pipeline; limiting factor is budget

Distribution by Size



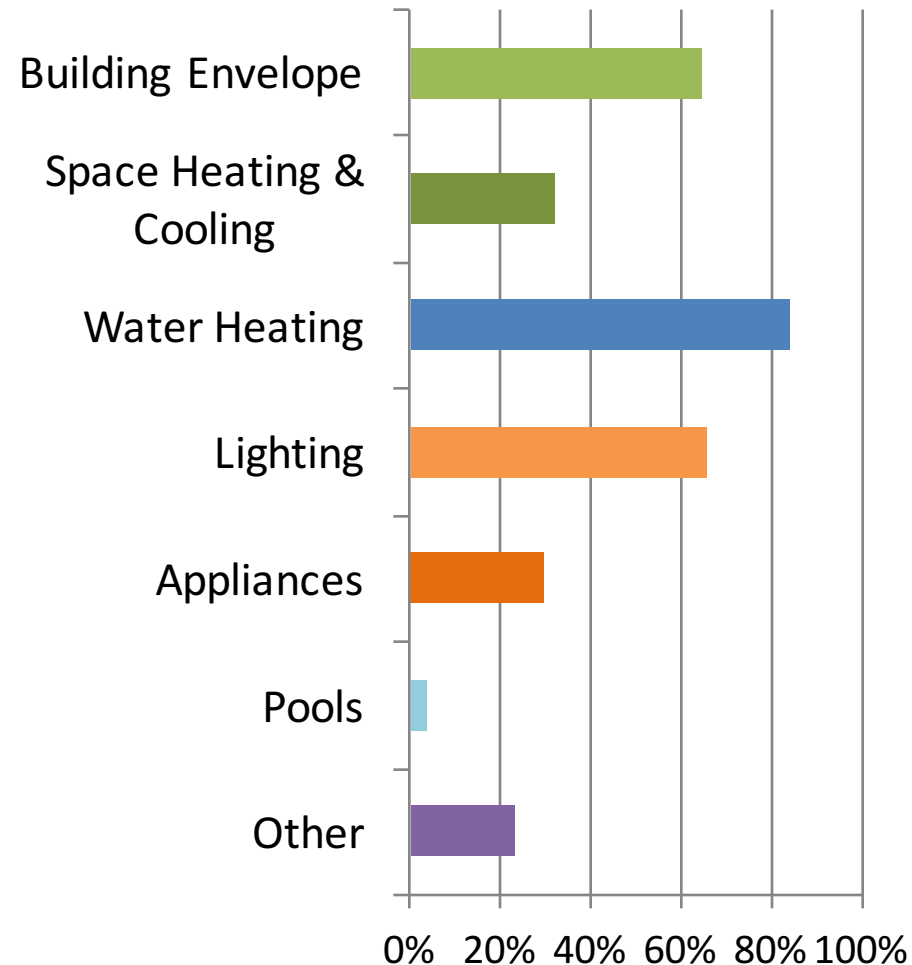
Distribution of units



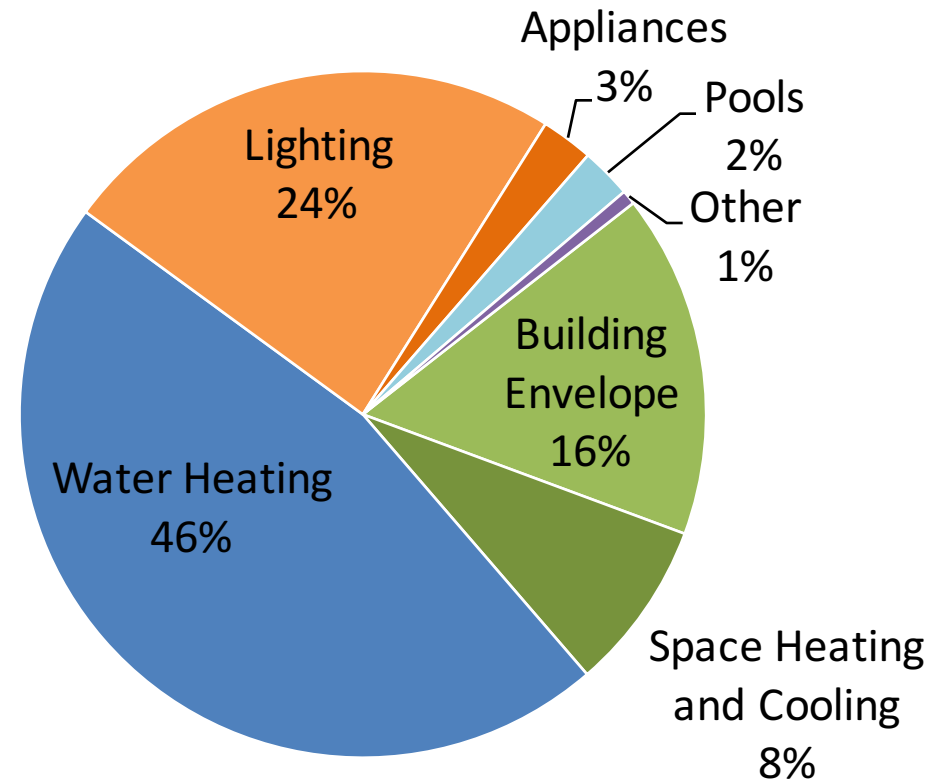
**BayREN projects reflect the diverse MF sector**

# Participation & Saving by Measure Type

## % of Projects



## % of Program Savings



**Measures & savings reflect  
typical multifamily end uses**

# Strategies

- **Solution 1.** Continue streamlined program model to reach substantial market penetration (5-10%)
- **Solution 2.** Focus on long-term planning, relationships
  - ZNE planning
  - Incorporate operational savings opportunities
- **Solution 3.** Introduce other market drivers
  - Local government policies
  - Green labeling
  - Financing

## Solution #1: Streamlined Approach

	Short-term 0-3 years	Mid-term (3-8 years)	Long-term (8-10 years)
Metrics	2020: 5% market share	2025: 10% market share	
Activities	Continue advising service; integrate financing	Refine energy savings requirements	Continue advising; Align with other market drivers
Incentives	15% energy savings required	20% energy savings required	Eliminate modeled savings incentives

**Key Strategy:** *Reach substantial market share to demonstrate widespread feasibility of upgrades*

## Solution #2: Long-term Engagement

	Short-term 0-3 years	Mid-term (3-8 years)	Long-term (8-10 years)
Metrics	ZNE plans for 20-40 projects	Relationships with 20% of units	First completed ZNE projects
Activities	Establish relationships with property and portfolio owners	Introduce re-engagement incentive structure	On-going engagement, operational saving opportunities
Incentives		Test new incentive structure, ie PfP (pending data)	Offer performance-based incentives

**Key Strategy:** *Facilitate upgrades over time*

## Solution #3: Market Drivers

### A. Local Government Policy

	Short-term 0-3 years	Mid-term (3-8 years)	Long-term (8-10 years)
Metrics	LG recognition of 250+ projects	Local government policy toolkits	Policies adopted by LG's (# TBD)
Activities	Develop policy tools for MF sector	Support local governments in adopting policies	Support property owners in compliance

**Key Strategy:** *Target policies in markets with high numbers of multifamily buildings*



## Solution #3: Market Drivers

### B: Green Labeling

	Short-term 0-3 years	Mid-term (3-8 years)	Long-term (8-10 years)
Metrics	Properties labeled (# TBD)	Property owner surveys; properties labeled (# TBD)	Industry research shows value add of green properties
Activities	Engage real estate brokers; Partner with green labeling programs	Partner with industry platforms (tenant-oriented sites, utility score)	Promote widespread use and recognition of green labels

**Key Strategy:** *Increase market value for energy-efficient properties and green O&M practices*

## Solution #3: Market Drivers

### C. Financing

	Current Conditions	Description	Short- to mid-term
BAMCAP	MF needs products to work with existing debt	Co-financing w/ multiple lenders; Reaching HOAs, refinance	Modify program based on evaluation
PAYS/Water Bill Savings Program	Water & energy efficiency siloed	Efficiency as service for water customers	Form regional JPA with municipal utilities, CCAs

**Key Strategy:** *Offer financing products that work for different sub-sectors of multifamily market*