



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 18

**Agenda Date:** August 10, 2023

**In Control:** City Council A Session

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**DEPARTMENT:** Neighborhood and Housing Services

**DEPARTMENT HEAD:** Veronica Garcia, Director

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Funding Agreement with CPS Energy to assist with minor home repairs for the CPS Casa Verde Weatherization Program.

**SUMMARY:**

An ordinance approving a funding agreement with CPS Energy to assist homeowners with small scale home repairs to make ready for the Casa Verde Weatherization Program for a one year term with an optional one year extension for an amount not to exceed \$1,000,000. Funding in the amount of \$500,000.00 is available from the FY 2023 Adopted Budget. Funding for subsequent years is contingent upon City Council approval of the annual budget.

**BACKGROUND INFORMATION:**

CPS Energy's Casa Verde Program assists low-income homeowners and renters with energy efficiency improvements to reduce energy loss and energy costs. The program targets energy efficiency improvements such as attic and wall insulation, air-sealed home efforts, LED light bulb replacement, and duct sealing.

The Neighborhood and Housing Services Department (NHSD) and CPS Energy are collaborating

to maximize improvements for homeowners who are interested in weatherization improvements which would reduce the usage of electricity. Some applicants are determined ineligible and not able to receive energy efficiency improvements due to needed small scale repairs. The City would provide funding for CPS Energy to coordinate the necessary small-scale repairs and make the homes ready to receive energy efficiency improvements through the Casa Verde Program. The funding agreement has a one-year renewal, at the City's option, for an additional amount not to exceed \$500,000.00 contingent upon availability of future funding for an overall total agreement amount of \$1,000,000.00 .

Furthermore, home preservation through minor repair and energy improvements through CPS Energy's Casa Verde Program will assist to advance the goals of the Strategic Housing Implementation Plan (SHIP) and Climate Action & Adaptation Plan by improving energy efficiency, reducing energy consumption and costs, preserving affordable housing and improving a home's health and safety.

#### **ISSUE:**

Some homeowners are not currently eligible to participate in CPS Energy's Casa Verde due to the need for minor home repairs. Examples of disqualifying factors include, but are not limited to, sheetrock issues, rotted siding and roof repairs. In partnership with CPS Energy, the City will provide funding to coordinate needed repairs for homes that will then utilize the Casa Verde Program. CPS Energy estimates the repairs will have an average cost of \$3,500.00 per home and the funding award will assist up to 140 homeowners. CPS Energy will coordinate the minor repairs with selected contractors and once completed, CPS Energy will complete energy efficiency improvements. CPS Energy will be provided one-year to expend the funding and assist homeowners.

#### **ALTERNATIVES:**

City Council may decide not to award funding to CPS Energy to address disqualifying factors and make homes ready for the Casa Verde Weatherization Program. However, these homes would remain disqualified and not receive energy improvements and reduced energy costs through the CPS Energy Program. These families would remain ineligible for weatherization benefits until repairs are completed.

#### **FISCAL IMPACT:**

An ordinance approving a funding agreement with CPS Energy to assist homeowners with small scale home repairs to make ready for the Casa Verde Weatherization Program for a one year term with an optional one year extension for an amount not to exceed \$1,000,000. Funding in the amount of \$500,000.00 is available from the FY 2023 Adopted Budget. Funding for subsequent years is contingent upon City Council approval of the annual budget.

**RECOMMENDATION:**

Staff recommends approval to negotiate and execute a funding agreement to provide CPS Energy to facilitate small-scale repairs needed to qualify for the Casa Verde Weatherization Program.