COUNCIL AGENDA: 11-30-04
ITEM: 7.2

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

15533 &
1805

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Carl W. Mosher
Leslye Corsiglia

SUBJECT: **ENERGY PROGRAM FOR SAN JOSE LOW-INCOME RESIDENTS**

DATE: 11-15-04

Approved [signature] Date 11.16.04

RECOMMENDATION

It is recommended that the City Council direct the Departments of Housing and Environmental Services (ESD) to:

1. Integrate an energy weatherization grant program for low-income owner-occupied households in San Jose within the Housing Department's Rehabilitation Program with an initial allocation of $700,000, and establish the appropriate funding mechanisms for the use of the Calpine/Bechtel donation.

2. Return to the City Council within one year with an evaluation of the program.

BACKGROUND

As part of the Council-approved agreement with Calpine/Bechtel in 2001 regarding the Metcalf Energy Center, Calpine/Bechtel agreed to donate a total of $1,000,000 over a three-year period to the City of San Jose. This contribution was to be utilized exclusively to assist low-income San Jose families with their residential energy bills or other conservation programs as deemed appropriate by the City. The donation was to be placed in a restricted fund for use for this purpose only.

In order to develop effective energy/conservation programs for San Jose families, a Residential Energy Needs Assessment research project was conducted by ESD to:

- Identify existing energy/conservation services available to low-income households in San Jose;
- Identify any gaps and/or opportunities within existing programs; and
- Develop recommendations for new and/or enhanced energy conservation programs.

The methodology undertaken for the Residential Energy Needs Assessment included:

- Defining the appropriate low-income households, income eligibility criteria;
- Reviewing research studies
- Identifying community contacts
- Interviewing and discussing with Energy Service Providers
- Analyzing existing programs
- Identifying gap/needs
- Developing recommendations.

ANALYSIS

The research identified numerous energy assistance programs in San José available to low-income households. The full Needs Assessment report is attached. Key findings from the assessment include:

- *The need is greater than availability of funds...and yet some programs are underutilized because of various reasons (e.g. perceived fears, privacy issues).*

In contrast to the City's general housing rehabilitation program, many energy efficiency installation and assistance programs are highly underutilized. According to a report from California's Department of Community Services and Development, although more than 152,000 households were served in FY 2003-2004, approximately 97% of the 5,145,014 eligible households statewide were not served. One solution is to establish more innovative outreach and advertising targeted to low-income residents.

- *The focus should be on weatherization rather than bill payment because of the longer-term impacts.*

Programs that provide energy bill payment assistance are most widely known; those that provide longer-term solutions (i.e., weatherization) are less known. Energy bill assistance provides annual cash assistance, but has limited educational opportunities to encourage families to lower energy usage. There is a greater need for educational programs that teach energy conservation, the benefits of weatherization, and the need for efficient appliances, such as those with Energy Star certification.

- *There is a strong potential for excellent collaboration among City departments [Housing, Parks, Recreation and Neighborhood Services (PRNS), Planning, Building and Code Enforcement (PBCE)].*

PRNS has numerous grant opportunities for nonprofits, having established mailing lists and contractual processes for the provision of grants.

With a better understanding of the energy and community needs of San José's low-income community, the following criteria were used to develop program recommendations:

- Ability to assist low income San José families
- Long term savings/energy reduction potential
- Opportunity for leverage within existing City programs

Program recommendations include:

- Energy Improvements Installation Program linked to Housing Rehabilitation Programs

  The City offers housing rehabilitation assistance to San Jose residents seeking to improve the condition of their properties. The program offers interest free loans or grants for health and safety improvements to qualifying owner-occupied households. Staff proposes to develop an Energy Improvement Installation Program, with an appropriation of $700,000 to provide energy savings improvement grants to households assisted through the Housing Department's Rehabilitation Program. Consistent with the City Council approved changes to the Housing Rehabilitation Program on February 24, 2004, the energy program funds will be targeted as follows:

  1. Target all funds to low-income households, currently defined as those households earning below 80% of Area Median adjusted annually for household size by the Department of Housing and Urban Development.

  2. Target owner-occupied properties in Strong Neighborhood Initiative areas of the City.

  3. Allow the use of energy funds to be integrated with housing rehabilitation funds for City-wide owner-occupied low-income mobilehome residents.

  The Housing and Environmental Services Departments will develop a list of weatherization improvements that may be installed as part of this program.

- Energy Audit Training Program

  Energy audit training will be provided to both Housing and Planning Building and Code Enforcement Department inspectors in order to identify the energy improvement needs of the City's low-income community. Training will be provided through PG&E's Pacific Energy Center courses, currently being coordinated by the City through the Silicon Valley Energy Program, the CPUC-funded joint program between the City and PG&E.

PUBLIC OUTREACH

Research and/or interviews were conducted with Pacific Gas and Electric, California Department of Community Services and Development, Silicon Valley Council of Nonprofits, Rebuilding Together, Inc., Community Foundation Silicon Valley, Salvation Army, and Economic & Social Opportunity, Inc.

COORDINATION

This report and recommendations were coordinated with the City's Departments of Parks, Recreation and Neighborhood Services, Planning, Building and Code Enforcement, and the City Attorney's Office.

COST IMPLICATION

The cost of this recommendation is $700,000. Funds for this program will be provided through the Council-approved agreement with Calpine/Bechtel in 2001 regarding the Metcalf Energy Center. Calpine/Bechtel agreed to donate a total of $1,000,000 over a three-year period to the City of San Jose. An amount of $750,000 is currently available. The recommendation is for the City Council to approve $700,000 of the $750,000 currently available in the fund, with the remaining balance of $50,000 to be programmed at a later date.

This proposal is consistent with the Mayor's March 2004 Budget Message by focusing on protecting our vital core city services (Environmental and Utility Services: Clean and Green Air, Land and Energy Resources).

BUDGET REFERENCE

$750,000 has already been appropriated in the 2004-2005 City-wide budget to the Environmental Services Department under appropriation #3139.

Fund #	Appn #	Appn. Name	RC#	Total Appn.	Amt. for contract	2004-2005 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No.)
001	3139	Low Income Energy Assistance	To Be Established	$750,000	$700,000	IX-2	N/A

CEQA

Not a Project.

LESLYE CORSIGLIA
Director, Housing Department

CARL W. MOSHER
Director, Environmental Services Department

Attachment

Low-Income Residential Energy Needs Study

City of San José

November 2004

CITY OF
SAN JOSE
CAPITAL OF SILICON VALLEY

EXECUTIVE SUMMARY

As part of the Council-approved agreement with Calpine/Bechtel in 2001 regarding the Metcalf Energy Center, Calpine/Bechtel agreed to donate a total of $1 million dollars over a three-year period to the City of San José. This contribution was to be utilized exclusively to assist low-income San José families with their residential energy bills or other conservation programs as deemed appropriate by the City. The funds were to be placed in a restricted fund for use for this purpose only.

In order to develop effective energy/conservation programs for San José families as designated for these funds, a residential energy needs assessment research project was conducted by the City of San Jose Environmental Services Department to:

- Identify existing energy/conservation services to Low-Income Households (LIHH) in San José
- Research the use and availability of energy efficiency programs
- Develop recommendations for new and/or enhanced energy conservation programs

The research identified numerous energy assistance programs in San José to LIHH. Key findings from the assessment include:

- Programs that provide more than bill payment assistance are needed. In general, there is always a greater need than can be met; some of this is public lack of awareness.
- Many energy efficiency installation and assistance programs are highly underutilized. According to a report from California's Department of Community Services and Development, although more than 152,000 households were served in FY03-04; approximately 97% of the 5,145,014 eligible households statewide were not served. One solution is to establish more innovative outreach and advertising targeted to the city's low-income population.
- Limited staff is available to assist people in applying for programs, particularly critical during times of energy crisis, as in 2001.
- Programs that provide energy utility bill assistance are most widely known, those that provide longer-term solutions (weatherization) are less known. Energy bill assistance provides annual cash assistance, but has limited educational opportunities to encourage families to lower energy usage. There is a greater need for educational programs that teach energy conservation, the benefits of weatherization, and the need for efficient appliances, such as Energy Star.

With a better understanding of the energy and community needs of San José's low-income community, the following criteria were used to develop program recommendations:

- Ability to assist low income San José families

- Long term savings/energy reduction potential
- Opportunity for leverage within existing City programs.

Final program recommendations include:

- Energy Improvements linked to Housing Rehabilitation Programs

  This program would link with the existing City Housing rehabilitation program and would ensure that low-income homeowners have the top-ranked energy efficiency measures installed during their home rehabilitation activities.

- Energy Audits Training Programs

  Energy auditing training would be provided to both Housing and Planning Department code enforcement inspectors in order to identify the energy needs of the City's low-income community.

INTRODUCTION

As part of the Council approved agreement with Calpine/Bechtel in 2001 regarding the Metcalf Energy Center, Calpine/Bechtel agreed to donate a total of $1 million dollars over a three-year period to the City of San José. This contribution was to be utilized exclusively to assist low-income San José families with their residential energy bills or other conservation programs as deemed appropriate by the City. The funds were to be placed in a restricted fund for use for this purpose only.

In order to develop effective energy/conservation programs for San José families as designated for these funds, a residential energy needs assessment research project was conducted by the City of San Jose Environmental Services Department to:

- Identify existing energy/conservation services to Low-Income Households (LIHH) in San José
- Research the use and availability of energy efficiency programs; and
- Develop recommendations for new and enhanced energy conservation programs

METHODOLOGY

The methodology undertaken for the Residential Energy Needs Assessment included:

- Determine the definition of Low-Income Households, income eligibility criteria
- Conduct a review of research studies
- Identify community contacts
- Develop a needs assessment survey tool
- Conduct interviews and discussions with Energy Service Providers
- Analyze existing programs
- Identify gaps/needs
- Identify options and develop recommendations

Low Income Households (LIHH)

The definition of LIHH differs depending on the funding source. For example, there are programs from the Federal Government, the State of California, and the City of San José. These programs have different qualification and eligibility provisions.

Information gained from the 2000 Census Report indicates that the distribution of incomes in San José covers a broad range. For example, three out of ten households had income of $200,000 or more in 2000, while more than two our of ten (21.6%) had household income of less than $35,000. Using a number of income thresholds that vary

by family size and composition, the Census Bureau determined 77,893 persons in San José, or 8.8% of the City's total population, to be below the poverty level in 2000. Children (persons 17 years and under) accounted for a disproportionate share of the poor, numbering 25,034 persons or 32.1% of the impoverished population. A large proportion (42.9%), of impoverished families with children is headed by a female householder with no husband present.

Eligibility Criteria 2004

Annual income limits used for Santa Clara County are based on area median of $105,500 for a family of four, as of February 2004:

INCOME LEVEL	HOUSEHOLD SIZE							
	1	2	3	4	5	6	7	8
Extremely Low Income	22300	25450	28650	31850	34400	36900	39450	42000
Very Low Income	37150	42450	47750	53050	57300	61550	65800	70050
Lower Income	59400	67900	76400	84900	91650	98450	105250	112050
Median Income	73850	84400	94950	105500	113950	122400	130800	139250

Review of Research Studies

One of the first steps for the residential energy needs assessment was to review existing reports addressing energy-related assistance to the target LIHH population. Since the energy crisis in 2001, a number of studies in California have generated research findings. These findings provided a foundation for establishing priorities in this project and were useful in assessing relevant local programs. They also served to elucidate implementation issues (such as the identification of priority weatherization measures that have the highest energy efficiency and utility usage reduction potential) and program needs. The reports reviewed were:

- *Energy Assistance Proposal for Low-Income and Fixed-Income Residents*, Children and Families Committee, County of Santa Clara, May 31, 2001
- *Energy Crisis Response Fund Report*, Community Foundation Silicon Valley, 2001
- *California Public Utilities Commission Low-Income Needs Assessment Study*, Phase 1, April, 2002
- *Impact Evaluation of the 2001 Statewide Low-Income Energy Efficiency (LIEE) Program, Volume 1*, prepared by XENERGY Inc. and Business Economic Analysis & Research for Southern CA Edison, Southern CA Gas Company, San Diego Gas & Electric Company, Pacific Gas & Electric Company, March 19, 2003
- *Energy Savings Opportunities for Existing Buildings*, prepared by the Heschong Mahone Group, Inc. for Southern California Edison, February 17, 2004

- *California Low-Income Home Energy Assistance Program—Legislative Report*, California Department of Community Services and Development. March 2004

Identification of Community Contacts

Research was conducted to identify contact staff at the active energy services programs. This matrix of programs and services, the Energy Service Provider Database, and Energy Assistance Program Matrix, can be found in the appendix of this report.

Needs Assessment Tool

A survey was created to interview program providers in the San José community. The intention was to interview a representative sample of energy-related assistance programs in the San José area. Face to face interviews were supplemented with telephone interviews. Those programs that offered more than utility bill assistance were visited on-site. The survey addressed the following topics:

- Existing services
- Repeat customers
- Funding sources
- Advertising and marketing
- Target population(s)
- Waiting lists
- Agency wish lists
- Eligibility
- Barriers to implementation
- Service gaps
- Intra-agency collaboration

Service Providers' Interviews

The following providers, which provide the majority of energy-related services to the low-income households in San José, were interviewed:

- City San José Housing, PRNS and PBCE Departments
- PG&E
- California Department of Community Services and Development
- Silicon Valley Council of Nonprofits
- Rebuilding Together, Inc.
- Community Foundation Silicon Valley
- Salvation Army
- Economic & Social Opportunity, Inc.

In addition, a site visit was made to the Richmond Menker neighborhood between Leigh and Bascom Avenues at Moorpark. After touring this low-income neighborhood with a City of San José Neighborhood Parks and Recreation Community Organizer, an informal interview was conducted with one of the women residents. She was not aware of energy assistance programs, but was interested to learn they existed. Most of the residents are monolingual Spanish speaking.

The need for legal documentation and multiple families in some apartments may be disincentives to applying for help, even if the programs are known.

Analysis of Existing Programs

Utility Bill Assistance Programs

A majority of the energy grants programs provide help in the form of energy utility bill assistance, rather than more permanent solutions such as weatherization. While programs funded by the California Public Utilities Commission (CPUC) Public Goods Charge may be underutilized, the sheer number of applications often overwhelms caseworkers that administer the process. Utility bill assistance is done in several ways:

- Paying part of the utility bill to avoid shut off of services
- Exempting residents from electricity rate increases
- Averaging bills annually
- Reducing energy costs to low income, and/or medically qualified people.

California Alternate Rates for Energy (CARE)—California Alternative Rates for Energy is a PG&E program that reduces energy charges to qualifying low-income households and housing facilities. CARE provides a 20-percent discount on monthly bills and an exemption from surcharge increases to low-income households. The Salvation Army and Economic and Social Opportunity are two of the most active administrators of these programs. The categories of qualifying customers are:

1. Residential Single Family Program
2. Sub-Metered Tenant Program
3. Qualified Nonprofit Group Living Facilities
4. Qualified Agricultural Employee Housing Facilities

FERA Family Electric Rate Assistance (FERA)—Family Electric Rate Assistance offers more electric usage at a lower rate to larger low-to-middle-income households of three or more people. It is specifically designed for households that exceed the maximum income for the CARE program.

Relief for Energy Assistance through Community Help (REACH)—If a family cannot pay a large bill in full, PG&E can provide a grant up to $250 annually through Relief for Energy Assistance. It is designed for low-income families experiencing sudden, unexpected financial hardship.

Energy Partners—Energy Partners is a free program of PG&E. It provides weatherization services, using approved contractors, to help low-income households be more energy efficient.

Low-income Energy Assistance Program (LIHEAP)—Low-Income Home Energy Assistance Program is a state program through the California Department of Health and Human Services. For qualifying households, energy bill assistance and some weatherization services are available.

Medical Baseline and Life Support Program—Residential customers dependent on life-support equipment and/or with special heating and cooling needs due to certain medical

conditions may receive approximately 500-kilowatt hours (kwh) of electricity and/or 25 therms of gas per month, in addition to regular baseline quantities.

Balanced Payment Plan—The Balanced Payment Plan from PG&E is for people with very high heating or cooling costs in the winter or summer months. By averaging their bills over a year, they can pay the same amount each month, making it easier to manage in those months of extreme weather conditions.

These programs are offered through PG&E and Community Based Organizations and are funded by the Public Goods Charge, which is administered by the CPUC. All energy consumers pay into this fund with a small surcharge on their monthly utility bill. While many families are able to utilize the existing services, several problems have been identified, as follows:

- Outreach and advertising are too limited
- Income verification
- Complicated application
- Need to apply in person.

Weatherization and Home Improvement Programs

A small number of programs assist by providing long-term energy conservation solutions. Many of these programs are funded through the state's Low-Income Energy Assistance programs or the federal Housing and Urban Development (HUD) programs. The City of San José Housing Department, ESO, Rebuilding Together, and the PG&E's Energy Partners are examples of programs that provide low-income households with free weatherization assistance. Some of the services include:

- Weatherization; weather stripping doors, wall and roof insulation, window repairs, sealing leaks around windows, installation of CO_2 sensors
- Home repair: plumbing; repair or replace leaking pipes, repair electrical wiring, re-glazing of windows
- Home improvement: replace entire window, replace aging or broken hot water heater, furnace, stove
- Appliances: replacement of refrigerators, microwave if all-electric-kitchen
- Doors and roofing: replacement, if missing or beyond repair.

Identification of Service Gaps

A number of gaps that make it difficult to provide services to qualified residents were identified through the service provider interviews and other research. Some are cultural, others relate to the difficulty in defining categories of need, such as "comfort" and "hardship." Reduction of hardship and improved comfort level may not reap large cost savings, but are significant to those who benefit. Additionally, transient populations, and migrant families have difficulty documenting the income eligibility requirements. Immigrants often fear that participating in a program will hurt their chance for

citizenship. Seniors are sometimes reluctant to share financial information and often believe others are worse off than them, so they do not apply.

Additional service gaps include:

- Privacy issues
- Fear of stigma
- Fear of punishment
- Fear of government involvement
- High occupancy in small quarters, resulting in a high total income
- Refusal to apply by landlords in master-metered housing
- Pride, not wanting neighbors to know
- Single-family households obtain more services than multi-family households
- Language barriers, high percentage of immigrants in low-income population
- Privacy; high volume of home inspectors, auditors, caseworkers, repair staff involved
- Appliances may fail before programs can replace them, resulting in lost food, no heat
- Households with no heat at all, rely on oven, stove or electric space heaters
- People living in hotels that cannot afford to rent an apartment or house.

As discussed above, utility bill assistance is one of the more popular programs, and many repeat customers return for annual assistance. But this small payment does not keep the lights on for long. If they don't apply or qualify for ongoing reduction of energy bills or weatherization assistance, a one-time bail out is a short-lived solution. Some LIHH may qualify for the CARE program, as discussed above, but there are barriers to CARE as well. The program suffers from lack of outreach and effective marketing. In the area of utility bill assistance/reduction, some of the service gaps are:

- Reoccurring shut-off notices from continual increases in gas and/or electric charges
- One-time annual assistance payment may not be enough
- One-time annual assistance does nothing toward reducing overall energy consumption
- Limited assistance to households with high past-due bills
- More publicity needed to increase awareness of existing programs
- Limited resources to provide outreach to potential qualified customers
- Limited ability to provide education of efficiency and energy saving measures
- Complex issues of shared and overcrowded households.

OPTIONS AND PROGRAM RECOMMENDATIONS

Based on the research and interviews, the following program options were identified:

- Energy Improvements linked to Housing Rehabilitation Programs

  This program would link with the existing City Housing rehabilitation program and would ensure that low-income homeowners have the top-ranked energy efficiency measures installed during their home rehabilitation activities.

- Energy Improvements and Educational Program Opportunities with City Nonprofits.

  Linking with our the City's Parks, Recreation and Neighborhood Services Department, this program would establish an energy grants program that would 1) provide financial assistance for the purchase of energy efficiency measures for nonprofits' facilities and 2) encourage nonprofits to conduct energy educational outreach programs for low-income households;

- Energy Audits Training Programs

  Energy auditing training would be provided to both Housing and Planning Department code enforcement inspectors in order to identify the energy needs of the City's low-income community.

Energy Improvements linked to City of San José Housing Rehabilitation Programs

There are a number of ways to increase energy efficiency in the community, by reducing demand and lowering cost to consumers. Several of the programs surveyed have undertaken this task, reporting good results. However, budgets are limited and opportunities for linkages to existing programs provide resource savings. The City's Housing Rehabilitation Programs provides housing upgrades to eligible low-income households within San Jose.

Currently, funding is only available for emergency repairs to low-income, owner-occupied residences. Only severe cases that pose a harmful threat to the health and/or safety of the homeowner are considered.

The state of California—Department of Community Services and Development has listed the following weatherization measures for installation as part of their Low-Income Home Energy Assistance Program (LIHEAP):

California LIHEAP Mandatory Measures

- Glass Replacement
- Duct and Register Repair/Replacement
- Minor Envelope Repair
- Evaporative Cooler/Air Conditioner Vent Cover (Inside)
- Ceiling Insulation R11
- Low-Flow Showerhead, per device
- Hot Water Faucet Restrictor, per device
- Door Weatherstripping, per door
- Water Heater Blanket
- Water Heater Pipe Wrap

- Duct Wrap
- Switch/Outlet Gaskets
- Caulking

Electric Base Load Measures

- Refrigerator Replacement
- Electric Water Heater Repair/Replacement
- Microwave Oven
- Thread-based Compact Fluorescent Lamps
- Hard-Wired Compact Fluorescent Lamps

An analysis done by the state determined that the Electric Base Load Measures had the largest estimated kilowatt-hour savings compared to the Mandatory measures. Because most of the Mandatory Measures focus on the building shell performance, the highest projected savings were associated with natural gas and propane savings as opposed to kilowatt-hour savings, since most buildings are heated with gas. However, the Electric Base Load Measures were projected to achieve some fuel savings, due to the potential savings associated with the installation of microwave ovens, and some limited increased performance of the building shell and the mechanical systems.

The average service cost for the weatherization services was determined to be $1,118 per household. Average savings achieved as a result of these services was an annual reduction in energy costs of 31%, or approximately a $300 average savings on the households' utility bill.

Energy Improvements and Educational Program Opportunities with San Jose Nonprofits

Assistance to Service Providers of Low-Income Households

One of the areas addressed in the past was how to support the non-profit direct service providers. They often have small budgets and operate out of modest combined office/warehouse space in commercial districts.

During the 2001 energy crisis, a joint survey was conducted by Community Foundation Silicon Valley and United Way Silicon Valley. They found that local energy bills for nonprofits had increased by 46 percent during the first quarter of that year.

To respond to the increased demand for service from clients, in addition to higher operating costs, the Energy Crisis Response Fund was created by Community Foundation Silicon Valley. Projects that enabled non-profits to operate in an energy efficient manner and achieve long-term energy and financial savings were supported. They benefited from efficiency studies and grants of up to $5,000 for implementing energy reducing projects. The purchase of energy efficient appliances, upgrades to lighting and HVAC equipment, and window replacement helped them reduce energy consumption and operating costs. During a two-month period beginning in June, 23 non-profits in Santa Clara County received at total of $100,000 combined. .

This type of program could be sponsored again for nonprofit agencies within San José, possibly as a partnership between the Community Foundation and the City of San José would be initiated.

Education: Small Group Workshops In The Community

One of the goals within the City's adopted Sustainable Energy Policy is to "Identify and implement opportunities for educating the public about energy efficiency and renewable energy." Partnering with utilities, identifying funding sources and expanding educational offerings are the elements of this goal.

Several topics could be addressed in small group workshops for minimal cost. Again, staff time and planning are the primary cost. Most people can use or be taught to use a hammer, a staple gun and a caulking gun. Sealing leaks can yield a high return on investment in energy saved. It is also an excellent venue to get customers signed up for free energy audits provided by the local utilities. In an educational forum, the benefits of reducing energy demand, lowering energy costs and contributing to a cleaner environment can be met in some of these areas:

- **Weatherization;** Teaching people how to do weather stripping, caulking and replacing broken windows to avoid leaking heat or air conditioning.
- **Efficiency;** Teaching people to use water and energy more wisely by only using dishwashers, washing machines and dryers when full.
- **Lighting;** Teaching the benefits of replacing incandescent bulbs with high efficiency compact fluorescents, turning off lights in empty rooms, using low-wattage night lights and timers.

Another opportunity for increasing education on energy efficiency would be through the use of neighborhood demonstration in conservation. Some local nonprofits have conducted these events, but reported that the resources to execute this are very limited. Planning and organizing such an event is a stretch without addition staff allocations. It is often an issue of needing more staff time to be successful with educational programs. Printed materials to hand out to neighborhood residents are an additional cost. Collaborating with the local utility company can minimize the cost of materials, since they have many available already.

Final Program Recommendations

With a better understanding of the energy and community needs of San José's low-income community as a result of the needs assessment and interviews, the following criteria were used to develop the final program recommendations:

- Ability to assist low income San José families
- Long term savings/energy reduction potential
- Opportunity for leverage within existing City programs

Final program recommendations include:

- Energy Improvements linked to Housing Rehabilitation Programs

  This program would be integrated with the existing Housing Rehabilitation Program administered by the City's Housing Department. The City offers housing rehabilitation assistance to San Jose residents seeking to improve the condition of their properties. The program offers interest free loans or grants for health and safety improvements to qualifying owner-occupied households. Consistent with the approved changes to the Housing Rehabilitation Program approved by the City Council on February 24, 2004, the energy program funds will be targeted as follows:

  - Target all funds to low-income households, currently defined as those households earning below 77% of Area Median adjusted annually for household size by the Department of Housing and Urban Development.
  - Target owner-occupied properties in Strong Neighborhood Initiative areas of the City.
  - Allow the use of energy funds to be integrated with housing rehabilitation funds for city-wide owner-occupied low-income mobile home residents.

  The Housing Department will ensure that qualified low-income San Jose residents have the top-ranked energy efficiency measures seamlessly integrated with the housing rehabilitation improvements. The Housing and Environmental Services Departments will develop the list of priority energy efficiency measures to be installed, and finalize the process whereby these measures would be installed.

- Energy Audits Training Programs

  Energy auditing training would be provided to both Housing and Planning Department code enforcement inspectors in order to identify the energy needs of the City's low-income community. Training could be provided through PG&E's Pacific Energy Center courses, currently being coordinated by the City through the Silicon Valley Energy Program, the CPUC-funded joint program between the City and PG&E.

	Weatherization Measures													Electric Baseload Measures					Optional Measures					Utility Assist		Rehabilitation Energy Related								
	Mandatory Measures CAL LIHEAP																																	
	Glass Replace (glazing)	Minor Envelope Repair	Evap Cooler AC Vent Cvr	Ceiling Ins R11thru R38	Low Flow Shower	Hot Water Faucet Restrictor	Door Weatherstrip	Water Heater Blanket	Water Heater Pipe Wrap	Duct Wrap	Switch/Outlet Gaskets	Caulking	Other Weatherstripping	Refrigerator Replacement	Electric WH Repair Replace	Microwave Oven	Threaded CF	Hardwired CF	Ceiling Fans	Evap Cooler Repair	AC or Furnace Filter Replace	AC Furn Re Filter + Signal	Setback Thermostat	Rate Assistance	Bill Payment	Furnace	Windows Replace fully	Dishwasher	Clothes Dryer	Washing Machine	AC Repair Replace	Door Repair Replace	Water Heater Repair Replace	Education
City Programs																																		
Housing	■	■		■			■	■				■	■	■	■	■				?						■	■				■			
Airport *				■			■																				■				■	■		
PG&E																								■	■									
CARE																								■										
REACH																									■									
Energy Partners	■	■	■	■	■	■	■	■	■		■	■	■	■	■		■	■		■						■	■		■		■	■	■	■
Community & State Funded																																		
ESO	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■		■	■	■	■		■	■	■					■		
Salvation Army																									■									
Rebuilding Together	■	■		■			■	■				■		■	■											■	■							
Community Foundation Silicon Valley **	■													■	■		■	■	■		■	■				■	■	■	■	■	■			

* Specific to certain treatment areas;
De La Cruz, Fairway Glen, Guadalupe Washington, Rosemary Gardens, Ryland Vendome

** CFSV WX work during 2001 crisis only