

SUSTAINABILITY FUND
RESIDENTIAL ENERGY EFFICIENCY GRANT
PROGRAM GUIDELINES

I. WHAT IS THE PROGRAM?

The Village of Oak Park Energy Efficiency Grant Program ("Program") was established to provide financial assistance to Owner(s) who desire to reduce their home's consumption of energy. In some years there may also be available CDBG grant funds to provide energy efficiency grants to low income households. The Village of Oak Park intends to utilize the Sustainability Fund enhance the benefit to low income households, provide a grant to middle income households, and create a matching grant for high income households.

Energy efficiency upgrades lead to savings on utility bills, improved indoor air quality, improved home comfort, and reduced greenhouse gas emissions. Eligible homeowners may qualify for the program by providing proof of permanent ownership of the property, income eligibility, and energy upgrades completed. The program was established to provide financial assistance to homeowners who may qualify for a grant or a matching grant, up to a maximum of \$10,000 or \$5,000.00 per application depending on income.

II. HOW DOES THE PROGRAM WORK?

The Village will reimburse either the Owner(s) or the contractor directly upon written request for installation of items related to the conservation of energy, such as by upgrading a dwelling unit's insulation and appliances.

An Owner(s) may apply for reimbursement or direct payment to a contractor under the Program for installations for purposes of increasing building energy efficiency or electrifying gas appliances up to the following caps:

- Households below 80% AMI are eligible for a Village grant up to \$10,000. Eligible applicants are required to first utilize the CDBG grant while funding is available. The total value of both grants is not to exceed \$10,000 or the total cost of the installations, whichever is less. (45% of total funding)
- Households with an income between 80% and 120% AMI are eligible for a grant of up to \$5,000 not to exceed 50% of the total cost of the installations. (45% of total funding)
- Households with an income of 121% AMI or higher are eligible for a grant of up to \$1,000 not to exceed 50% of the cost of installations. (10% of total funding)

Each different energy efficiency installation and approach has different costs, degrees of disruption, and levels of efficiencies. The provisions of the most recently adopted International Energy Conservation Code (IECC), the International Building Code (IBC) and the International Existing Building Code (IEBC) by the Village of Oak Park shall be applicable to all projects submitted under this program.

III. WHAT WORK IS COVERED UNDER THIS GRANT PROGRAM?

This Program covers installed energy efficiency measures. The following are *Eligible Costs* that may be covered as part of this program.

1. Home energy audit or assessment (when ineligible for free programs)
2. Weatherization measures such as insulation, weather stripping, and air sealing.
3. Energy efficient windows and/or doors.
4. Energy-efficient lighting, including automatic light sensors or timed light sensors. All outdoor lighting must meet International Dark Sky principles.
5. Electric heating, venting, and air conditioning (HVAC), such as heat pump installation and thermostat upgrades.
6. Replacement of gas water heaters with electric.
7. Upgrade of electrical panels to support electrification measures.
8. Renewable energy systems and/or battery storage.

The costs associated with any measure completed in a manner or using materials which do not meet the requirements of the Village's Specifications or Codes will be considered non-eligible for reimbursement from this program

IV. WHO IS ELIGIBLE?

A. Eligibility of Owners

The Program is intended to benefit households within the Village of Oak Park at different levels depending on household income. To determine the appropriate benefit cap, owner(s) will self-certify that their household income meets the requirements described here, which the Village reserves the right to verify in its discretion. Owner(s) of two to four-unit buildings will self-certify that the household income of 51% of their tenant units meets these requirements, which the Village reserves the right to verify in its discretion.

An Owner(s) will be considered ineligible for the Program if:

1. An Owner(s) owes any unpaid taxes or water bills or other debt to the Village;
2. The Owner(s) has any unpaid final judgments of liability from the office of Adjudication which are due and owing;
3. There are any unpaid Village liens on any property owned by the Owner(s);
4. The Owner(s) is not current on any other Village obligations, or otherwise is not in compliance with requirements of the Village Code, including but not limited to multi-family licensing, benchmarking requirements, alarm permit, or vacant building registration requirements; or
5. The applicable property for which an Owner(s) seeks a grant has previously been the subject of a grant under the Program under a different owner.

B. Eligibility of Village Employees

Eligible Owner(s) who are also Village Employees are eligible for the Program in accordance with the Village's Conflict of Interest and Ethics Ordinance.

C. Eligibility for Other Village Housing Programs

Participants in the Program may be eligible for multiple grants and loans that are available through the Village of Oak Park. Other programs include:

1. Single Family Rehabilitation
2. Sewer Backup Protection Grant
3. Lead Water Service Replacement Grant
4. Climate Ready Rainscape Grant
5. Small Rental Property Rehabilitation Loan

Participants of the Single-Family Rehabilitation or the Small Rental Property Rehabilitation loan must wait one (1) calendar year from completion of a project before being eligible for an energy efficiency grant if used in combination with CDBG funded energy efficiency grants, as funding allows.

D. Eligibility for Other Energy Efficiency Programs

Participants may be eligible for other energy efficiency assistance programs, including free programs. Participants will be asked to document their efforts to access these free programs prior to the provision of Village assistance. Staff will connect applicants with these programs if needed. Such free programs include ComEd or Nicor energy efficiency programs and others.

E. Income eligibility ranges

The Energy Efficiency Grant will be available to Oak Park homeowners at a variable rate based on Area Median Income (AMI) for the Chicago Metropolitan Statistical Area including Cook County, as defined by U.S. Department of Housing and Urban Development (HUD).

- Households below 80% AMI are eligible for a Village grant up to \$10,000. Eligible applicants are required to first utilize the CDBG grant while funding is available. The total value of both grants is not to exceed \$10,000 or the total cost of the installations, whichever is less.
- Households with an income between 80% and 120% AMI are eligible for a grant of up to \$5,000 not to exceed 50% of the total cost of the installations.
- Households with an income of 121% AMI or higher are eligible for a grant of up to \$1,000 not to exceed 50% of the cost of installations.

V. WHAT PROPERTY TYPES ARE ELIGIBLE?

A. Owner Occupied Up to Four Units

Eligible properties are owner-occupied single-family dwellings containing one to four units. For condominium units, improvements can only be made to those areas within a unit which the Owner(s) of the unit has authority to change, alter or improve, as defined by the condominium declarations, by-laws, and/or other rules and regulations as issued and adopted by the applicable condominium association or board. Improvements to common elements and limited common elements, including window or door repairs and replacements, are not eligible for the Program. A condominium unit is defined as a single-family dwelling.

B. Clear Title

The Owner(s) must have clear title to the owner-occupied dwelling unit, without any cloud on the title, not including any prior recorded consensual liens such as a mortgage or deed of trust.

The Owner(s) must be the sole title holder of the dwelling unit which will undergo project rehabilitation, unless an acceptable release is obtained from any person on the title agreeing to an additional encumbrance.

VI. HOW DO I APPLY?

A. Steps

The following are the steps to take to participate in the Program.

1. An Owner(s) must schedule a home energy assessment and be able to provide a final report of the findings which supports the need for the chosen improvement and estimated energy savings. Free assessments may be available from Nicor or ComEd. An Owner(s) who does not qualify for the Utility sponsored programs may submit the cost of the home energy assessment as a part of their reimbursement grant;
2. An Owner(s) must complete an application and submit it to the Neighborhood Services Department;
3. An Owner(s) must apply for any necessary building permits. An applicable general contractor and all subcontractors must be properly registered in the Village of Oak Park and must submit evidence of insurances and licenses; and,
4. An Owner(s) is responsible for selecting an applicable contractor. The Owner(s) is required to obtain at least three (3) bids for the work. The applicant may select a contractor from any of the bids so long as the differential between the bids is not greater than 50%.
5. An Owner(s) must apply for and report receiving any incentives available through a utility, the State, or other entities.
6. An Owner(s) will be asked to report energy savings to the Village one year after completion of the upgrades.

B. Priority

Applications will be processed on a first come, first served basis. The Program will expire when all grant funds are expended.

VII. PROGRAM MANAGEMENT

A. Application and Eligibility Review

The Village will review a completed application for an initial determination of eligibility.

B. Ineligibility

If the Owner(s) is ineligible, the Village will notify the Owner(s) of the reason for ineligibility. If the reason for ineligibility is due to an outstanding debt, judgment or code compliance issue, the Owner(s) may re-apply after such matters have been satisfied. For purposes of determining priority, the Owner(s)'s place in line will be based upon the date of reapplication if initially determined to be ineligible

C. Limitations of Funding

Participants in this program can only apply once a year for an energy grant and can only be a recipient of funds a maximum of two times for a property, if funding is available.

D. Agreement

Upon approval of an application, the Owner(s) will be required to sign a Grant Agreement.

E. Building Permits

The Owner(s) must obtain permits from the Village before a contractor may begin any work. All work must be properly permitted and inspected by the Village.

F. Payment of Requests for Reimbursement

Upon completion of any applicable work, the Owner(s) must submit a Request for Reimbursement Form. The form must be accompanied by the following:

1. A copy of an Energy Efficiency Assessment report completed for the building, including those conducted by a utility company.
2. Contractor's mechanics lien waiver;
3. A copy of the Owner(s)'s proof of payment to the contractor;
4. A certification from the contractor that the Owner(s) paid for the work;
5. Evidence of application for other available incentives and proof of outcome of the application; and
6. A final certificate of completion.

In those cases where the Owner(s) requests that payment be made directly to a contractor, the Owner(s) must sign a payment authorization form and provide applicable mechanics' lien waivers. The Village will agree to pay a contractor directly upon proof that the Village's payment is the only outstanding payment to be made to the contractor.

If a Request for Reimbursement is completed in conformance with the Program requirements, payment will be made by the Village within thirty (30) days of approval of an invoice.

G. Report of Energy Savings

One year after reimbursement, the Village will reach out to the homeowner to request data on energy and cost savings related to the upgrades. The request will include the following:

- A request of monthly energy usage and costs for the year (12 months) prior to project completion and year (12 months) after project implementation.
- A request for information on any additional energy efficiency property upgrades conducted in the 12 months after reimbursement.
- General feedback on the grant program and specific upgrades installed.