

Direct-to-Renter: Locally Grown Energy Equity Solutions for Renters

Thursday, July 10 1:30-2:45 PM

Today's Panelists



Moderator:
Julie Castro
Assistant Director
The Energy Coalition



Chelsea Kirk
Director Policy and
Advocacy
SAIE



Lina Mira
Executive Director
Latino and Latina
Roundtable
Pomona



Felicia Federico
Director, Funding and
Research
The Energy Coalition



Ashley Mercado
Director of Special
Projects
Day One

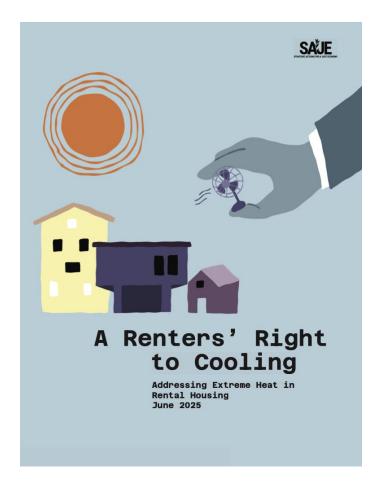
Today's Agenda

- Presentations from panelists
- Q&A
- Breakout tables by topic
 - Participant Engagement
 - Technical / Portfolio
 - Policy
 - Funding



Chelsea Kirk

Director Policy and Advocacy SAJE



Extreme heat is a problem, especially for renters.

Organized four bilingual in-person focus groups (total participants: 58).

- How do you stay cool in your home during the summer?
 Is it sufficient?
- Do you have air conditioning? If not, why?
- What do you need to stay cool at home?
- Would you use AC if your landlord installed it? Why or why not?



Living through dangerous levels of indoor heat is common, especially in the summer. Most tenants described their apartments as hotter than the outdoors during heat waves.



The monthly electricity costs associated with A/C are often unaffordable, making tenants hesitant to run A/C units.



Indoor heat makes people sick. Tenants reported physical- and mental-health impacts from extreme heat, including headaches, dizziness, asthma attacks, nosebleeds, anxiety, and heat rashes.



Leaving home to cool down is expensive. Tenants who have tried escaping the heat in their homes by going to cafes, gyms, or the beach said the cost of food, gas, and parking quickly add up.



Many landlords disallow window A/C units, citing electrical or aesthetic concerns.



Tenants overwhelmingly want A/C. Despite the costs associated with running it, nearly everyone said they would use A/C if it were provided and believe it should be a legal requirement.

Focus Groups Quotes

"They don't allow you to have an A/C unit that functions well and sticks out the window...He said it's aesthetics—it looks bad. The ones that stick out to the street. And the contract says we can't have anything in the windows."

- Maribel Reyes, April 7, 2025

"The landlord where I live doesn't permit an A/C unit because, supposedly, when the water drips, it ruins the wall, the paint, and if it ruins the wall, then we are responsible for it. That's why I opted not to install an A/C unit to help cool down the house. Because aside from that, he would make me pay for damage to the wall. My neighbors have asked, too."

- Beatriz Moreno, April 7, 2025

"We talked to the landlord, and she said that if we get one, it has to be one of those A/Cs that go outside the window, but she said we can't install those because it's against the aesthetics of the building's exterior. We have to obey those rules because we can't ruin how the apartment looks—can't have units that go on the walls either."

- Camile, April 14, 2025

"The owner did not let me install the A/C unit because he did not want to damage the walls. The walls are old. He sold the property and did not let me install an A/C unit. I have been suffering for 26 years in the heat."

- Teresa Marquez, April 7, 2025



Renters face many obstacles to decarbonization & cooling

- Renters more likely to live in old, energy inefficient housing
- Suffer high energy burdens
- Limited decision-making over home modifications
 - Inability to reduce energy burden
 - Lack of access to solar, subsidy programs
- They are also subject to unintended consequences



Decarbonization and cooling is on the way!

Policy on the Horizon:

Making buildings all electric

Add cooling to homes

GOAL:

Slash 85% of Greenhouse Gas Emissions by 2045.

This means removing gas-emitting appliances like stoves, ovens, heaters, water heaters, and clothing dryers and replacing them with electric alternatives.

 Building Energy and Savings Act (Senate Bill 48) will require landlords to reduce gas emissions from their buildings by swapping out appliances

Landscape of Tenant Protections



LOCAL RSO TENANTS

Tenants are protected by rent-control measures implemented at the local level.



AB 1482 TENANTS

Tenants are protected by regulations established at the state level that set limitations on rent increases and evictions.



EXEMPT TENANTS

Tenants in buildings fewer than 15 years old as well as of other exempted properties are not protected.



Local Ordinances

Rent control ordinances may include provisions such as:

- Limitations on rent increases
- Just-cause eviction protections
- Allowable no-fault evictions

Often apply only to buildings constructed before the 1980s or 90s, **leaving newer properties exempt**. (Costa Hawkins Act)

Approximately 30 cities in California have rent stabilization ordinances.



Rent increases for building upgrades are allowed

 Allowable rent raises for capital improvements such as electrical panel upgrades and new appliances

Examples:

- Los Angeles up to 100% of costs
- San Francisco 100% of costs
- o Oakland up to 70% of costs
- Los Gatos -- up to 100% of the cost
- <u>San Jose –</u> specifical capital improvements for energy conservation, increase of 3%





California's Tenant Protection Act (AB1482)

- Applies to buildings constructed more than 15 years ago
- Establishes just cause protections
 - No fault evictions for <u>substantial remodel</u>
- Caps rent raises at up to 10% annually



AB 1482 TENANTS

Tenants are protected by regulations established at the state level that set limitations on rent increases and evictions.

Substantial Remodel Provision

The remodel qualifies as **substantial** if it:

<u>Substantial Remodel Provision:</u> A loophole in AB 1482 that permits landlords to evict tenants in order to renovate a unit or building.

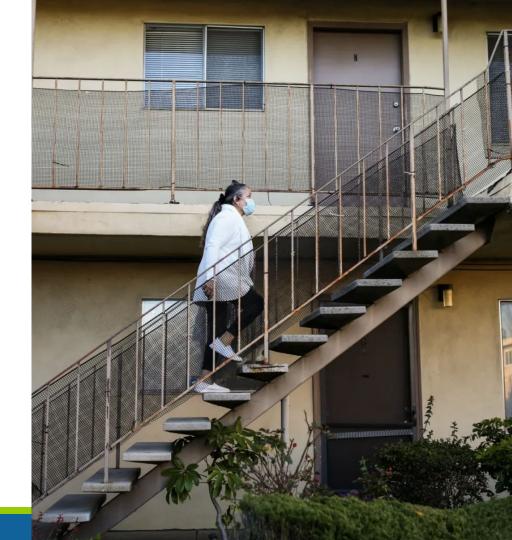
- Requires permits
- Takes 30 days or more to complete
- Necessitates that tenants vacate the unit for their own safety



RENOVICTIONS FOR ELECTRICAL UPGRADE

RENOVICTIONS in SAN PABLO, CA

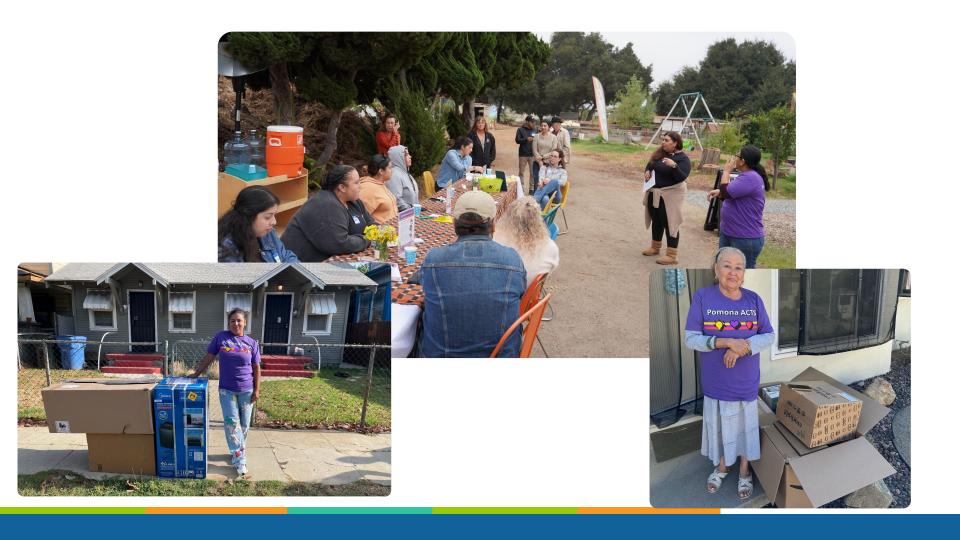
New owner purchased property in 2019 and then issued substantial remodel evictions for, among many things, electrical panel upgrades. Claimed power needed to be shut off for 30 days, thus triggered sub remodel eviction.





Lina Mira

Executive Director
Latino and Latina Roundtable
Pomona



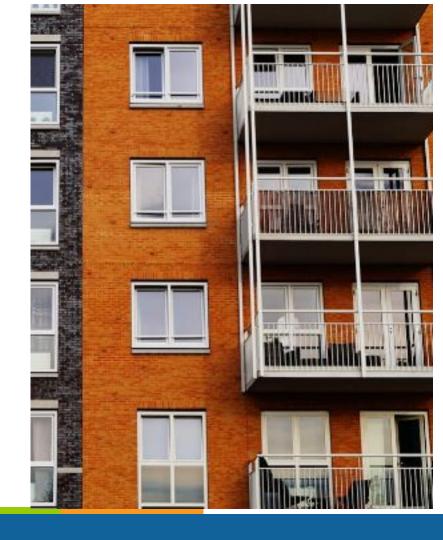


Felicia Federico

Director, Funding and Research The Energy Coalition

Solution: Direct-to-Renter™

TEC's Direct-to-Renter ™ program bypasses the traditional and highly challenging approach of working with landlords to bring appliances and technologies directly to renter households for their ownership and use.



Solution: Direct-to-Renter™

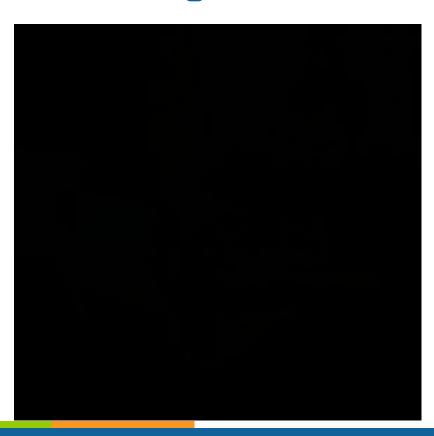
Direct-to-Renter™...

- •is not a replacement for long term investments in buildings
- •will not solve other health and safety challenges faced by tenants
- will address immediate and profound health and safety needs
- •will fill an equity gap in current state and local energy programs

Direct-to-Renter™ - Technical Design

Benefits to renters:

- Efficient, affordable cooling (and heating)
- Resilience in the event of power outages
- Indoor air quality improvements
- Ability to manage energy use / bills
- GHG reductions



Direct-to-Renter™ - Technical Design

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Appliance criteria:

- Portable
- 120V
- No involvement from landlords required



Appliance Categories and Benefits

	Benefit				
Appliance Category	Resilience / Safety	High Heat Management	Indoor Air Quality	Utility Cost Savings	GHG Reductions
Portable heat pump air conditioners/ heaters		•	/		(When used in place of inefficient units)
Electric cooking appliances		✓	✓		✓
Air purifiers			✓		
Portable batteries	1			1	✓
Fans		/			(If used to reduce need for existing A/C)
Energy management plugs and apps				✓	✓

Specific Appliance List (prices are from 2024!)

Category	Appliance	Specific Model	Cost (with tax)
Air Quality	Air purifier	Levoit Core 300 plus replacement filters	\$110
Cooking	Electric kettle	Hamilton Beach	\$41
	Slow cooker	Crock-pot 7 Quart Programmable	\$99
	Induction cook plate	Nuwave Gold Precision Induction Cooktop	\$110
	Optional cookware	CAROTE Pots and Pans Set	\$88
Cooling /	Tower fan	<u>Dreo Tower</u>	\$77
Heating	Portable heat pump A/C / heater	Midea Duo 14,000 BTU	\$769
Power Storage	Portable plug-in battery	EcoFlow Delta 2 Max Portable Power Station 2400W	\$2,089
Smart Home	Smart plugs / power strip	Kasa Smart Plug Power Strip HS300, Surge Protector x6 or Kasa Smart Plug Mini with Energy Monitoring	\$48 \$73
	Smart speaker (optional add-on)	Amazon dot or google mini	\$55

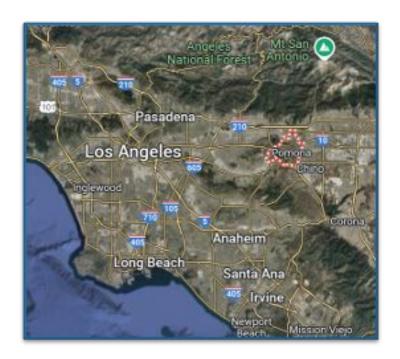
Implementation

DOE Community Energy Innovation Prize

- Pilot Funding
- Develop a Direct-To-Renter[™] program
- Cohort of 10 participants
- City of Pomona

Elements:

- Technical design (discussed previously)
- Program design, eligibility
- Outreach, enrollment
- Ordering, staging, delivery
- Surveys, testimonials



DOE Prize-funded Pilot Process

1. Identify appliances	2. Define incentive structure	3. Define participant eligibility/ sign up	4. Design and conduct outreach
 Portable 120V No involvement from landlords required 	•\$0 out of pocket cost •Participants select their preferred appliances (up to \$2500 per household)	 Renter in a Justice 40 census tract → remove barriers of income eligibility verification Streamlined sign-up (2-3 minutes) Random drawing to select 10 households 	Collaborate with trusted community partners



Ashley Mercado

Director of Special Projects
Day One

Partnerships







 Created an easy to understand catalog that educated community on the benefits home electrification and indoor air quality



 Engaged community by going to where they were



- Held a transparent, random process to select 10 participants
- Conducted follow-up phone calls and communication with selected participants

Instagram Live Drawing to select households in two languages!



 Delivered appliances to participants doorstep with the help of a delivery company



Why this matters!

 Immediate, Powerful Impacts on People's Lives... Let's talk about Liz!



A&Q



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Ashley Mercado Director of Special Projects Day One

Breakout (30 minutes)

Topic	Focus	Facilitator
Participant Engagement	Outreach enrollment / delivery / survey administration / testimonials	Ashley and Lina
Technical / Portfolio	Discussion on direct-to-renter technologies and adapting to different geographies	Felicia
Policy	Local and state policy solutions to this work	Chelsea
Funding	How do we pay for these programs?	Julie

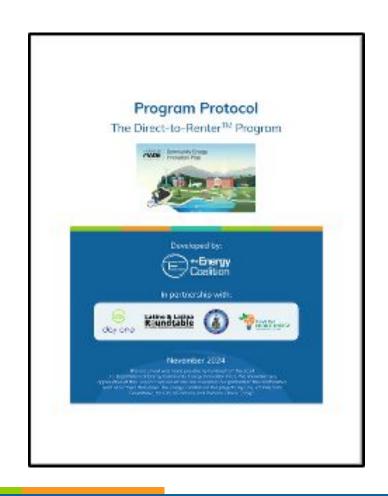
Breakout Closeout

- Share out
 - What are the barriers? Opportunities? Takeaways?
- Next steps
 - Our team will collect data and share it back out with those interested in learning more about the direct-to-renter opportunity

Thank you!

Program Protocol

- Provides a roadmap to expand the Direct-to-Renter program into new communities.
- Identifies places where refinements will be needed for scalability
 - Other climate zones (e.g., where heating needs are dominant)
 - Other geographies / community types (e.g., rural) that might have different energy needs or opportunities (e.g., higher needs for back-up power, space for portable solar panels)
 - Other scalability considerations



INSERT SLIDES

- 1. Renter challenges as they exist throughout the state (Chelsea) (5 minutes)
 - a. Mandate also creates problemsNew addition: mention that the multifamily energy upgrades are slow, renters have a lack of agency/can't access existing programs due to lease restrictions, permit requirements,
 - b. in the landlord's control, renters do not have the agency

A&Q

INSERT SLIDES (HIDDEN)

- 1. Prepared Questions
 - a. Alternative futures what happens without this program? (Felicia/ open it up to everyone)
 - i. Get to issue of the future people buying cheap / secondhand units
 - b. Whats going on what are the solutions? (Chelsea)
 - i. Needs to be more programs that support renters? What are the calls to action how to we mitigate this?
 - ii. Does policy solve it?
 - iii. Include findings from the paper quotes
 - c. Considerations (Lina)
 - i. Think about if these will actually address the problem e.g. not wanting to be evicted, not wanting to raise the rent

d.

2. Prepared Points to use in Q&A

How to think about GHG reductions and new A/C loads

- •GHG impacts shouldn't be measured as a simple comparison to current conditions.
- •Many people currently do not use as much energy as they need to keep at safe temperatures due to high electricity costs.
- oAlso, many people who need it don't even have A/C
- •As heat continues to rise, people will need cooling and may buy cheap / used non-heat pump units over the next few years.
- oThis near-future scenario is the proper baseline for comparison
- •Portable heat pump A/C with a portable battery and control unit could provide needed cooling with minimum grid impacts, if we can fund it.
- •This is a also public health issue, not only an energy issue.

INSERT SLIDES

- Breakout session instructions
- 2. Breakout tables with specific topics:
 - a. Participant Engagement
 - i. Staffed by: Ashley and Lina
 - ii. Purpose: For people who want to hear more details about how we structured the outreach / enrollment / delivery / survey administration / testimonials
 - iii. Priorities: outreach, testimonials
 - iv. Direction of Information: both ways
 - b. Technical / Portfolio
 - i. Staffed by: Felicia
 - ii. Purpose: For people who want to hear more details about the portfolio and technology selection, but who also want to make suggestions for other portfolio items and modifications for different geographies and community types
 - iii. Direction of Information: both ways
 - c. Policy
 - i. Staffed by: Chelsea
 - ii. Purpose: For people who want to help brainstorm local and state policy solutions to this work
 - iii. Direction of Information: both ways
 - d. Funding

INSERT SLIDES (HIDDEN)

- Funding/Financing (Julie)
 - a. Current options
 - b. What are future options for funding/financing/policy?
- 2. How can the Direct-to-Renter model be replicated in other cities? (Felicia)
 - a. We created a protocol here is the URL
 - b. Table on Technical components
 - Mods for other geographies / communities
- 3. Policy (Chelsea)
 - a. Current options
 - b. What are future options
- 4. Best Practices make it fun! Make it innovative (Ashley and Lina)
 - a. Simple, clear engagement materials
 - b. Accesible, removal of red tape
 - c. Think outside the box
 - d. Meet your community where they are
 - e. Consider who is at the table and who is missing

Background

- 1. Local context- rent, utility affordability extreme heat (Lina or Ashley)
- 2. Renter challenges as they exist throughout the state (Chelsea) (5 minutes)
 - a. Mandate also creates problemsNew addition: mention that the multifamily energy upgrades are slow, renters have a lack of agency/can't access existing programs due to lease restrictions, permit requirements,
 - b. in the landlord's control, renters do not have the agency
- 3. Pilot approach (Felicia)
 - a. Program explanation
- 4. What did the community think? (Lina and Ashley)
- 5. Video

6



Felicia Federico

Director, Funding and Research The Energy Coalition