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## **FACT SHEET: First-of-its-kind U.S. Housing Decarbonization Coalition Launches**

**Rewiring America, Enterprise Community Partners, LISC, United Way, and Habitat for Humanity apply for \$9.5 billion in Greenhouse Gas Reduction Funds as new entity: Power Forward Communities**

The Inflation Reduction Act (IRA) has already injected billions of dollars into the economy over its 14-month tenure, catalyzing hundreds of billions of dollars more investment in our clean energy future. Over the next decade, [the IRA could invest up to \\$567 billion in residential decarbonization alone across 124 million households](#). The benefits for low-income and disadvantaged communities can be immense, for residents who will be able to lower their utility bills and improve their health with clean, efficient electric technologies, and for homeowners and multifamily building owners who will build equity in their property thanks to structural and efficiency improvements — all while materially lowering greenhouse gas emissions. If the IRA realizes its full potential, it will substantively address the climate crisis by transforming the market, creating thriving and more resilient communities all across the country as a result.

Within this historic law, the Greenhouse Gas Reduction Fund (GGRF) allocates \$27 billion to establish financial products and programs that will enable the adoption of net zero technology. The National Clean Investment Fund (NCIF) within the GGRF aims to reduce carbon emissions and to serve American communities, in particular low-income and disadvantaged communities that are at risk of being left behind in the clean energy transition, by mobilizing financing and private capital.

**Rewiring America, Enterprise Community Partners, Local Initiatives Support Corporation (LISC), United Way, and Habitat for Humanity International** are partnering to form a coalition — **Power Forward Communities** — to apply for **\$9.5 billion in NCIF funding for affordable residential decarbonization and electrification. Former Fannie Mae CEO Tim Mayopoulos will serve as CEO** of Power Forward Communities.

Because [42 percent of energy-related U.S. greenhouse gas \(GHG\) emissions are directly influenced by decisions we make about how we heat our air and water, cook our food, dry our clothes, power our cars and our lives](#), we cannot meet our climate goals without a deliberate and holistic focus on housing decarbonization and affordability. The Power Forward Communities application takes a unique, housing- and equity-focused approach to transform the marketplace for decarbonization and home improvement for communities at all income levels, providing significant affordable housing, climate, health, economic, and resilience benefits. Unlike manufacturing and utility-scale policy changes, the housing market must be addressed from the perspective of thousands of communities and millions of people, and thus requires a deep and nuanced understanding of how to craft solutions that are tailored in their approach and scalable in their reach.

The benefits of housing decarbonization are clear: **low-income households that electrify and add rooftop solar can save an average of [\\$1,550 per year on their energy bills](#)**, and across all U.S. households the potential savings from electrifying and adding both solar and EVs is about [\\$3,000 per year](#). Decarbonization has the potential to reduce energy costs by 60 percent and generate 5 percent more annual disposable income. It represents the single biggest wealth transfer in history from energy producers to energy consumers. These economic benefits are matched by the undisputed health benefits (particularly for children) of not burning fossil fuels in the home, as [12.7 percent of childhood asthma cases](#) in the U.S. can be attributed to gas stove usage.

Power Forward Communities' **housing decarbonization program** will serve the residents and owners of our country's 124 million single-family and multifamily housing units through a strategy that will deliver more than 80 percent of financial assistance funds to low-income and disadvantaged communities — double the NCIF target. Specifically, the program will fund projects that:

- **Rapidly convert fossil-fuel appliances and equipment to decarbonized and electrified alternatives while improving homes**, by converting to heat pump space heaters (which also cool), heat pump water heaters, induction stoves, and electric or heat pump clothes dryers, and smart thermostats, while also delivering necessary improvements that include weatherization, remediation, and structural improvements along with electrical panel and wiring upgrades;

- **Deploy rooftop solar, community solar subscriptions, and energy storage resources**, to make clean and affordable renewable energy available to more people in more places; and
- **Install EV charging infrastructure**, facilitating broader and faster adoption of zero emissions transportation for residents of both single-family and multifamily housing.

The stakes of maintaining the status quo are clear: every time a new fossil-fuel device is purchased, it locks in 15 or more years of air pollution and energy burdens, both of which are already disproportionately concentrated in low-income and disadvantaged communities. We need to increase our pace of progress today.

## The strategy

Power Forward Communities' mission is to transform the housing market, save both homeowners and renters money, reinvest in communities, and tackle the climate crisis, using both a local community-driven and national strategy.

**Local implementation:** Led by community-based organizations (CBOs) through our coalition.

- **Engage with and support communities to define their priorities and shape program implementation** to align with each community's existing infrastructure and program efforts, unique needs and priorities, and workforce capacity.
- **Put all building owners in position to act** by deploying sustained community awareness campaigns and by expanding access to individualized, actionable information and planning tools, simplified choices, and trustworthy and reliable support services.
- **Build local capacity by providing market-building tools and resources**, including a vetted "contractor marketplace" backed by robust workforce development, training, and labor standards. Invest in the capacity of community lenders to execute financing at scale, and share sophisticated analytical models with community leaders to identify the highest-impact neighborhoods, building profiles, equipment packages, and financial products.

**National strategy:** Led by the coalition, NCIF funds will be efficiently delivered to low-income and disadvantaged communities.

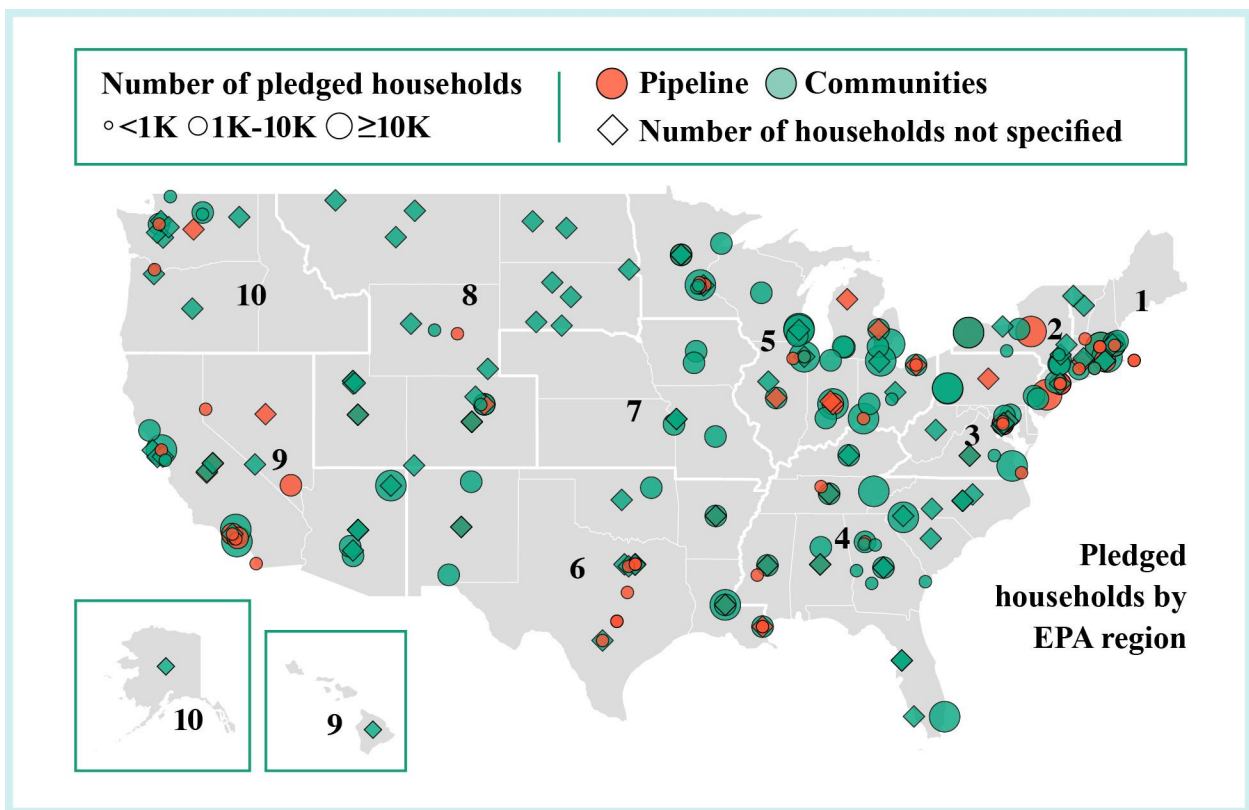
- **Reduce the cost of participation** by aligning government subsidies, organizing the market for zero-emissions technologies, aggregating demand to ensure availability and make products and services more affordable, and creating a funnel for corporate and philanthropic investment. We expect that **these initiatives can cut the remaining cost of decarbonization by more than half.**
- **Deploy national tools to streamline project delivery and reduce friction,** including educational content, a localized calculator for all available decarbonization incentives, and sophisticated project planning tools. These resources will be designed for all market segments and will also serve as project acquisition mechanisms, increasing awareness of decarbonization, moving consumers from intention to action, and lowering soft costs.
- **Deliver customized and affordable capital solutions** for the remaining costs. By leveraging innovative tools and all available forms of financial assistance, solutions will be right-sized to finance only what is needed to make each individual project feasible, which will in turn maximize the impact of NCIF funding. Working with national and local lenders, the program will be able to buy down interest rates and provide credit enhancement, and will ensure that financing does not increase costs for any household.

## **Community engagement**

Power Forward Communities' coalition partners have more than 260 years of collective experience **engaging communities and delivering on-the-ground, needs-responsive investments and benefits.** The approach is rooted in careful listening; for example, the coalition surveyed more than 500 homeowners and renters in low-income and disadvantaged communities to map user journeys, better understand lived experiences, and receive feedback on program design components. The coalition also surveyed 300 multifamily and community facility developers to gain insight into their appetite and readiness for NCIF funding, engaged more than 200 local government leaders across rural, Tribal, and low-income and disadvantaged communities to understand their housing-related needs and priorities. The interviewed contractors actually doing this work and consulted over

a dozen national unions and labor advocates to co-create a labor and workforce development strategy.

This application is already supported by **321 partners who have pledged to decarbonize housing units across 46 states and every EPA region** in partnership with Power Forward Communities over the seven year life of the program. This includes **94 pipeline and transaction partners** like the AFL-CIO Housing Investment Trust, nonprofit housing developers Mercy Housing, Roofstock, and dozens of others. It also includes **156 communities** pledging to decarbonize housing units, **particularly in low-income and disadvantaged communities, and rural and Tribal communities**. Pledges have come from large cities like Detroit, Philadelphia, and Phoenix; rural communities like DeSoto, Georgia and Rural People’s Voice, Washington; and Tribal communities including the Coalition of Large Tribes and the Gila River Indian Community.



The current [list of public sector, private sector, and nonprofit commitments is available here](#).

## Market development

Working with community-based organizations and community lenders, the program will reduce the cost of participation by aligning government subsidies, organizing the market for zero-emissions technologies, aggregating demand to ensure availability and make products and services more affordable, and creating a funnel for corporate and philanthropic investment. The program will respond to local priorities and unique needs, provide low-cost financing, invest in workforce development and small businesses, support awareness through planning tools and reliable support services, and build local capacity.

Through all these measures, **the strategy would cut the cost to decarbonize housing by more than half**, attracting increasing capital and sparking a virtuous cycle of investment in our homes and communities. It would also add units of rental housing with new or extended affordability restrictions.

To streamline project delivery and reduce friction, the program will provide a:

- **Community electrification planner:** The program will include a suite of sophisticated digital tools made available to community partners and technical assistance providers to support goal-setting, planning, and community outreach. The tools can identify the project profiles that offer the greatest potential for technical success (based on feasibility and projected GHG impact) and household economic success (based on a minimum household post-retrofit savings threshold of \$20 per month).
- **Comprehensive project planning & delivery platform:** Today, a given household pursuing electrification will interact with a dizzying array of actors, including auditors, contractors (possibly from multiple trades), lenders, federal, state, local and utility incentive programs and sources of information — none of whom likely coordinate with the others. These inefficiencies delay projects, run up costs, and lead to high program churn, especially within low-income households.
  - **Single-family market segment:** The program will develop a technology-enabled model with tools to minimize the burden on the homeowner. **Rewiring America's digital platform** will streamline participant and incentive eligibility, project design, financial assistance, project scheduling, incentive delivery, and consumer education (especially with respect to equipment operations and maintenance). The platform will

also integrate with a vetted contractor marketplace and lending partners to ensure the seamless and high-quality delivery of projects and financing. To maximize accessibility, homeowners will always have the option to interact with a self-serve digital platform directly or to work with **community-based navigators** for assistance in completing the task at hand.

- **Multifamily market segment** (which is frequently more financially and technically complex to decarbonize than single-family housing): **Enterprise and LISC will spearhead the provision of technical assistance** to help property owners plan decarbonization projects. High-touch, customized technical assistance will be provided in conjunction with the provision of small grants to offset owners' predevelopment expenses.
- **Pre-electrification upgrade coordination:** The program will provide and coordinate direct technical and financial support to building owners when health and safety upgrades are required prior to the installation of qualified projects.

## **Customized and affordable capital solutions**

By leveraging innovative tools and all available forms of financial assistance, solutions will be right-sized to finance only what is needed to make each individual project feasible, which will in turn maximize the impact of NCIF funding.

Power Forward Communities will work with national and local lenders to deploy financial assistance to low-income and disadvantaged communities by buying down interest rates and providing credit enhancement, and ensure that the financing does not increase costs for any household. Projects will receive more favorable terms if they achieve deeper affordability, provide greater reductions in GHG emissions, prioritize climate resilience, or use healthy and/or low-embodied-carbon building materials.

Through new construction and renovation, we will create new or extended affordability for all of the rental housing units we finance. Homeownership financial products, the vast majority of which will be invested in low-income and disadvantaged communities, will be tied to predefined "packages" of decarbonization measures, which will allow for standardized pricing and financing.

## National consumer activation campaign

Power Forward Communities will complement high-touch engagements with a **national, multi-channel communication strategy that deploys tested messages** to appeal to diverse audiences. It will explore a partnership with the **Ad Council** to design research-based campaigns and develop audience-specific content, and work with **Yale's Program on Climate Change Communications** to develop, test, and iterate messages that appeal to as broad a swath of potential electrifiers as possible.

Tools and messages will be disseminated through **paid (digital, radio, print, public transportation) advertising, earned media, and amplification through trusted brands**. For instance, on trusted brands, digital platform-based partners like **Uber** and **Lyft** will communicate to platform users, brands like **Kenmore** (with 42 million appliances in U.S. homes) can assist customers in upgrading their appliances to clean electric when it's time to replace them, and retailers will amplify the campaigns through **in-store activations and direct-to-consumer communication**.

## Workforce and small business benefits

The proposal would create almost **460,000 new jobs**, built on accessible workforce development and training pathways, expanding pre-apprenticeship and apprenticeship programs — especially those targeting local labor pools, groups currently underrepresented in the building trades, and displaced workers.

Today, low-value contracts and high acquisition costs in the single-family market cannot sustain union labor practices. To overcome these barriers, the program will **aggregate and bundle projects to unlock the scale required for union-affiliated contractors** to successfully bid on residential contracts. Aggregated projects will allow for investment in pre-apprentice and apprenticeship programs designed to scale the workforce to meet consumer demand for skilled labor, opening new markets and providing good jobs in the process.

The proposal will also provide **low-cost working capital for thousands of small contractors and developers** to grow their businesses. This funding will prioritize minority- and women-owned business enterprises (MWBE) who have traditionally lacked access to affordable capital, and will further support these contractors and developers through technical assistance and capacity-building services.



## Power Forward Communities' Governance

**The Power Forward Communities board of directors** comprises national leaders in affordable and secure housing, community economic empowerment and wealth building, residential decarbonization, and community resiliency:

- Shaun Donovan, President and CEO, Enterprise Community Partners, Chair
- Ari Matusiak, President and CEO, Rewiring America, Vice Chair
- Phyllis Caldwell, Vice Chair, Enterprise Community Partners
- Alex Laskey, Chair, Rewiring America
- Angela Williams, President and CEO, United Way Worldwide
- Michael Pugh, President and CEO, Local Initiatives Support Corporation
- Jonathan Reckford, CEO, Habitat for Humanity
- Tonya Allen, President, McKnight Foundation
- Vincent Alvarez, President, NYC Central Labor Council / Trustee, AFL-CIO Housing Investment Trust
- Ismael Guerrero, President and CEO, Mercy Housing
- Lynn Jurich, Co-Founder and Co-Executive Chair, Sunrun
- OJ Semans, Sr., Executive Director, Coalition of Large Tribes
- Ashley Swearingin, President and CEO, Central Valley Community Foundation
- Kevin Walker, CEO, Duquesne Light Company
- Victoria Woodards, President, National League of Cities (Mayor, Tacoma, WA)

## The Coalition

**Enterprise Community Partners** is a national nonprofit that exists to make a good home possible for the millions of families without one. We support community development organizations on the ground, aggregate and invest capital for impact, advance housing policy at every level of government, and build and manage communities ourselves. Since 1982, we have invested \$64 billion and created 951,000 homes across all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands — all to make home and community places of pride, power, and belonging. Join us at [enterprisecommunity.org](https://enterprisecommunity.org).

**Rewiring America** was founded in the summer of 2020 and has quickly become the go-to market leader on electrification. Rewiring played the lead role in shaping the residential

electrification provisions in the Inflation Reduction Act, and is a national leader on shaping electrification policy with federal, state and local partners. Rewiring has deep expertise in market data, building household-facing content and software tools, and pulling together the corporate, civic and community-based partnerships necessary to aggregate demand, reduce friction, and unlock housing electrification at scale.

**Local Initiatives Support Corporation (LISC)** Founded in 1979, LISC was conceived as a nimble nonprofit with strong community partnerships that would connect hard to tap public and private resources with underinvested places and people working to access opportunities every one of us deserves. LISC helps bridge the gap between capital and local needs by offering relationships and expertise to assist community organizations in attracting resources. With 38 local offices and a rural program that reaches more than 2,900 counties in 49 states, LISC works with a vast network of community based-partners to make investment in single and multi-family housing, businesses, jobs and financial health, safety, and health.

**United Way Worldwide** For more than 135 years, United Way has mobilized communities to action so all can thrive. From advancing health and education to strengthening livelihoods and local resilience, United Way takes a comprehensive approach to every challenge, bringing people together to find a better way forward. With deep local roots and global impact across 37 countries and territories, United Way is positioned to share innovations and scale impact to improve lives around the world.

**Habitat for Humanity** Founded in 1984, Habitat for Humanity is a global nonprofit housing organization working in local communities across all 50 states in the U.S. and in approximately 70 countries. Habitat’s vision is of a world where everyone has a decent place to live. Habitat works toward our vision by building strength, stability and self-reliance in partnership with families in need of decent and affordable housing. Habitat can play an integral role in building community awareness and support for electrification as homeowners help build their own all electric homes alongside volunteers, while making home ownership healthier and more affordable.

Power Forward Communities is a signatory to the [GGRF Awardee Best Practices for Equity and Governance Pledge](#).

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