

MEMORANDUM

STEPHANIE RAWLINGS-BLAKE

PAUL E GRAZIANO,

To:

The Honorable President and Members of the Baltimore City Council c/o Karen Randle,

Executive Secretary

From: Paul T. Graziano, Commissioner

Date: October 18, 2013

Re:

City Council Bill 13-0122R - Council Resolution Concerning "Coordinating

resources to Effectively Align and Transform Energy Services"

The Department of Housing and Community Development (HCD) welcomes City Council Resolution 13-0122R and the opportunity to inform Baltimore City Council members and the public-at-large about substantial new resources in our agency and our sister agencies (Mayor's Office of Energy, Mayor's Office of Human Services, and the Department of Planning) to make Baltimore City greener, healthier and more sustainable.

In the matter of the merger between Exelon and Constellation Energy (Baltimore Gas and Electric Company), the Maryland Public Service Commission (PSC) required the establishment of a Customer Investment Fund aimed at reducing the energy problems of low-income families and communities in the BGE territory. Mayor Stephanie Rawlings-Blake directed four City agencies to work together in crafting an integrated and innovative proposal. The result following the Mayor's testimony to the PSC, was the award of \$52.8 million over the next three years. These funds will be used to accomplish exactly what the title of the proposal says "Coordinating Resources to Effectively Align and Transform Energy Services."

That means among other things that

- Non-profit agencies will save on their utility bills and re-invest those savings into services for low-income families and neighborhoods.
- Thousands of families will learn to save energy with the aid of low-cost programmable thermostats.
- Thousands of families will be screened for all the benefits to which they are entitled and receive application assistance.
- Hundreds of families converted from oil to natural gas heating systems will save on average \$974 per year.
- Energy conservation education and action will spread to churches, schools, and community associations as well as households.
- Urban heat islands will benefit from tree planting and "cool" roofing.

The services of the HCD Division of Green, Healthy and Sustainable Homes will be more intensive and more extensive. We will help more households more comprehensively with approximately \$20 million over the next three years. CREATES complements existing HCD

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resources for weatherization, housing rehabilitation and lead hazard reduction. More specifically, the new funding will provide

- Heating system replacements and oil-to-gas conversions
- Energy efficient roofing grants
- Energy efficiency rehabilitation loans
- Health and safety home improvements
- Energy Assistance outreach and benefits coordination.

We will provide these new services in collaboration with our CREATES partners in city government and we will also collaborate with

- Community development corporations, especially those in Vacant to Value neighborhoods.
- The Commission on Aging and Retirement Education, CARE, giving priority to seniors
- Civic Works (newly funded by the Weinberg Foundation) to provide fall and injury prevention home improvements.
- The Coalition to End Childhood Lead Poisoning, Green and Healthy Homes Initiative, for families with asthma problems and/or lead paint hazards.
- The Housing Authority of Baltimore City (HABC) to reach renters as well as homeowners.
- ...And many more

HCD proudly implemented the stimulus-funded weatherization program from 2009 through 2012 serving over 4,000 households with weatherization "plus". We developed and tested many partnerships and collaborations during that time with City agencies, non-profit organizations, and community associations. The President of the City Council and many Baltimore City Council Members made referrals and helped make our past programs successful. The CREATES program allows us to greatly build upon those relationships serving many more families with streamlined and coordinated services. We look forward to building also upon our partnership with the Baltimore City Council to make this new program even more successful than past programs.