

1. Describe the proposed ordinance or resolution. File number: CCFN 241217

Substitute resolution relative to acceptance and funding of a grant agreement through the United States Department of Energy Communities Sparking Investment in Transformative Energy funding opportunity in support of the Environmental Collaboration Office's Milwaukee's All Electric, Affordable Net-Zero Energy Homes Project.

2. Identify the anticipated equity impacts, if any, of this proposal.

The project will build 25 new, affordable units of ZERH housing in disadvantaged areas with community input. In this project, the City will provide up to \$40,000 in gap financing for ZERH upgrades, which will be paired with other state and federal housing subsidies and mortgage financing to build around \$6.25 million in new ZERH housing during the grant period. Working with CDGA, the housing developer and manufacturer can plan to finance and sell at least 36 net-zero, single-family homes annually. WHEDA is also aligning their gap financing, Housing Trust Fund and Tax Credits to prioritize energy efficiency and ZERH; this is another key source to scale ZERH that provides 90% or 40% equity investments from Low Income Housing Tax Credits (9% or 4% LIHTC). Community responses have been extremely favorable, particularly with the promise of lower energy bills and greater resilience in climate events. The project also includes a Community Benefits Agreement.

This proposed project aligns directly with the DOE Job and Workforce Program Policy Factors in the following ways: direct community investment that leverage additional city and utility dollars with 90-100% of all benefits flowing to disadvantaged communities (DACs) in the location of the ZERH homes and manufacturing hub, and a goal of 80% of contracts and benefits to MBE/WBE/VBE DAC-based contractors and workforce. The project transforms the current ecosystem of near-zero renewables and electrification in DACs to a future of lowered energy burdens for 25 ZERH households directly through the grant, plus the promise of a new, more robust market for new affordable ZERH home construction going forward. The opportunity for Good Jobs in DACs with training for adults and YouthBuild participation will create a workforce pipeline to meet demand for electrification and ZERH.

3. Identify which minority groups, if any, may be negatively or positively impacted by the proposal.

The project is targeting 3 disadvantaged neighborhoods contained in DOE's SCEP C-SITE Eligibility Map 2024. Consulting with the Climate and Economic Justice Screening Tool (CEJST), the City has identified locations on City-owned land in the 3 Community Area DACs for development by MBE/WBE Contractors of 25 All-Electric, Affordable Net-Zero Homes (ZERH). All 3 tracts are considered disadvantaged because they meet more than 1 burden threshold AND the associated socioeconomic threshold. Each confront similar energy burden, pollution, workforce, and income challenges that informed project development in this 3-community northside cluster.

1. Harambee Community (centered in tract 55079185700): Demographics and Selected Community Burdens with percentiles from CEJST: 87% African-American (AA) and 12% Hispanic, 94th Low Income, 97th Energy Cost, 95th Diabetes, 99th Asthma, 96th Housing Costs, 90th USTs, 91st Poverty Rate, 97th Unemployment, 13% lack High School Diplomas.

2. Lindsay Heights Community (centered in tract 55079185500): Demographics and Selected Burdens: 88% AA, 7% Hispanic, 96th Low Income, 96th Diabetes, 98th Asthma, 96th Housing Costs, 98th Low Median Income, 94th Poverty Rate, 89th Unemployment and 23% lack a High School Diploma.

3. Century City-Triangle Community Manufacturing Hub Location at 3060 W. Hope Ave. (tract 55079004200): 90% AA, 5% Hispanic, 98th Low Income, 94th Energy Costs, 97th Diabetes, 99th Asthma, 96th Low-Life Expectancy, 97th USTs, Low Median Income 95th, Poverty 92nd, Unemployment 98th and 22% lack High School Diploma. Century City and the 30th Street Industrial Corridor has many vacant factory sites following deindustrialization ready for renewed investment. The Milwaukee Metropolitan Sewerage District has built substantial new stormwater management facilities for climate resilience and Northwest Side Community Development Corporation's "Green Tech Station" is available to demonstrate new technologies. The former Leonardo DRS factory is the target location for new manufacturing.

4. Describe any engagement efforts with minority communities potentially impacted by the proposal.

Through the ECO Neighborhood Initiative, the Environmental Collaboration Office has established resident-led neighborhood groups in a number of communities, including the Lindsay Heights and Century City-Triangle communities. The ECO Neighborhood Team identifies their neighborhood's priority environmental issues, existing assets, and other resources, partnerships, and activities they need to work toward their climate goals. Dedicated ECO staff then connects the team with relevant climate programs and resources. The team then spends at least one year facilitating outreach and education projects in their neighborhoods to empower neighbors to join in collective action. The Harambee neighborhood is under formation now under the guidance of ECO Staff. ECO Neighborhood Teams will be the primary source for public engagement on this project. The project team will also work with Milwaukee's Environmental Justice and Infrastructure Initiative.

To begin, we will conduct 3 Community Launch Meetings in the Lindsay Heights, Century City-Triangle, and Harambee Neighborhoods targeting 40-50 DAC attendees and other stakeholders. The meetings will educate residents about the concept of ZERH and electrification, publicize the project, and offer the opportunity to collect feedback. The primary decisions for community input are the design and character of the ZERH properties. We will run charrettes or design meetings with architects and professional facilitation. The requested input will be on elements of design, from square footages of rooms, to floor plan, to porches or back yard sheds. The exterior elevations and profiles will be an important topic so that the homes fit into the historic spaces they are constructed in. Meetings will be publicized digitally through flyers and social media channels. Sign-in sheets and pre- and post-surveys will be used to collect feedback. After all charrettes are complete, a finalized set of ZERH design and specifications will be digitally publicized on the City's website and social media platforms to share with the greater community. A final set of consultations will take place with the residents who are selected to live in the completed ZERH properties, and we will organize specific design conversations with members of families to garner input. The process will create a customization of the design and construction that meets the needs of community, residents, and the climate alike. To conclude the project, a Community Celebration Event will be held for the 25 tenant families and supporters including media availability.

*This plan is our best approximation of activities but will be refined with further engagement from the community.

5. Describe how any anticipated equity impacts of the proposal will be documented or evaluated.

Project reports will document the equity impacts of this work related to number of units built, financing provided, and Community Benefit Agreement outcomes.

6. Describe strategies that will be used, if any, to mitigate any anticipated equity impacts.

Name: Erick Shambarger

Signature:

Date: 12/3/24