

The Issue: High Home Energy Costs

Despite falling home prices, many families across metropolitan Chicago continue to struggle to afford their mortgage payments or rent. Too many have no choice but to spend more than 30, 40 and even 50 percent of their incomes on housing payments, threatening their households' budget stability. Others seek less expensive housing far away from work and endure "killer" commutes, contributing to congestion and air pollution. When combined with volatile utility expenses, these costs can cause workers to become stressed, miss days of work, and even lose their homes, leading to costly turnover for employers across the region. As employers refine corporate sustainability initiatives, they can encourage employees to consider "live near work or transit" options and tactics for reducing home energy costs.



No home is too old to be energy efficient: This Chicago house was originally built in 1883. Even though it is more than one hundred years old, it was recently retrofitted to be energy efficient and meet LEED for Homes requirements.

The Solution: Home Energy Renovations for Employees

Much of metropolitan Chicago's housing stock was built in the 1950s or earlier, and less than one percent has been renovated to save energy. Through Home Energy Renovations for Employees, employers can help reduce their employees' energy costs, promote stable housing, and reduce absenteeism and turnover – plus take advantage of tax credits. Thanks to a federally-funded pilot, employees can use up to \$6,000 – from an employer contribution and matching funds provided by the Chicago Metropolitan Agency for Planning – to help make energy-efficient home improvements, such as better insulation, updated appliances, and new windows.

MPC is coordinating the home renovations pilot and the complementary Commute Options program, which helps employees identify alternatives to driving solo to work. To achieve a 30 percent reduction in energy consumption overall, the Chicago Climate Action Plan has set a goal to improve the efficiency of half of the region's residential buildings by 2020.

MPC's home renovation initiative is part of Energy Impact Illinois, a collaborative effort led by the Chicago Metropolitan Agency for Planning to help residents, businesses and nonprofits reduce energy use. For more information about Energy Impact Illinois, visit www.energyimpactillinois.org.

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\$6,000 for home energy improvements

Many employers in metropolitan Chicago have experienced the benefits of investing in Employer-Assisted Housing (EAH), through which they assist their employees to buy or rent homes near work. Employer benefits include improved company morale, increased productivity, and reduced turnover – as well as related cost savings and potential tax credits.

The region's new home renovation initiative builds on EAH by allowing employers to help their employees make energy-efficient and cost-saving home improvements. An employer's contribution up to \$3,000 can be matched, to leverage a total of \$6,000 for an employee.

How does the Home Energy Renovations for Employees initiative benefit employees?

- Provides a free home energy audit to identify the most energy-efficient renovations and up to \$6,000 (from the employer and Chicago Metropolitan Agency for Planning match) to make those improvements.
- Makes the home more comfortable by addressing the estimated 42 percent of a home's energy that escapes through the ceiling or windows.
- Reduces monthly energy bills and increases a participant's home value and disposable income.

How does the initiative benefit employers?

- Offers a low-cost benefit package with a competitive edge.
- Increases productivity and reduces absenteeism by helping stabilize workers through affordable homeownership.
- Improves employee retention and loyalty, as assistance is forgiven over time.
- Reduces turnover as well as recruitment and training costs.
- Enhances corporate sustainability efforts and the company's image.
- Leverages matching funds for the employee's benefit.
- Potentially accesses state tax credits (depending on program parameters and a competitive application process).

How does the initiative benefit the community?

- Reduces greenhouse gas emissions.
- Improves energy efficiency of Chicago-area homes, many of which were built prior to the 1950s.
- Supports local job growth in the green economy.
- Fosters a stronger local economy by increasing employee disposable income.