



Community Planning and Economic Development Department

# News Release

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*Minneapolis City Goals: A Safe Place to Call Home ▫ Jobs & Economic Vitality ▫ Eco-Focused ▫ Livable Communities, Healthy Lives ▫ Many People, One Minneapolis ▫ A City That Works*

## **\$900,000 Available through the City of Minneapolis for Energy Improvements to Multi-Family Properties**

July 28, 2010 (MINNEAPOLIS) – The City of Minneapolis launches, today, the Multi-Family Energy Loan Program to assist owners of multi-family properties with energy system upgrades to boilers, water heating and distribution systems, control systems, and other related components. Funding of the revolving loan program is through a \$300,000 grant received from the U.S. Department of Energy and the Minnesota Department of Commerce Office of Energy Security through the American Recovery and Reinvestment Act of 2009 (ARRA), combined with City matching funds. Available funding is \$900,000 with financing of up to \$200,000 per qualified property.

Multi-family structures often have inefficient heating systems that negatively impact rental affordability (high utility costs for building owners result in higher rents) and use excessive amounts of energy. Such high operating costs can negatively impact an owner's revenue stream and their ability to make needed investments in their properties.

“This program offers a smart way for rental housing owners to reduce their operating costs, keep rent affordable, and improve the indoor comfort of those who live there, while reducing overall energy

usage in our city. It's a quadruple win." said **Council Member Lisa Goodman**, Ward 7, Chair, Community Development Committee.

"I am pleased the City is launching this loan program for multi-family properties, ensuring that they, too, have the opportunity to reduce their energy consumption," said **Council Member Elizabeth Glidden**, Ward 8, Chair, Regulatory, Energy, and Environment Committee. "The City continues to develop tools that will systematically improve our ecological footprint," she added.

By providing a low-cost financing option to multi-family building owners to make energy efficient improvements to their properties, this loan program will:

- Assist multi-family property owners in making substantial upfront capital investment for major energy equipment upgrades that will also reduce long-term operating costs.
- Reduce upward pressure on rents by lowering building operation costs, helping to maintain long-term affordability of units for low-to-moderate income renters.
- Encourage upgrading and replacement of large antiquated energy systems and equipment, which would maximize energy-savings opportunities and environmental benefits.

#### **Eligibility requirements for the Multi-Family Energy Loan Program**

- Property must be located in Minneapolis.
- Buildings must be four stories or more, and contain 10 or more units.
- Applicant must be in operation for 12 months and agree to a credit check.
- Improvements must be recommended by a certified auditor, produce verifiable energy savings, and be eligible for a CenterPoint rebate.
- Applicant must be in compliance with all City code and licensing with no building or health code violations.
- All rehab work or equipment installation must meet City code.
- Use contractors licensed in Minneapolis.

**For more information**

See [www.ci.minneapolis.mn.us/cped/multifamily\\_energy\\_loan\\_program.asp](http://www.ci.minneapolis.mn.us/cped/multifamily_energy_loan_program.asp) or contact Jessica Green at (612) 673-5232, or [Jessica.green@ci.minneapolis.mn.us](mailto:Jessica.green@ci.minneapolis.mn.us).

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