Affordable housing rehabilitation projects are capital intensive and typically do not substantially improve a building’s overall performance or reduce the property’s exposure to various risks. Most properties have deferred maintenance needs that leave property owners with constrained operating budgets, limited climate resilience, increased insurance premiums, and rising energy and water costs. The lack of both technical assistance and standardized packages for operational improvements further exacerbates some of these challenges.

Most incentive programs do not holistically improve affordable housing, and rising construction costs make it harder for those incentives to offset upfront costs, particularly outside of the subsidized affordable housing resyndication cycle. This confluence of costs and limited budgets forces building owners to make difficult prioritization decisions when planning a major rehabilitation project.

At the same time, the State of California has set ambitious targets for building energy use, including SB350, which requires a doubling of energy efficiency implementation by 2030 and expanding energy efficiency offerings in state-designated disadvantaged communities; SB100, which sets a goal of 100% zero-carbon electricity by 2045; and B-55-18, which directs California to achieve carbon neutrality by 2045 in a way that supports resiliency in low-income and disadvantaged communities.

Solutions are needed to equitably meet California’s aggressive climate goals.
Energy use in buildings is responsible for approximately 25% of all greenhouse gas emissions in California, making the decarbonization of this sector key to achieving state-mandated goals. Additionally, rehabilitation projects across low-income housing in California have slowed due to the state prioritizing new construction projects in the allocation of low-income housing tax credits (LIHTC). Only 15% of LIHTC (both 9% and 4% credits) are allocated to major rehabilitation projects.

These risks and goals present an opportunity for the market to rise to the challenge of creating a new, better rehabilitation solution. This solution must give building owners a viable way to meet climate targets; address deferred maintenance; ensure a just and equitable energy transition for low-income and disadvantaged communities; improve resident health, resilience, and comfort; and reduce ongoing operating cost risks while enhancing the performance and value of their building assets.

Why pledge?

The purpose of the REALIZE-CA Building Owner Pledge is to demonstrate a commitment to, and demand for, zero-carbon retrofits that meet the needs of California’s affordable multifamily housing sector.

The REALIZE-CA Building Owner Pledge is intended to:

1. allow building owners to use their collective buying power to compel manufacturers to introduce new retrofit solutions into the market; and
2. demonstrate the growing need to address the decarbonization of existing buildings to policymakers across California and spur the creation of a zero-carbon retrofit program.

Signing the pledge allows REALIZE-CA to:

1. send a clear market signal to the private sector through demonstrated demand for cost-effective zero-carbon retrofits; and
2. communicate to the public sector that the affordable housing community needs a cost-effective zero-carbon retrofitting program.
By signing this pledge, you are supporting and encouraging manufacturers to create technologies for zero-carbon retrofitting that adhere to the following criteria:

1. **Ease of installation**: The retrofit must be completed in a sharply reduced timeline relative to conventional construction, resulting in no resident relocation and minimal disruption—as well as lower construction costs and overall development risk.

2. **Guaranteed performance**: After the retrofit, the building must achieve zero-carbon emissions by implementing a combination of efficiency, low-embodied-carbon materials, elimination of on-site combustion of fossil fuels, and renewable energy. The retrofit must also reduce operational costs and improve air quality and occupant comfort.

3. **Ease of maintenance**: The retrofit must avoid high maintenance obligations and should not require significant retraining of maintenance staff.

4. **Attractive design**: The retrofit design must meet or exceed owner and resident expectations regarding safety, accessibility, comfort, and aesthetics.

5. **Cost-effectiveness**: The retrofit must be cost-effective from a life-cycle cost perspective and must maintain affordability for building tenants. The retrofit must also meet financing and insurance underwriting requirements, building codes, and engineering standards.

Additionally, by signing this pledge, you are also signaling your encouragement for the State of California to create and fund a building retrofit program that will:

1. **Provide financial and technical support to building owners** pursuing zero-carbon retrofits; and
2. **Promote the use and development of retrofit technologies** that meet the criteria specified above.

By signing this pledge, you also commit to sharing with REALIZE-CA when major and moderate rehabilitation projects are being considered in your project pipeline.

**Sign the Pledge Now!**

[Click here to sign the pledge]
REALIZE-CA

Who are we?

REALIZE, an initiative led by RMI, is a market facilitation platform that seeks to establish high-volume zero-carbon retrofit delivery programs across the United States. REALIZE-CA is a program within REALIZE focused on innovative approaches for multifamily building owners to set their California-based building portfolios on a financially viable path to zero carbon.

Our vision is a future where buildings are heated, cooled, and powered using renewable resources that do not emit greenhouse gas pollution. It is a future where historically disadvantaged populations can fully enjoy the economic and health benefits of the clean energy transition and can take part in the new workforce it creates. Our market facilitation activities include aggregating retrofit demand while coordinating the supply chain to deploy high-quality, prefabricated retrofit packages that are cost-effective and easy to install.

We are working with the Association for Energy Affordability; University of California, Davis; California Housing Partnership; City of San Francisco; Integral Group; David Baker Architects; RDH Building Science; Stone Energy Associates; Affordable Community Energy Services Company; and Prospect Silicon Valley via an EPIC grant from the California Energy Commission.

Why It Matters

Buildings are the largest contributor to greenhouse gas emissions globally. Building construction and operations are responsible for 40% of carbon dioxide emissions, totaling 14 gigatons per year. Simultaneously, fossil fuel combustion in buildings creates air pollution indoors, where people spend 90% of their lives. Air pollution levels can be two to five times higher indoors than outdoors and as much as 100 times in some cases. The US buildings sector is the number-one source of premature deaths related to air pollution. To reverse these trends, we must eliminate 50% of building-related emissions by 2030. Zero-carbon retrofits are an important part of the solution.

Our Inspiration

REALIZE is inspired by Energiesprong, an innovative model from the Netherlands. A public-private partnership, Energiesprong has implemented zero-energy retrofits in almost 5,000 units over the past five years, with another 100,000 planned across Europe.
Click here to sign the pledge now

Additional REALIZE-CA program information and resources are available at rmi.org/REALIZE.