

Residential Housing Decarbonization and Retrofit Program

Pre-Bid Conference

August 1, 2023

Housekeeping

- Please set your Zoom "name" to include your name and organization.
- This presentation and Q&A will be recorded and posted to our website.
- We will publish a list of webinar attendees to our website. Please let Steph O'Connor know if you would prefer to remain anonymous.
(Zoom DM or steph.o'connor@cityofchicago.org)

Your City of Chicago team



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An introduction from:
Angela Tovar,
Chief Sustainability Officer,
City of Chicago





Agenda

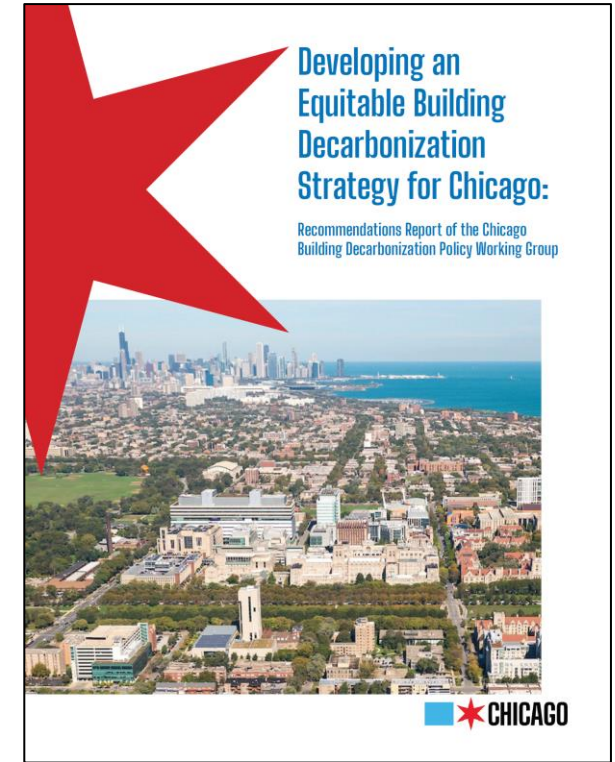
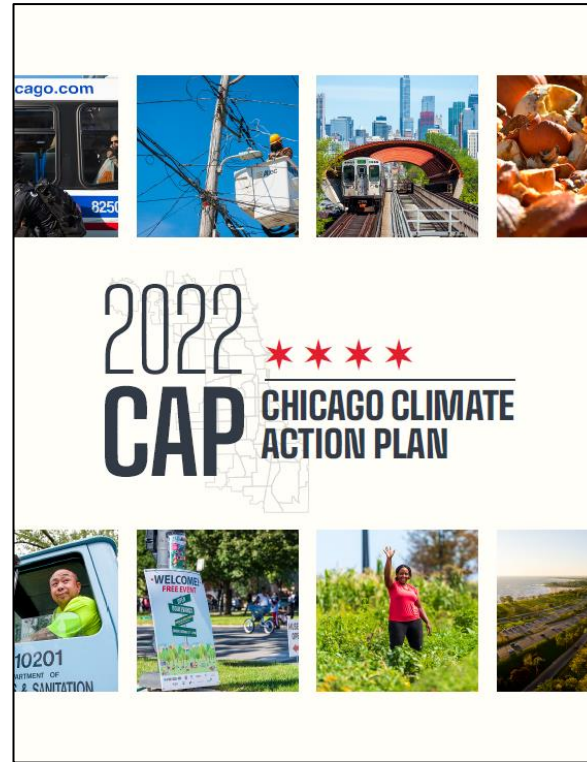
1. Housekeeping & Introductions
2. Welcome – Angela Tovar
3. Background & Context – Lindy Wordlaw
4. Expectations of providers – Steph O'Connor
5. RFP details – Matt Stern
6. Questions & Answers



★ Background

Context:

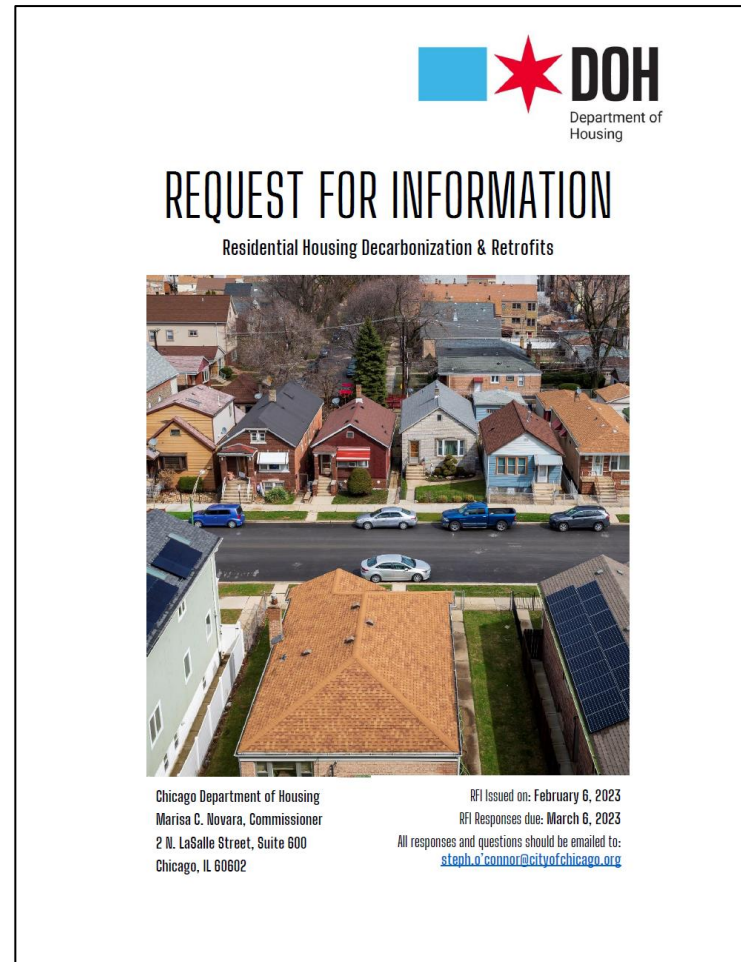
- 2022 Chicago Climate Action [Plan](#)
- [Report](#) by the Chicago Building Decarbonization Policy Working Group
- US DOE [pilot project](#) “Chicago Retrofit Roadmap” – ten 1 to 4-unit homes



★ Background – Request for Information

March 2023 Key Questions:

- Program design?
- Technology?
- Contracting?
- Permitting?
- Workforce development?
- Client selection?



Respondents

1. BlocPower
2. Center for Energy & Environment
3. Chicago Bungalow Association
4. Elevate Energy
5. The Greenpreneur
6. Hightower Labs
7. HPZS
8. husARchitecture
9. ICF Resources
10. ISA Energy Construction
11. Midwest Energy Efficiency Alliance
12. National Renewable Energy Laboratory (NREL)
13. Phius
14. Public Health Law Center
15. Sealed
16. Slipstream
17. U.S. Green Building Council



Definitions

- **AMI:** Area Median Income
- **BIPOC:** Black, Indigenous, People of Color
- **DOH:** City of Chicago Dept. of Housing
- **OCEE:** City of Chicago Office of Climate and Environmental Equity
- **Grantee:** program provider
- **Sub-grantees:** clients (homeowners)



Expectations of provider(s)



Program Goals

1. To advance the **equitable decarbonization** of Chicago's 1–4-unit residential buildings in alignment with Chicago's Climate Action Plan, thus reducing Chicago's overall carbon emissions footprint;
2. To provide low- and moderate-income owners of 1–4-unit residential buildings with **direct home improvement benefits** including increased thermal resilience, improved indoor air quality, greater access to energy-efficient air cooling, and decreased utility bills;
3. To **deepen the bench of local contractors** with the skills and experience to install cutting-edge, energy efficient equipment while enhancing pathways for BIPOC workers and business owners to meaningfully participate in the clean energy economy.

Grantee Obligations



Please Note:

- Eligible grantees include for-profit or nonprofit entities
- Contractor & Subcontractor requirements include:
 - City Residency (Section 2-92-330 of the Municipal Code)
 - Illinois Prevailing Wage Act (820 ILCS 130/1-12)
 - Minority-Owned & Women-Owned Business Enterprise (MBE/WBE) Ordinance Section (2-92-650 et seq.)
 - Contracts-Firms Owned or Operated by Individuals with Disabilities (Section 2-92-586)
- Other requirements as specified in RFP sections 7 and 8



Identifying and selecting clients (“sub-grantees”)

- **Eligible buildings types: 1-4-unit residential buildings**
 - Respondents may express interest in working with a particular subset of buildings
 - Homes must be in compliance with Chicago Building Code and free of major structural/life safety concerns
 - Deferred maintenance allowance
- **Income eligibility requirements**
 - For single family or duplex homes, sub-grantee applicant income must be 80% AMI or below
 - For 3-4-unit homes, Sub-grantees may be owner-occupants or landlords with income limits as described in the RFP
- **Landlord commitment to affordability**
 - For Sub-grantees with tenants, there will be an agreement to maintain affordable rents in exchange for the Retrofits performed.

Retrofit Interventions

Tier 1

- Air sealing
- Exterior wall insulation
- Basement insulation
- Ceiling/attic insulation
- Duct sealing & insulation
- Drafty window/door replacement
- LED light bulbs
- Smart thermostat
- Deferred maintenance

Tier 2

- Installation of ductless or ducted electric heat pump HVAC systems to provide heating and cooling in the home*
- Anti-theft device for exterior electrical components as necessary
- Flood-proofing device for exterior components as necessary
- Electrical system upgrades as necessary

Tier 3

- Heat pump domestic hot water heater**
- Heat pump clothes dryer**
- Induction range**
- Induction-ready cookware
- Removal of all fuel combustion appliances from home
- Closure of natural gas account



Energy assessments & modeling

- Adequate energy assessments and modeling are critical for this work to ensure that interventions:
 - Decrease total energy use
 - Does not increase Subgrantee total utility cost**
 - Improve Sub-grantee quality of life including comfort, indoor air quality improvements, and HVAC capacity sufficient for all Chicago weather.
- Strategies should include at minimum a plan for:
 - **Pre-construction energy assessment:** monitor building selection, project scoping, and expected and actual costs of Residential Retrofits.
 - **Post-construction energy assessment:** collect and analyze data on energy use and utility costs for homes to determine energy and cost savings. Utilize quantitative data as well as qualitative data collected via post-installation contact with Sub-grantees.



Client experience

- High quality communication with homeowners and tenants before, during, and after work.
- Minimization of displacement & inconvenience during work
- Pre- and post-installation education and technical assistance
- Periodic/seasonal check-ins regarding filter changes, HVAC programming reminders, etc.



Workforce development & equitable contracting

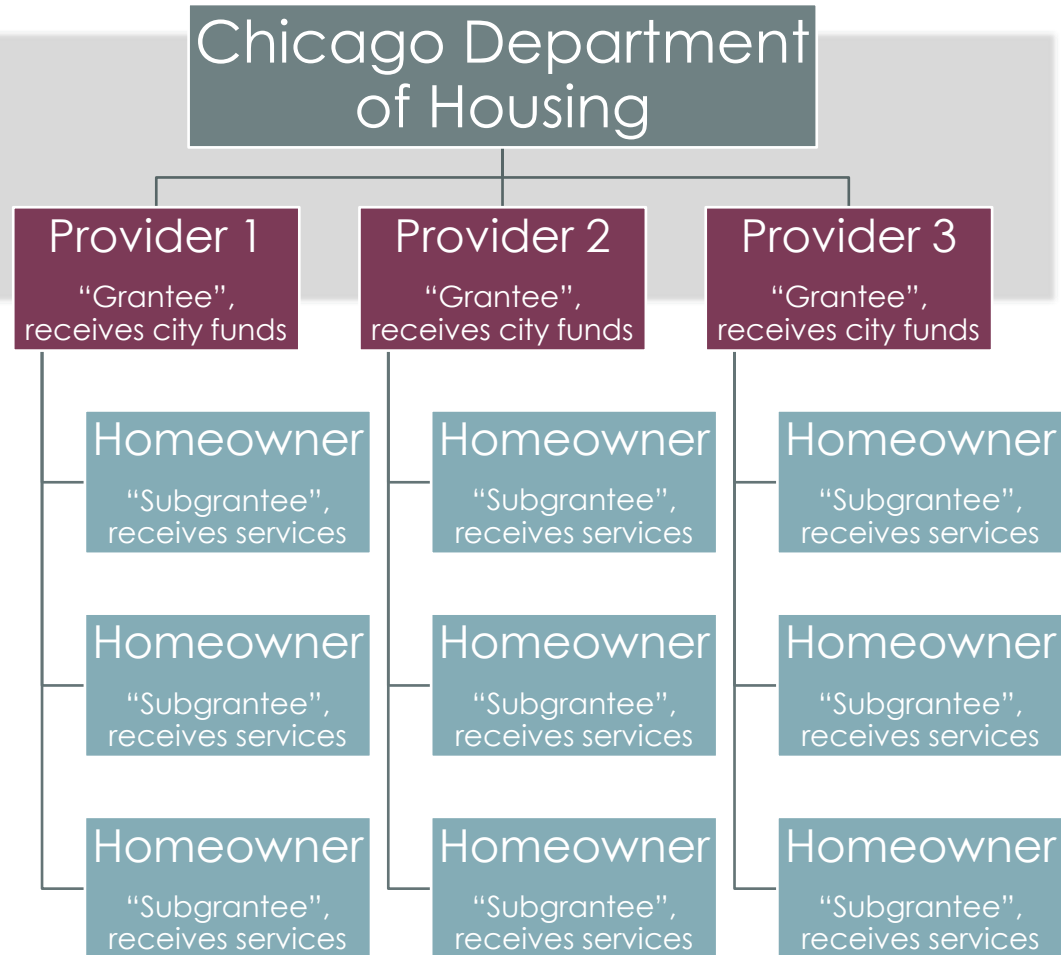
- Remember 3rd program goal:
 - To **deepen the bench of local contractors** with the skills and experience to install cutting-edge, energy efficient equipment while enhancing pathways for BIPOC workers and business owners to meaningfully participate in the clean energy economy.
- DOH will prefer responses that intentionally expand the ecosystem of local contractors capable of this work, above & beyond mandatory M/WBE and prevailing wage compliance
 - Mentor/mentee relationships with experienced and inexperienced contractors
 - Manufacturer/supplier trainings & certifications
 - Engagement with existing workforce & vocational training programs
 - Hiring from within the communities that the program predominantly serves

RFP details

Timeline, cost structure, necessary components of proposal, scoring

Expected contracting framework

Anticipated:
2-year contract
(2024-2025) with
opportunity for
1-year extension





Timeline

- **RFP release:** July 20th, 2023
- **Pre-bid conference:** August 1st, 2023
- **Pre-bid recording, pre-bid attendance roster, FAQ/RFP Addendum posted:** August 4th, 2023
 - Additional answers to be posted as received – we will aim to post them on Fridays until deadline.
- **Proposals due:** 11:59 PM, September 1st, 2023
- **Finalist selection:** October 1st, 2023
- **Contract execution:** December 15th, 2023
- **Program launch:** January 1st, 2024
- **Initial contract expiration:** December 31st, 2025

} *Approximate/
Target*





Funding, compensation, budget proposal

- This program is funded through Chicago Recovery Plan bond proceeds
- Grant agreements will contain provisions for a *project delivery fee-based* compensation structure
 - Grantees may bill the City for only:
 - (1) pre-approved direct costs of a completed Residential Retrofit project; and
 - (2) fixed, negotiated delivery fee per project
 - Each delivery fee is payable only upon successful completion of capital deliverables to the City's satisfaction.
- Proposed project delivery fees can vary based on project type (single vs. multifamily)
 - Use your response to question e.iii to describe your proposal



Application Review Criteria

- Proposals for Providers will be scored based on the following criteria, with 100 points being the maximum score:
 - Organizational Capacity (35 points)
 - Program Implementation Design (25 points)
 - Organization Values (10 points)
 - Sub-grantee Experience (10 points)
 - Budget Justification & Capacity (20 points)
- DOH may take into consideration other factors including:
 - Past performance on city/DOH contracts
 - Track record of effective program management
 - Alignment with DOH's Mission, Vision, and Values



Components of a successful RFP response

- **Cover page** (contents detailed in Exhibit A, section 1)
- **Attachments** (contents detailed in Exhibit A, section 2)
- **Answers to all questions** (detailed in Exhibit A, section 3)
 - Answers should be numbered a.i through e.vi, parallel to those used in the RFP
 - Response e.i should look like the table described in exhibit B
 - Response e.iv must be a spreadsheet using the template provided in exhibit C (submit as excel file, attached to your submission)
- **All responses should presume:**
 - **2 year contracting period, 1/1/23 through 12/31/24,**
 - **Maximum contract amount that is the *lesser* of \$5M or your preferred volume of work.**
- **Actual contract terms may be different**
- **Submission details**
 - Email response package to steph.o'connor@cityofchicago.org.
 - The deadline for submission is **11:59 PM CDT, Friday, September 1, 2023.**

Questions & Answers