

Program Design and Implementation Guide

New Construction Electrification Program

| FY 2022-23 |

1. Description

- 1.1. Through a first come first served application process, the New Construction Electrification Program (NCEP) will provide incentive funds to affordable and farmworker housing developers or private homeowners to build all-electric housing. Housing projects must be built to all-electric standards for all energy utility needs including but not limited to water heating, space heating, and cooking appliances. Incentives will be provided on a per unit basis and will be provided “downstream” to developers or homeowners upon successful completion of the project. The Program will be administered and implemented by CCCE staff.

2. Program Goals

- 2.1. Incentivize 25 all-electric Accessory Dwelling Units, totaling \$125,000
- 2.2. Incentivize 200 all-electric Farmworker Housing Units, totaling \$500,000
- 2.3. Incentivize 350 all-electric Affordable Housing Units, totaling \$875,000

3. Program Term

- 3.1. October 20, 2022 – August 31, 2023, or until funds are fully reserved

4. Applicant Eligibility

- 4.1. **Housing developers:** Defined as a business entity (non-profit or for-profit) whose core business is housing, real estate, and/or property development.
- 4.2. **Agriculture Employee Housing Developer:** Defined as a business entity (non-profit or for-profit) whose core business is either in the agricultural sector or supporting the agricultural sector employee housing (“Farmworker Housing”) market.
- 4.3. **Private homeowners:** Residential customer enrolled in CCCE electrical service and in good standing.

5. Project Eligibility

- 5.1. All eligible projects must be built to all-electric standards for all energy utility needs including but not limited to water heating, space heating, and cooking appliances. Eligible project designs must show no fossil fuel infrastructure (i.e., stub out) on the building site. For mixed use developments, gas infrastructure must be “stubbed out” before extending to residential units.
- 5.2. **For Affordable Housing Developments:**
 - 5.2.1. Project must qualify as “Affordable Housing”, “Inclusionary Housing”, or “Transitional Housing” as designated by the Authority Having Jurisdiction (AHJ) General Plan Housing Element.

- 5.2.2. Projects must be enrolled in CCCE electrical service upon completion.
- 5.2.3. Eligible unit types include Multi-Unit Dwellings, Single Family Residences, and Accessory Dwelling Units.
- 5.2.4. Developer must build a minimum of four (4) affordable units under one development.

5.3. For Farmworker Housing Developments:

- 5.3.1. Project must qualify as “Agricultural Employee Housing” as designated by the Authority Having Jurisdiction's (AHJ) General Plan Housing Element.
- 5.3.2. Housing project must be enrolled in CCCE electrical service upon completion.
- 5.3.3. Eligible unit types include Multi-Unit Dwellings or Single-Family Residences.
- 5.3.4. Developer must build a minimum of four (4) farmworker housing units under one development.

5.4. For Private Homeowner Developments:

- 5.4.1. Project must be an Accessory Dwelling Unit (“ADU”), as designated by the Authority Having Jurisdiction's (AHJ) General Plan Housing Element. ADU may be market-rate or affordable housing. All ADUs are eligible, including existing building additions and alterations.
- 5.4.2. The primary dwelling on the property must be actively enrolled in CCCE electricity service – or – if electrical service is not being provided at the time of application, both primary and accessory dwelling unit must be enrolled in CCCE electrical service upon completion.

6. Incentives

6.1. Incentive Amounts¹

Project Type	Incentive	Incentive Limit per Project ²
Affordable Housing	\$2,500/unit	Up to \$240,000
Farmworker Housing	\$2,500/unit	Up to \$240,000
Accessory Dwelling Unit	\$5,000/unit	Up to \$10,000

6.2. Incentive Award Process

- 6.2.1. Incentives will be distributed on a first come, first served basis.
- 6.2.2. There is no limit on the number of separate project applications a single developer/applicant may submit.

7. Application Process

¹ CCCE maintains the right to re-allocate funding for any reason and at any time.

² A project or development is defined as one parcel or multiple adjacent parcels.

- 7.1. To apply, developers or private homeowners (“applicant”) must submit an online application form and upload the required supporting documentation.
- 7.2. The applicant must provide at least one document indicating intent to build an all-electric project. Acceptable documents include:
 - Plan set with confirmation letter from the architect describing how the building meets the all-electric requirement and citing relevant pages/schedules.
 - Confirmation letter from the electrical engineer describing how the building design plans meets the all-electric requirement.
 - For private homeowners only: manufactured home specs indicating all-electric build may be provided in lieu of the documents listed above.
- 7.3. Upon application approval, CCCE will reserve funds in the name of the recipient to be held in a CCCE account until project completion and payout.
- 7.4. Once funds have been reserved, Energy Programs staff will send a Letter of Intent (LOI) to recipients of the award.
- 7.5. Funds will be reserved for a maximum of 3.5 years after the date of issuance of the LOI.
- 7.6. Upon project completion, the award recipient will receive funds upon meeting the following conditions:
 - 7.6.1. CCCE staff confirms the building(s) are or will be enrolled in CCCE electricity service.
 - 7.6.2. Applicant submits the following documents indicating that the development was completed as an all-electric building.
 - Certificate of Occupancy -OR- Notice of Completion
-AND-
 - Written notice from the applicable Building Inspector confirming that no gas infrastructure was built throughout the building and construction site.
 - 7.6.3. Extension: Applicants may submit *one* letter requesting an extension of reserved grant funds. The letter must provide a description of a good faith effort and/or demonstrate substantial progress towards completing the approved project. Staff will review extension requests on a case-by-case basis and communicate regularly with applicant to resolve.