

Participant's Guide

Rental Apartment Retrofit Accelerator Pilot Program (RARA)



Program Administrator:



Program Partners:



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Interested in Registering Immediately or Have Questions?

- Participants can register at: <https://landlordbc.ca/rara/>
- All questions can be directed to: rara@frescoltd.com or 1.877.335.7042

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Program Overview

The Rental Apartment Retrofit Accelerator Pilot Program (The “Program”) is a LandlordBC (LLBC) initiative and is administered in partnership with FRESCo Building Efficiency (“Program Administrator”) and funded by the City of Vancouver, CleanBC and BCHydro (“Program Partners/Funding Partners”). The Program provides owners of qualifying multi-family residential market rental buildings (“Participants”) in Vancouver with access to financial grants and incentives and support services to retrofit and decarbonize buildings. The program will support a wide range of measures aimed at reducing building greenhouse gas emissions and will prioritize retrofits that have co-benefits for tenants (i.e., have minimal impact on existing tenants, improve livability and indoor comfort, or provide summer cooling).

Participants in the program may be entitled to receive, **free of charge**:

**see ‘Program Process’ section for more information*

- **Phase 1:** Support services for up to 30 selected participants, including:
 - **Retrofit coaching support.**
 - **Screening assessment** to identify and provide high-level business case of decarbonization options.
 - **Energy benchmarking** in ENERGY STAR Portfolio Manager (“ESPM”).
- 2. **Phase 2:** Support services for up to 15 selected participants with capacity to complete retrofits by March 2025, including:
 - **Detailed assessment and preliminary design** that provides a detailed business case including preliminary design of decarbonization options for mechanical systems.
 - **Capital plan** outlining a path to achieve 80%+ whole building emissions reductions.
 - **Access to financial grants and incentives** up to \$500,000 per retrofit project. Program grants and other incentives can be combined to cover up to 100% of total eligible retrofit costs.
 - **Retrofit implementation support for design & construction** to facilitate starting and completing the retrofit project.

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3. **Phase 3:** Delivery of **1-year post-retrofit review** to evaluate the performance of the retrofits including:
 - Support coordinating post-retrofit re-commissioning.
 - Measurement and Verification (M&V).
 - Development of case studies.

Program Eligibility

Program eligibility criteria includes:

- Buildings must be market rental buildings located within the City of Vancouver municipal boundary.
- Buildings must have an active natural gas utility account and gas fired mechanical equipment with interest to replace with a low-carbon alternative.
- Buildings must have a minimum of 10 units in the building.
- Buildings must not be connected to a district energy system.
- Owners/managers must be planning to undertake a retrofit that will provide a net decrease in GHGs and result in energy impacts that are measurable and verifiable, and that can be estimated using standard engineering calculations.
- Owners must have the capacity required (including sufficient financial resources) to move forward with a retrofit project that will be completed by March 31, 2025.
- Owners must consent to having the screening assessment, detailed assessment, energy benchmarking data, commissioning and measurement and verification results shared with LLBC, the Program Administrator and Program Partners/Funding Partners.
- Owners should be willing to have a case study report completed on the retrofit project if they receive capital funding through the program.

Eligible Retrofits

The following retrofits will be considered for Program grants and incentives and coaching support:

- Domestic hot water systems electrification.
- Makeup air (MUA) system replacements with electric heat pump solutions.
- Space heating system replacements with in-suite or central heat pump systems.
- Electric capacity upgrades.

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- Other retrofits that result in a net decrease in greenhouse gas emissions that can be measured and verified.
- Load Management technologies.
- Complimentary energy efficiency retrofits *may* be eligible for grants through this Program or through complementary incentive programs (e.g., new windows, air sealing, insulation, make-up air ventilation reduction, suite heat recovery ventilation and other electrical efficiency measures).
- Specific product efficiency requirements to access rebates will be provided in the detailed assessments.

Ineligible Retrofits

The following work will not be eligible for Program grants:

- Energy retrofits and/or capital repairs that are completed or in process.
- Additions or new construction.
- General interior or exterior work or construction that is not necessary for the retrofit.
- Other work deemed inappropriate at the discretion of the Program Administrator, LLBC, Program Partners/Funding Partners.
- Costs incurred prior to funding approval.

Grants and Payment Schedule

Participants can access Rental Apartment Retrofit Accelerator grants up to \$500,000. Program grants and other incentives can be combined to access up to 100% of total eligible program costs.

The number of projects receiving funding and the amount of funding for each project will depend on a variety of factors, including: the incremental and total capital costs, anticipated energy and GHG reductions, co-benefits of retrofit for tenants, and representation among different types of rental apartment buildings and retrofits.

For the purpose of calculating grants and incentives, up to 100% of total costs of the retrofit will include: product costs, installation costs, design costs, electrical capacity upgrades, other required retrofit costs, and other fees (permits, etc.)

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Grants will be paid upon completion and verification of the retrofit work and the Program receiving the required documentation which includes invoices for the paid equipment and banking information for the electronic funds transfer (EFT).

Program Objectives

This program was designed to meet the following objectives:

- **Understand the existing condition** and upgrades needed for building energy systems in typical market rental buildings.
- **Reduce emissions:** identify opportunities to replace aging gas heating and domestic hot water systems with new electric heat pumps.
- **Prioritize measures with co-benefits for tenants**, i.e. have minimal impact to existing tenancies, improve livability and indoor comfort, are simple to operate and maintain, and can provide some level of summer cooling.
- **Record challenges** as they arise and make recommendations to overcome technical and regulatory barriers to heat pump retrofits.
- **Provide financial grants** to reduce the cost of these projects from business-as-usual fossil fuel upgrades.
- **Consider a holistic retrofit package where possible:** identify through energy assessments if non-mechanical upgrades (e.g new windows, ductless HRV's, simple envelope improvements) can make a strong business case, with minimal tenant disruption.
- **Protect tenants:** support landlords and building managers in developing tenant engagement plans that minimize disruption and keep tenants informed.
- **Assist landlords** with start-to-finish implementation of retrofits.
- **Provide post-retrofit support** to ensure the new systems are operating and performing as designed and to measure the energy and carbon savings.
- **Complete measurement & verification** of post-retrofit energy and emission savings.
- **Develop and disseminate lessons** learned through the development of case studies of the buildings that undertake retrofits.

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Tenant Engagement Requirements

The City of Vancouver has developed a guide called *"Best Practices for Working with Tenants During Renovations."* Program participants will agree to:

1. Assign a dedicated representative (e.g., building manager, maintenance person or energy manager) to work with the Program Administrator to develop a Tenant Impact Plan by following the guide developed by the City of Vancouver.
2. Take proactive measures to minimize tenant impacts of the work, including noise, access to suites, utility shut offs, etc.
3. Ensure that work will not require tenants to permanently vacate units.
4. Exclude the amount of funding received under this Program from any rent increase calculation when applying for Additional Rent Increases for Capital Expenditures (ARI-C).
5. Pay the cost of temporary accommodation and additional associated costs (e.g. meal vouchers) if tenants must temporarily leave their unit to facilitate the work.
6. Provide proactive and ongoing support for and communication with tenants as per Best Practices guide.
7. Use the Tenant Engagement Best Practice Guide and Landlord Worksheet developed by the City of Vancouver to develop a tenant engagement plan that upholds the principles of clear communication, minimizes disturbance, and avoids direct or indirect tenant displacement.
8. Adhere to the requirements outlined in the participant agreement provided by the Program Administrator.
9. Building owners who participate in the Rental Apartment Retrofit Accelerator Pilot Program must meet all of the above requirements to receive grant funding for retrofitting their buildings. The goal of these requirements is to ensure that tenants are not unduly impacted by the retrofitting work and that their rights under the Residential Tenancy Act are protected. By providing proactive and ongoing support and clear communication to tenants, building owners can help to minimize tenant disturbances and ensure a successful retrofit project.

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Program Timeline

Program Launch: June 2023

Participant recruitment:

- Phase 1: June - July 2023
- Phase 2: August 2023

Screening Assessments/Detailed Assessment: June 2023 to August 2024

Installations: September 2023 to January 2025

Project Coaching and Retrofit Implementation: July 2023 to April 2025

Commissioning/Measurement and Verification and Case Studies: September 2023 to March 2026

*The project timelines may be subject to change and can be modified by LLBC.

Program Process

1. Application Process

The interested applicants will [register online](#). Once registered, FRESCo will send an application form for the participant to fill out for each building and will be notified if they are accepted into the first stages of the program.

2. Retrofit Coaching Support

An advisor/Participant relationship will be established with Participants approved into the Program to ensure that the Participant understands the Program steps and coaching support available throughout the process.

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3. Screening Assessment

Following the application process, Participants approved into the Program will receive a screening assessment to identify and provide high-level costs and savings for low-carbon mechanical system retrofit opportunities. Complimentary measures that could impact mechanical systems will also be identified.

4. Benchmarking in ENERGY STAR Portfolio Manager (ESPM)

For the participating buildings that are not yet set up in ENERGY STAR Portfolio Manager (ESPM), the Program Administrator will assist in setting up and benchmarking the buildings. To support the City of Vancouver's efforts to reduce emissions, the Program Administrator will share the benchmarking data received as part of this Program.

5. Detailed Assessment and Capital Plan

After the screening assessments, 10-15 buildings will be shortlisted to continue with the Program. If the Participant is selected to continue in the Program, they will then be required to sign a letter of intention (LOI) to declare their intentions of upgrading their old mechanical equipment and fuel switching to electrify the equipment.

The 10-15 buildings will receive a Detailed Assessment and preliminary design focused on the mechanical equipment retrofit to give building owners a comprehensive business case of decarbonization options, with respective costs, and benefits. The assessment will also evaluate the impact of complimentary measures such as window replacement, insulation, sealing and ventilation reduction.

A high-level Capital plan will be developed that will outline a pathway to decarbonize a building over time by replacing relevant building components as they reach end-of-life.

6. Retrofit Implementation Support for Design & Construction:

The selected buildings will receive implementation support including:

- Accessing additional rebates and financing where available.
- Defining a retrofit scope.
- Developing tenant impact plan.

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- Hiring necessary contractors (consultants and installers).
- Coordinating commissioning and hand-off.
- Resolving technical challenges.
- Answers to your retrofit questions.

7. Retrofit Design and Installation

The Participant coaching continues throughout the design and installation phase with frequent communication between the Program Administrator, building and contractor contact to ensure minimal tenant disruption.

**Note that detailed engineering/system design is not provided by the Program; Participants will be responsible for hiring consultants/contractors to design and install selected retrofit measures.*

8. Training and Resources

If applicable, the Program Administrator and/or mechanical contractor will provide information and resources for tenants or building operators regarding use and operation of the new technologies.

9. Payment of Grants and Incentives

The Program Administrator and LandlordBC will support the processing of the payment of Program Grants and facilitate access to complementary incentives.

10. 1-year Post-Retrofit Review

Post-installation Program support will include coordination with the contractor to complete re-commissioning 1-year after the installation. Additionally, there will be measurement and verification and billing analysis conducted 1-year post installation to verify energy and GHG savings that will be published in a Case Study.

11. Registration and Questions

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