

I'm from the Department of Housing and Urban Development. Welcome to the Secretary Donovan's call on the Climate Action Plan for HUD.

I'm going to put the call on mute right now while everyone dials in, and we'll begin the Conference call in just a Moment.

Thanks very much.

(Putting their phones on mute) Oftentimes we'll get a little bit of background noise, and we would really appreciate that. My name is Bryna Lipper.

I'm the Director of Philanthropic Initiatives at the Office of International and Philanthropic Innovation. We're within the office of Policy Development and Research at HUD. As you all know, we work very closely with our philanthropic and international partners to service best practices and spotlight innovative ideas that support HUD and the Administration's direct goals. We aim to do this by creating and coordinating opportunities for dialogue, such as these telephone calls, and want to ensure that everyone has an opportunity to participate and engage directly with the leadership of this administration. So, we hope that you've all brought a host of questions and inquiries to this important discussion on the President's Climate Action Plan and HUD's strategies to focus in on that Climate Action Plan. Without taking any more time, I would like to introduce Secretary Donovan to give some highlights of the President's action plan and HUD's role and HUD's strategy. Mr. Secretary?

Sec. Donovan:

Thank you all for joining us today.

I want to start just by framing the work that we've done, not just as part of the President's Climate Action Plan, but going back to the very first few days of this administration. The President understood, in a fundamental way, that one of the great challenges of our time is our changing climate, and we have seen this in a very direct and visceral way the effects of that climate change is having on our families around the country, our communities. The President has pointed out often that the 12 warmest years in recorded history have all come in the last 15 years. In 2012 alone we saw 11 weather and climate disaster events, each with losses exceeding a billion dollars in damage, and so a total of more than 110 billion dollars in damage throughout the year. And frankly it seems like those storms that used to come once a century are now coming every few years, and in fact, in the recent case of Oklahoma City, within ten days of each other.

And so, in the first term the President took a broad series of actions to try to make sure that we were combating climate change, and what we've seen has been impressive results. We've doubled the use of renewable energy in the nation since he came into office, and we have seen the lowest emissions of climate-changing gases to the lowest level in 20 Years; our carbon emissions are down that far.

But the President also understood that we needed to go further and that we needed to do more. And so, this summer he released the most aggressive strategy that a U.S. President has ever undertaken in his Climate Action Plan in June. And what we really want to focus on today is the opportunities that we have to work together to advance the goals of that Climate Action Plan.

Now, the good news is that we are already doing exactly that. One of the efforts that I am proudest of in the work that we've done here at HUD in partnership with the philanthropic community is to create our Sustainable Communities Partnership with the Department of Transportation and EPA.

I've spoken to all of you both Individually and collectively many times about that, and what we've seen is just an outstanding partnership where many of you, or your colleagues, in the foundation world have been deeply engaged in our Sustainable Communities work and Salin, who is our acting director of The Office of Sustainable Housing and Communities, is on the line today to answer any questions or get your thoughts on that. But, in summary, we've accomplished already an enormous amount and, in fact, our Sustainable Communities grants have reached about one-third of the entire U.S. population with the work that we've done. And so, we're going to continue that work; that is a major goal of the second term, but it was not intended to be the primary focus of the call today.

A second area that was critical to the Climate Action Plan the President made very clear that while we are working to reduce carbon emissions, both domestically in the U.S. as well as internationally, we also have to take substantial steps to try to combat the impacts that climate change is already having on our communities. I talked about the terrible natural disasters that we've seen over the last few years, and central to this work, and particularly for me given the fact that the President asked me to lead this effort, is the work that we've done with the philanthropic community on the Sandy recovery.

And there I'm also very proud of what many of you on the phone and many of your colleagues in the philanthropic community have already done to partner with us. I'm thinking of the enormous investment we've already had from the Rockefeller Foundation and many others in our International Rebuild by Design Competition, which is bringing the most innovative resilience planning ideas from around the globe to the Sandy-affected region. As well as many other things that we're working with all of you on relative to Hurricane Sandy and its aftermath, and I fundamentally believe, with the release of our Hurricane Sandy Rebuilding Strategy just a few weeks ago, that we have set a template that can be used nationally, and even Internationally, in making this Country more resilient--and in fact, that was a centerpiece of the President's Climate Action Plan is to take much of the work that we've done in response to sandy and to build national policies that will increase our resilience. So that's a second critical Aspect of the Climate Action Plan that we're already working on, but again, I'm not going to focus the remainder of my remarks there.

What I really want to focus on today is a third area that is part of the Climate Action Plan--that I personally have not engaged with all of you on as directly--that I believe can be an enormous source of partnership and collaboration between HUD, the rest of the administration, and the foundation community. And that, of course, is the work that we're doing to try to make our residential buildings around this country more sustainable, to reduce energy use, and to be part of the goal the President set in the Climate Action Plan to dramatically cut our energy waste around the country by increasing efficiency, not only In housing, but in many other areas.

And so, I want to outline a number of the ways that we can work together on that, and I want to make sure you know that on the phone with me today is Trisha Miller. She's a senior advisor in our Office of Sustainable Housing and Communities. She leads all of our work around the sustainable housing piece

of the office and she will add some comments after mine and then be available with me to answer your questions.

So, given the fact that our residential buildings produce about 20% of our carbon emissions around the country, the work to make our residential buildings more energy-efficient is a central part of the focus of the Climate Action Plan. And one of the key features that I want to start with, of the Climate Action Plan, is the expansion of a signature effort that the President calls our Better Buildings Challenge. That challenge has been focused on commercial buildings in the first term, and as part of the Climate Action Plan we will be expanding that Better Building Challenge to multifamily housing. Consistent with the current work that the Better Buildings Challenge has done for commercial, industrial, and local government partners; what we'll be asking our residential partners, who are both private owners of affordable housing as well as public housing authorities that own public housing, when they participate in the challenge, is to pledge a 20% reduction in energy intensity across their entire portfolios over ten years.

We're already working with the Department of Energy and the White House to engage interested multifamily owners. Not only affordable owners, but also market rate, and figure out how to move this market together. Our plan is to roll out the multifamily Better Buildings Challenge next month and recruit owners and managers across the nation. HUD is going to be working with DOE, the Department of Energy, to deploy technical assistance, aggressively support partnerships with both public and private utilities around the country, as well as to align existing incentives and to develop new replicable models for energy efficiency that can be adopted by participating property owners or managers. We're also going to be working with our existing efforts that we put in place in the first term, including our 23 million dollar Energy Innovation Fund, which is already catalyzing the retrofit, and retrofit financing, in multifamily housing.

We're also going to be looking at new models, like a pay-for-success Strategy that we proposed in the President's Budget this past year, to leverage new sources of private capital. And that really does build on a lot of impact investing innovations that you all have led over the last decade or more.

We're deeply committed to HUD Policies and programs that improve the efficient—energy efficiency of our housing that support healthier housing, and also that are going to deploy clean energy solutions across federally owned and supported building stock.

Through our Recovery Act investments and beyond we've already raised the bar on energy performance in affordable housing, and the results have been remarkable.

Between HUD and the Department of Energy we've already retrofitted more than a million homes around the country. And we've also achieved remarkable results like one example I want to give you:

A senior housing complex in El Paso, Texas, that generates all of its energy onsite from wind, Solar, and other sources. We've seen \$8 utility bills at those units as a result, and that is just one example of the remarkable results we've seen from these investments. So clearly, innovation and clean Energy and affordable housing is already happening on the ground, and it is the result of the work that you're doing.

The President's Climate Action Plan takes this to the next Level by setting an ambitious new goal to reach 100 megawatts of installed renewable energy capacity from solar, geothermal, wind and other sources across federally subsidized housing by 2020. I'm particularly excited about this piece of the Climate Action Plan and its focus on integrating housing with energy and climate policy. It's the very first time HUD has had a specific focus on renewable energy and it provides an opportunity to expand the sector to promote climate resilience and offer cost-effective distributed generation to low income communities. And just to make sure we're clear, 100 megawatts of an installed renewable capacity on assisted housing is an ambitious goal. It would more than triple the current amount of what we've seen produced around the country, and could really help transform the residential renewable energy market sector. Not just for affordable housing, but for market housing--market-rate housing as well. A program of this size could generate millions in direct economic activity and create thousands of local clean energy jobs.

I also want to make clear, that because this is a target not Just for HUD, but for all federally assisted housing, we are working side by side with our colleagues at the Department of Agriculture, as well as the Department of Treasury, to meet that goal. So this is an all of government effort, not just a HUD goal. And I want to emphasize, the goal is enormously ambitious, but we believe it's doable with your partnership.

We're going to work to find creative solutions to some of the financial and procedural barriers to renewable energy Investments; including building off the success of recent renewable power purchase agreements that enable property owners to lease power generating systems. We've seen great examples in Denver, and other cities as well, of that happening.

In addition, technical assistance to owners through, and collaboration with, existing initiatives, such as the Department of Energy's Federal Energy Management Program and the Sun Shot Rooftop Solar Challenge, will be absolutely critical to implementing this effort.

We are also very focused on maintaining the Federal Investment Tax Credit as another essential element to the financing structure that's needed to leverage private investment for the renewable investments in the affordable housing sector. We've already begun hosting interagency briefings with technical experts; documenting Best Practices and developing program work plans and ideas that are going to have the biggest impact.

So with all of that, let me really try to focus on the three things that I want to ask of all of you as potential partners in this effort. As I said earlier, our collaboration with philanthropic partners has been absolutely central to the success of our work on our Sustainable Communities Partnership, on the work that we've done in building a more resilient region that was hit by Sandy, and even a more resilient nation, and similarly here, we believe our partnerships with you will be absolutely central to the success of our sustainable housing efforts in the Climate Action Plan.

We've had game-changing models that many of you have developed already. The Clinton Foundation's work in building retrofits, Surge's efforts in green infrastructure, MacArthur's pay-for-success leadership, and I could go on and on. Your expertise has always been a significant part of what has

made HUD's work in the first term successful and I want to talk about three specific ways we can partner to realize shared goals on this new challenge.

First, the Better Buildings Challenge that I described is going to require new, and sometimes nontraditional, stakeholders to be successful. We'll need to connect partners to the networks, the practices, the evidence from multiple fields that you all are already connected to and that you've helped build, and to use those existing pathways to accelerate transformation.

We recognize that the Better Buildings Challenge adds explicit goals around portfolio-wide energy reduction strategies. So we want to work with you to not only leverage grant support that can match private investment for better building partners that join the challenge, but also to ask you to link your partners with the work that we're doing with our private sector partners. The active external networks that you're already supporting, those are going to be critical parts of what moves this Better Buildings Challenge forward. One example of that, we've already heard from many of the multifamily owners that we're working with that they have a real need for benchmarking support. How do they know what success looks like, what's being achieved in other places? They're going to need those necessary reference points for developing the evidence-based energy management practices that we're aiming for here. So that's the first thing on the Better Buildings Challenge.

Second, we need your collaboration to achieve our renewable energy targets. Whether you can provide expertise on identifying existing and potential renewable energy opportunities and partnerships that will further the effectiveness of this program, or help with the capital funding and resources in either case, or hopefully in both, your support is going to be absolutely critical. We also want to work with you to engage the broader financial community to secure funding commitments for renewable energy in the commercial lending space. We all know that even if HUD and the philanthropic community can bring hundreds of millions or billions of dollars to this effort, to really have a market transformation impact we're going to need tens, if not hundreds, of billions of dollars from the private sector, from their capital base, from the broader financial community, to be able to really catalyze and transform what is a nascent market at this point.

My third and final request to you as funders is to work closely with us on your program, and mission related investments, to support energy and green building investment, particularly in, but not exclusively in, pay-for-success initiatives. We're very excited about the increasing momentum that we have around pay-for-success as a model in many areas. This is something that the White House and the entire Administration is working hard on. We have many different proposals in the President's budget. We've kicked off a set of pay-for-success models that I think are very promising in a range of areas, juvenile justice and others, across the Administration.

We believe that this area of increasing energy efficiency is a perfect place to employ the pay-for-success model, and you are the perfect partners to help us create structures that can blend public and private funds, often across different types of investments, and in fact, many of you are already underway in implementing your own innovative programs on this front. So we need your help to fund, but also to help us think through these opportunities, and not just, as I said, pay-for-success; on-bill-financing is another area we're excited about, but we also recognize that there are many barriers that

we're going to need to be creative about; it's not just lack of capital. There are many barriers to private capital participation, to data access, and the split incentives that we often see in multifamily housing; where an owner has little incentive to put in energy efficiency if it's only going to benefit their residents and not the owner directly.

So, all of these are kind of structural challenges that you've already started to take on, and we believe your partnership and your funding support, could be critical to cracking through those challenges and building a market at real scale that can transform not just affordable housing, but all multifamily housing around the country.

So with that, I will ask Trisha Miller to add any comment she'd have at this point and then we'll come back to you for your questions.

Trisha Miller:

Great.

I think you gave a very comprehensive overview, Mr. Secretary. I would just add, I know as many Funders are on the call have been working on the barriers, that the Secretary mentioned at the end, around access to capital finance to bring multifamily energy efficiency to scale. We see the Better Buildings Challenge as a way to create an umbrella around moving the market with these portfolio-wide energy savings, and we know that some of the active regional partnerships that you're leading are going to be key to making that program work and to linking the Better Buildings participants with some of the engaged utility partners and available state and utility programs that will bring needed capital into the marketplace to reach these owners who are really tackling that question of getting to scale with the 20% portfolio-wide energy reduction.

So we're excited to hear from you on ways that you think--you know we could work more directly to move the needle on utility partnerships and other work like the Urban Sustainability Directors Network and other sources of coalition building, or capacity building, that you're already engaged in.

I also just wanted to highlight on the pay-for-success side of the coin. We have seen some movement on the hill. Some of you may have been following that activity. Recently there was a legislative authorizing amendment that was introduced with broad bipartisan support as an amendment to the Transportation HUD Bill--Appropriations Bill. As you know, the bill did not move, but the amendment support was a good sign of the potential for bringing legislative strategy into action, and even today moving through the Senate there may be another opportunity. So, keep your eye out for that legislative activity; we're obviously following it closely.

>> Great, thanks, Trisha, and with that I think we would love to open it up to questions, comments and input. So, if you will, take your phones off mute and share your questions. Please don't be shy or I will start calling on each and every one of my friends on this line. Questions?

>> Hi, this is Dana with JPB Foundation. Not so many questions from us, just gratitude for taking this up, for engaging us. I think we're extremely excited, even the details in terms of your three requests, they match very well with where we're heading and what we've been thinking about and I think it's just a very exciting time where a lot of our collective work is syncing into alignment just when we need

all of these resources to preserve the affordability and really address what we're seeing in terms of climate change impact. So, just a thank you and count us as a partner, and know we're right in sync with your priorities: working with utilities, focusing in on the multifamily sector.

So maybe just a question would be on the renewable piece, which is incredibly exciting to have that huge target. What is your thinking around really encouraging not just the systems to be installed, but to make sure there's the battery capacity to ensure that in times of weather-related impacts on the grid, that they become a resource still in the times when the grid may not be working; is that going to be part of that commitment to make sure that the Renewables also have a battery backup?

>> Thank you for the question. I have to say given all your leadership around the resilience issue, I'm not surprised to hear you focused on that and I did want to say, with everybody else on the line, JPB has been a fantastic partner around our Sandy work that I referenced earlier, particularly this International Rebuild by Design Competition where we have teams from more than 15 countries that came together to try to help us build really innovative large-scale resilient infrastructure across the Sandy-affected region, so Thank You, Dana.

I would say the opportunity here is absolutely to get to things like the combined heat and power and other efforts that we saw being successful in hospitals, in some office buildings, but also in housing. And I think one of the exciting things about the opportunity we have by starting and really focusing on affordable housing, and I'll give you an example. In Denver, the scale would allow the potential for generating enough power to be able to really look at creative alternatives in a moment where the grid does fail. And I'm looking at Trish here. I think it's something like 100,000 panels. Is that correct? That are being focused on in Denver? Is that right?

>> yeah, there are that many in—right now under the Power Purchase Agreement, which is the largest of its kind and one of the reasons, as you were mentioning, one of the financing models we're looking at. It gives us an opportunity to explore these scalable solutions with renewable energy without the upfront cost borne by the Public Housing Authority, or the private affordable housing owner. So, it's both a model of the capacity of designing the right system and getting the financing that makes it feasible in the affordable housing context today.

>> Yes, and this is the Denver Housing Authority partnered with a private—a couple of private entities that have been able, without capital up front to the Housing authority, to come and install about 100,000 panels. And really at that scale, and Denver is a large housing authority, but by no means the largest, to really achieve, I think, what could be very resilient strategies in the case of the grid going down.

>> and the other aspect on the microgrid technology, you know, we certainly are learning in the Sandy recovery the opportunity there for combined heat and power and microgrid that can provide renewable opportunities and backup generation to your point, Dana, on the islanding effect of how do these strategies be successful at supporting clean energy, but also resilient. And there's an ongoing discussion around the microgrid demonstration in New York City, that we're excited about moving forward, that could be a model in helping us move closer towards this renewable energy target and look at systems that we could replicate in other communities.

>> Great.

Thanks so much for the question, Dana.

Do we have another question on the line?

I know that I had exchanged a nice email with my friend Lois at the Kresge Foundation, who was interested in hearing how all of this tied together strategically and I wonder, Lois, did we answer your Question?

>> Yes, thank you, I really appreciate the opportunity to hear directly from you, Secretary Donovan, and this work is potentially of interest to us as well.

Our environment program is shifting toward a real emphasis on resilience with particular interest in low-income communities and making sure that low-income residents are engaged in the development of resilience plans and benefit from resilience measures that are undertaken in different communities. So, I think the renewable energy work, with the twist that Dana mentioned, is potentially of interest to us, and then, as you know, we have a social investment practice and we've been paying a little bit of attention to the pay-for-success in the energy efficiency area, so would be quite happy to speak with you further about that.

>> Great.

>> Wonderful, thank you.

>> I was going to say, you know, we're sitting here in the HUD Building and, you know, interestingly, we have \$35 million of renovations going on in the HUD building to make the building more energy efficient and it's not costing us a dime. All we've done is to pledge a slightly lower utility payment going forward that has allowed the savings to then capitalize with a private entity that work upfront.

The pay-for-success model that we've proposed would allow us to essentially do the same thing in our multifamily housing. Without getting into the weeds on all the legislative restrictions that we have, it's impossible for us today in our privately owned affordable housing to be able to structure a similar kind of investment where there's no upfront payment from the private owner, but a company comes in and is able to install.

We are able to do that in examples like the Denver Housing Authority, one that we just talked about, but not in our privately owned stock, and so this pay-for-success model we think is the key to unlocking exactly what we're doing at the HUD headquarters building right now.

>> And I know if Mijo is on the Line from MacArthur Foundation that will be music to his ears. I wonder, Mijo, if you have additional thoughts.

>> I'm turning down the volume on that music right now, so—

You know, if I had a question—

Well, the question I have, you know, given the Better Buildings Challenge and that it is voluntary, I'd like to hear a Little bit about what is on the table to incentivize owners to participate.

>> Yes.

So first of all, I would say this is really what led us to think about this. The Better Buildings Challenge on the commercial side has really exceeded our expectation-- our initial expectations for it.

There's been an enormous amount of excitement of it--around it, and frankly what we found is that with the recognition that we focused from the White House and the President himself, as well as the technical assistance, the strategies that we've been able to bring, the knowledge sharing, there has been a substantial amount of interest.

Obviously in addition to that, being able to bring financial incentives that we can partner with you all on would advance that significantly, but we're really—our optimism about it is based on what we've seen as a very significant take-up on the commercial side, combined with some of the tools that we've already built, and that we will build, that can help on the financial side.

Trisha, any—

>> Yeah, I would only add to that, that we're looking at where we can provide some administrative support incentives that are non-financial through our programs to recognize the commitment that the Better Buildings Challenge participants have made. One place is through our competitive NOFA process as a policy priority.

There are other options that we're looking into, which will obviously be program-specific, where we can encourage the shared savings model, particularly for multifamily, and we're working on statement of policy intent right now around where the opportunities will be for public housing authorities and for multifamily HUD-assisted owners that participate in the challenge. You know, we see this as an opportunity to address some of those barriers and come up with some breakthroughs together that help them get further along the 20% target portfolio-wide. So, this is a way to address that through a series of both technical assistance as the Secretary pointed out and we see DOE is really critical to being able to deploy that, and the policy support that we can offer here at HUD with our program expertise.

>> Any other questions or shall I continue calling on you wonderful individuals with great ideas?

>> This is Allison Corwin from The Surdna Foundation. I want to thank the Secretary for his comments and all the excitement around the Climate Action Plan, and echo what Dana said, and also Lois and Mijo.

Just a couple of thoughts. I think what will be really interesting is to think about the external partners on the ground and where we might have overlap with existing strong partners and networks on the ground to deploy some of those. Trisha, I heard you mention the Urban Sustainability Directors Network, so I definitely think that's one we can help think through and I think there are others that all of us on the phone can think about. Emerald Cities Collaborative, for example, I think they're already working on the Challenge. In Atlanta, Star Communities Index and others. So I think that's something where we'd be really excited to put our heads together and think about where we already have some strong networks on the ground.

My other piece was to follow up on what Mijo was saying about the incentives and thinking about the whole package of portfolio financing tools available, and I'm just curious what role—in working with the utilities, what role the public benefit funds might play in all of this.

>> Right.

Thank you, Allison.

That's exactly the kind of models of where you're already invested in providing that leadership and capacity support that we want to plug into for the Better Buildings Challenge and see that as a way to map where there are regional networks and capacity in place that can support the challenge participants and being successful, particularly in affordable housing. So, we're excited to work with you on that.

On the public benefit financing, we see that as a critical resource to getting to these portfolio-wide energy reduction strategies. We know there are barriers under the current programs. We've recently been working with ACEEE and others, but they're one example where we've identified a set of utilities that are interested in engaging in making their programs, over Aadozen of them, their programs work better for the multifamily sector. So, that's one place where we want to start where we know we have utilities that are ready to engage and certainly MacArthur has been a big supporter of that effort and brought really, the two of us, ACEEE and HUD together to start thinking about where these emerging opportunities are on the ground so we can help facilitate the deployment of public benefit and other sources of utility financing for energy efficiency.

>> Thanks again, Allison. I recognize that we only have a few minutes left on the call and I'm seeing that we have a few regional foundations and local foundations on the line. I wonder if anyone from a local or regional foundation would like to share with us how they see themselves participating in The Climate Action Plan and any of these activities. Any courageous individuals?

No takers?

Perhaps—do we have anyone from the Funders Network for Smart Growth and Livable Communities on the line? I thought we might.

Well, any other questions then For the Secretary, Trisha Miller, or even Salin on the Line before we end the call?

>> This is Stephanie Powers, of Council on Foundations

>> Hello, Stephanie.

>> Hi.

Something that I think you might want to think about, I'm thinking about the, you know, the broader field and all of the people who are—all the foundations that are not on this call, and I think there would be a fair amount of interest in these various ways that the Secretary outlined that foundations could partner, and I think it might behoove all of us for maybe you to put together just maybe a one-pager that we could then disseminate, you know, across the broader field to let people know what

these initiatives are and how the foundation community can partner. And we would be happy to work with you on that to get something like that out into the, you know, the broader philanthropic—out to broader philanthropic attention.

>> That's great, and I will make a point, when I'm in San Diego in a few weeks, to talk about this, to try to build that broader support as well. We'll make—

>> Yeah, that's terrific.

>> We'll make sure to bring that one-pager you're talking about with us.

>> Thanks, Mr. Secretary.

>> Thank you, Stephanie. We'll get that certainly in the Secretary's hands before he goes and really appreciate the idea, and the opportunity, to do that and if any of our other funders need resources or support or a synthesized opportunity plan of what we've just described today, we'd be happy to provide you with any of that.

This call has been recorded and we will put it up on the HUD website very soon, along with our last funders call for the Promise Zones.

>> Was there one last question? I thought I heard somebody trying to get in.

>> Yeah, this is Ed Miller with The Joyce foundation in Chicago. First of all, just want to commend you for your leadership in pulling HUD's various resources, to putting them to bear to advance the President's Climate Action Plan, so thank you.

>> Thank you.

>> My question is about the Energy Innovation Fund, and I want to better understand how you're going to extract lessons from the projects that have been funded through EIFs so far and may be ready to be scaled up. I'm thinking of one we're involved in in Chicago where Hispanic Housing Development Corporation has created a subsidiary called Affordable Community Energy to do combined efficiency and rooftop solar retrofits on affordable housing properties.

>> So—and Trisha can jump in. I think in my mind, they're really two paths to that. One is that, you know, not surprisingly, what we've seen is the energy innovation fund has been a platform for some of the most innovative large—particularly large-scale multifamily owners in the affordable space but not exclusively in the affordable space, to test a range of things.

And what we're hoping is that The Better Buildings Challenge is an opportunity to go portfolio-wide for those owners with strategies that have been tested and then second, obviously, would be taking some of the most innovative things we've learned, things that are being successful and we really are starting to get those results, and, you know, Spreading those practices beyond the individual owners that have been testing them to the broader field, and I think we're certainly getting close if not already there on a range of these strategies to be able to start doing that.

>> And I would just add that Hispanic Housing is a great example of one of our early partners in the Better Buildings Challenge, so, you know, we had the benefit of working with them through the Energy

Innovation Fund and so the Secretary's point, we see this as a way to link up and take that model and help them, you know, work with them, given the leadership and the innovation that's coming out of the financing structures to think about how does it go bigger for not only their organization, but for others in the region, so this is a way to lift up some of those models that are being deployed right now among the 12 grantees that the multifamily program is supporting.

>> And I wouldn't—I want to just reiterate something that Trish said earlier.

I wouldn't underestimate the power of giving folks who are participating in the Better Buildings Challenge a leg up in our competitive program, so by getting a bonus point for participating in the Better Buildings Challenge for our NOFAs, our competitive programs, you know, Choice Neighborhoods and other things like that, these programs tend to be so competitive that, you know, just as with Race To The Top or a range of other things you've seen the administration do across various agencies in the first term, the power of driving behavior with these competitions is a very powerful lever, and that's something that I think you'll see as a real incentive to take some of those practices that maybe come out of the—you know, outside of a Hispanic Housing which, you know, is already doing this, to get some owners who haven't been doing it and to take these practices and spread it.

>> That's great, thank you.

>> And thank you, Ed.

Any last questions?

Thoughts or ideas?

>> This is Amy from Bank of America.

Thank you for your comments, Mr. Secretary.

We are very interested in everything discussed on the call today.

A few years ago, bank of America launched a \$60 million energy efficiency finance program with CDFIs, which is funded solutions to barriers for energy efficiency retrofits and we looked to provide capital to finance innovations and everything discussed today, so I wonder if you envision CDFIs playing a role in the microgrid in which we could help meet their capital needs?

>> We're all nodding, Amy, yes. Very excited to hear, you know, the interest and also want to recognize the incredible leadership that you—that your work and that your—the commitment through your funds have been able to really boost this effort of getting to scale in multifamily and we see, you know, our ability to leverage some of the private capital innovations as being critical, and at this point in time, to breaking through the current barriers and really reaching scale. So, we're interested in working with you both in continuing on the efficiency side as we have been and then thinking about how we could harness, not to mix metaphors, but the financial capacity to look at renewable energy financing moving forward with the President's Federal Energy Target, so we'll take you up on that offer.

>> Great, thank you.

>> With that, I think it's—we're over time to wrap up the call, so I wanted to thank everyone for their participation and all of your comments and ideas and your willingness to partner with us on the Climate Action Plan and our energy—ambitious energy and resiliency initiatives.

I wanted to thank the Secretary for all of his time today and mention again that our third in the series of the funder calls with Secretary Donovan will be The Affirmatively Furthering Fair Housing Rules.

We'll discuss that next week, next Monday at this time at 2:00 p.m., so if you're interested in participating, let us know.

We'll be following up again with a link to this recording and our resources for you and Trisha, myself and Salin will look forward to working very closely with each of you on the ideas you shared today.

Thank you very much.

>> Thank you all.