Resolution No. 2

Date: 10/3/2024
City: San Antonio, TX

NAHB Resolution

| | |
|---|---|
| Title: | Energy Efficiency Enhancements in Existing Buildings |
| Sponsor: | Construction, Codes & Standards Committee<br>NAHB Remodelers Board of Trustees |
| Submitted by: | Jon Sukonik, Mike Pressgrove |

WHEREAS, 2020 data from the U.S. Census Bureau and the U.S. Energy Information Administration show that more than 90 percent of U.S. housing stock (113 million out of 123 million units inclusive of single-family and multifamily) was built prior to 2010 (before recent advances in building energy codes);

WHEREAS, because new residential buildings already comply with rigorous energy code requirements and account for about one percent of the total U.S. housing stock, existing homes represent a much larger potential for cumulative reduction in energy use, peak energy demand, and greenhouse gas emissions, and retrofitting existing homes is the best opportunity to improve the energy performance of the U.S. housing stock;

WHEREAS, standards development organizations publish model energy codes with provisions regulating energy efficiency in existing buildings in certain defined circumstances, and these provisions are likely to see increased attention;

WHEREAS, there are important distinctions within existing housing stock that impact the approaches to increasing energy efficiency, including:

1. The vast range of characteristics among individual housing units, such as housing types, the original methods of construction, the age of the building, the condition of the home's maintenance, and the historic designation status of the home; and
2. The location of the home and climatic differences;

WHEREAS, homeowners' approaches to modifying existing homes are the product of several different factors, including:

1. The varied ways a home can be modified, including those defined in model building codes such as additions, alterations, and repairs and those not defined in model building codes such as renovations, rehabilitations, retrofits, and demolition;
2. Being generally limited in scope, cosmetic in nature, and not primarily focused on energy efficiency; and
3. Extended duration, possibly spanning several years;

WHEREAS, several key barriers exist to homeowners' prioritization of energy-efficient retrofits of existing homes, including:

1. A lack of awareness of potential benefits and available incentives, a lack of consumer value for those benefits, and concern for the potential inconvenience of a retrofit project;
2. A project cost structure different from and potentially much higher than new construction;
3. Energy efficiency improvements are not adequately reflected in the appraised value of their home;
4. A lack of available and affordable financing mechanisms as compared to those for new construction;
5. The technical feasibility of the project;
6. The availability of qualified workforce to implement the project;
7. A lack of community-scale financing and investment in home improvements; and
8. Owning a housing unit within a multifamily building;

WHEREAS, energy audits are voluntary programs where recognized third-party professionals can help identify the best opportunities for cost-effective energy savings in an individual home and educate consumers about the benefits of energy-efficient improvements; and

WHEREAS, an analysis of life-cycle cost-effectiveness, conducted in accordance with the established rules of standard development organizations, accounts for several factors that influence the economic viability of an investment over a specified period of time including first cost, energy cost savings, inflation, discount rate, taxes, financing costs, maintenance costs, replacement costs, residual costs, and other relevant costs,

NOW, THEREFORE, BE IT RESOLVED that the National Association of Home Builders (NAHB) urge lawmakers, regulators, and other policymakers to develop policies to incentivize the transformation of America's existing housing stock through the application of the methods and materials used in modern, high-performance residential construction which presents an opportunity for a much greater cumulative reduction in energy use, peak energy demand, and greenhouse gas emissions;

BE IT FURTHER RESOLVED that NAHB support energy codes for existing buildings that:

1. Align the required energy provisions with the scope of work for the retrofit project;
2. Evaluate the life-cycle cost-effectiveness of the required provisions for the consumer;
3. Evaluate the cost-effectiveness of each energy measure individually and incrementally;
4. Provide a performance-based path for compliance;
5. Allow the flexibility in determining the feasibility of the required energy provisions based on the configuration and condition of each individual

building by granting code officials the power to modify the requirements accordingly; and

6. Recognize jurisdictions' power to exempt historic buildings from compliance with provisions that would threaten, degrade, or destroy their historic form, fabric, or function;

BE IT FURTHER RESOLVED that NAHB support public and private programs for energy-efficient home improvements (including not only modifications to current programs but also new, innovative approaches) that offer homeowners near-term financial incentives as close to the point of sale as possible and/or incentivize community-scale investment;

BE IT FURTHER RESOLVED that NAHB urge lawmakers, regulators, and other policymakers considering programs and policies for energy-efficient home improvements to demonstrate that such policies are based on principles of building science and safety codes and, before enacting them, consider and balance the proposals' effects on housing affordability and attainability;

BE IT FURTHER RESOLVED that NAHB urge jurisdictions and communities to establish new programs and/or modify current programs for workforce training and development to meet the qualifications to implement energy-efficient home improvements;

BE IT FURTHER RESOLVED that NAHB support standards and practices for residential appraisal, lending, and real estate transactions that incorporate investment in energy efficiency and appropriately value such improvements to provide consumers greater opportunities for affordable and attainable housing; and

BE IT FURTHER RESOLVED that NAHB support the development of education and outreach programs through state and local homebuilder associations to help contractors, consumers, and other industry stakeholders raise their awareness of the benefits of voluntary energy audits, energy-efficient home improvements, and available public and private programs.

| | |
|---|---|
| Leadership Council Action: | Approved |
| Resolutions Committee Action: | Recommends Approval |
| Housing Finance Committee Action: | Recommends Approval |
| Construction, Codes & Standards Committee Action: | Recommends Approval |
| State and Local Government Affairs Committee Action: | Recommends Approval |
| Buildings Systems Council Board of Trustees Action: | Recommends Approval |
| NAHB Remodelers Board of Trustees Action: | Recommends Approval |
| Climate Risk and Sustainability Committee Action: | Recommends Approval |
| Federal Government Affairs Committee Action: | Recommends Approval |
| Single Family Builders Committee Action: | Recommends Approval |
| Design Committee Action: | Recommends Approval |
| Multifamily Council Board of Trustees Action: | Recommends Approval |