

**Environment and Natural Resources Trust Fund
2010 Request for Proposals (RFP)**

LCCMR ID: 078-B3

Project Title:

Green Scoring Tool for Existing Homes

LCCMR 2010 Funding Priority:

B. Renewable Energy Related to Climate Change

Total Project Budget: \$ \$985,000

Proposed Project Time Period for the Funding Requested: 2 years, 2010 - 2012

Other Non-State Funds: \$ \$0

Summary:

MN GreenStar seeks to reduce GHG emissions from MNs owner-occupied housing by 80% by 2050 through the development and implementation of a Green Scoring Tool for Existing Homes

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Location:

Region: Statewide

County Name: Statewide

City / Township:

_____ Knowledge Base	_____ Broad App.	_____ Innovation
_____ Leverage	_____ Outcomes	
_____ Partnerships	_____ Urgency	_____ TOTAL

MAIN PROPOSAL

PROJECT TITLE: Green Scoring Tool for Existing Homes

I. PROJECT STATEMENT

WHY: The Minnesota state goal of reducing green house gas (GHG) emissions to a level at least by 30% below 2005 levels by 2025 and 80% below by 2050 is achievable in the residential housing sector through innovative consumer incentives. History has shown that homeowners make improvements or repairs to their homes based on several key market-driven incentives including potential re-sale value, insurance claim reimbursement, and borrowing opportunities based on appraisal. Consumer values are shifting as demonstrated in a recent study by Yahoo where 77% of consumers consider themselves to be “green” and 47% are actively purchasing and committed to “green”. Minnesotans are demonstrating a sense of understanding for the consequence of human interaction with the environment and the result is a growing sense of responsibility and willingness to act when presented with appropriate options.

Residential green building and energy programs already exist in the state and focus on key strategies consistent with GHG reduction strategies and natural resource preservation. These key strategies include energy, water, and resource conservation, site and community impact consideration, and indoor environmental quality review. Minnesota GreenStar Certification for Green New Homes & Remodeling was specifically designed to address MN code, climate, and housing culture as a framework for improving existing homes through remodeling. Using familiar framework like MN GreenStar will help connect homeowners to home improvement and repair decisions that are better for the environment, their families, and their finances. The industries that support home ownership, such as insurance, appraisal, real estate, and lending have already created a value system for commercial green buildings and are looking for a means to value residential properties in a consistent manner. Bringing together the support industry goals with changing consumer values by way of market-driven green building incentives will result in reduced GHG emissions from the 1.4 million owner-occupied housing units in Minnesota.

GOALS: The Green Scoring Tool for Existing Homes will be a software package used by a trained, certified evaluator to calculate how green a home is at the time of a voluntary on-site evaluation. The evaluation will be presented as a score on a scale designed to demonstrate to the homeowner how green the home is compared to a reference green home. The home information and score will be loaded onto a website where by the homeowner can access their information, generate reports for improvement based on cost or impact, and estimate the cost and payback of the improvement.

The evaluator, who could be from the home inspection, energy auditing, or appraisal industries, will use the score to quantify GHG emissions and further reduction possibilities if improvements are made. The insurance and lending industry can use the score to award incentives to homeowners such as lower loan rates or favorable insurance plans. Appraisers will use the score to easily value a property. Consumers will use the score during a real estate transaction to locate and compare properties using a standardized tool to remove confusion about green value.

The tool will link any interested party, who has not yet had an evaluator score their home, to the remodeling component of MN GreenStar and its supporting manual to make informed decisions about property improvements. This easy-to-use link will encourage understanding about better environmental choices and potential impact on a future green score and financial return on investment.

The Green Scoring Tool for Existing Homes provides an easy framework for the MN GreenStep Cities program to encourage residents to make home improvement and repair decisions that will deepen the community energy plan.

HOW: The project involves: 1) coordinating technical assistance from partnering organizations, facilitating advisory group(s), and developing the third-party validated green rating criteria and measurement tools; 2) developing a robust, consumer friendly and secure web-based Green Scoring Tool open to the public domain; 3) preparing and delivering professional training modules for appraisers, home inspectors and real estate agents; and 4) implementing a public awareness campaign coordinated with MN GreenStep Cities and other relevant programs.

II. DESCRIPTION OF PROJECT RESULTS

Result 1: <i>Green Rating Tool Content Development</i>	Budget: \$ 490K	
Deliverable		Completion Date
1. <i>Develop criteria and alignment with other Green, Energy programs</i>		12/31/2010
2. <i>Develop scoring/weighting system</i>		2/28/2011
3. <i>Pilot testing and modifications</i>		3/31/2011
4. <i>Final criteria and standards complete</i>		4/30/2011
Result 2: <i>Application, interface and dbase development</i>	Budget: \$ 280K	
Deliverable		Completion Date
1. <i>Software development</i>		6/15/2011
2. <i>Pilot testing and modifications</i>		7/15/2011
3. <i>Application and Platform Complete and Full Launch</i>		8/15/2011
Result 3: <i>Professional Training</i>	Budget: \$ 85K	
Deliverable		Completion Date
1. <i>Develop certification training: for appraisers, realtors, home inspectors</i>		8/30/2011
2. <i>Deliver train-the-trainer across state, (all districts)</i>		2/28/2012
3. <i>Deliver trainings for professionals through existing mechanisms</i>		6/15/2012
Result 4: <i>Public Awareness</i>	Budget: \$ 130K	
Deliverable		Completion Date
1. <i>Develop marketing plan in coordination with existing programs</i>		3/31/2011
2. <i>Develop marketing materials</i>		8/15/2011
3. <i>Implementation of marketing plan</i>		6/15/2012

III. PROJECT STRATEGY

A. Project Team/Partners

Project Team: *Minnesota GreenStar Certified Green Homes and Remodeling is the project proposer and manager. Subcontractors for project deliverables may include Verified Green, Building Knowledge, the University of MN - Center for Sustainable Building Research, and other as identified through comprehensive and open RFQ and RFP processes.*

Partners Participating in Technical Advisory Group(s): *Stakeholders to include: MN Dept of Commerce – Office of Energy Security, MN Department of Health, Appraisal Institute – North Star Chapter, National Association of Home Inspectors – MN Chapter, U.S. Green Building Council – MN Chapter, MN Green Communities, City of Minneapolis, City of St Paul, LHB Engineers and Architects; MN Association of Realtors, the MN Building Performance Association, Minnesota Pollution Control Agency(MPCA) and other building science, real estate and green building subject matter experts and stakeholders.(The MPCA Green Building staff will also provide technical assistance)*

B. Timeline Requirements

Two Years: Standards Complete 4/30/2011; Platform Complete and Initial Launch 7/15/2011; Professional Training Complete 6/15/2012; Market Engagement Complete 6/15/2012

C. Long-Term Strategy

The program will be designed to be self sustaining through the generation of fees from inspections and listings. It will be integrated into the home inspection, realtor, appraisal industry as an agreed upon tool for consistent use across the state of MN. The program will be administered and maintained by MN GreenStar or other appropriate non-profit or state agency.

Project Budget

IV. TOTAL PROJECT REQUEST BUDGET (2 years)

BUDGET ITEM <i>(See list of Eligible & Non-Eligible Costs, p. 13)</i>	AMOUNT
Personnel: Project Manager - Overall management of development, supervisor for contractors, staff, volunteers, implementation, general coordination of efforts (2 yrs 80% time incl benefits) *Does not include overhead	\$ 120,000
Technical Assistant and Training Coordinator - Assist the Project Manager, oversee training development and offerings across the state (2 yrs - 50% time incl benefits) *Does not include overhead	\$ 40,000
	\$ -
Subcontractors: Detailed RFQ and RFP process will be used to identify, assess and choose best subcontractors for specific tasks. Criteria will include low cost, high value, strong subject matter expertise and proven performance and experience in the specific subject area.	
Contracts: Technical Consultants for development of content, weighting system, alignment with other Green certifications, assesment programs and stakeholders (MN GreenStar, LEED-H, Energy Star, Green Communities, MN Healthy Homes, CIP Energy Audit, CSBR Carbon Calculator, etc)	\$ 410,000
Local MN Based software development and web application company	\$ 200,000
Local MN Based PR and Marketing firm - Market research, Marketing plan, PR campaign plan - does not include advertising	\$ 80,000
Local MN Based Education and Training organization - Develop training; Deliver training through existing mechanisms (possibly engage MNSCU)	\$ 60,000
Equipment/Tools/Supplies: Training materials	\$ 10,000
Travel: Gas/mileage/travel exp for education, promotion, technical assistance	\$ 15,000
Additional Budget Items: Marketing Collateral - does not include advertising	\$ 50,000
TOTAL PROJECT BUDGET REQUEST TO LCCMR	\$ 985,000

V. OTHER FUNDS

SOURCE OF FUNDS	AMOUNT
In-kind Services During Project Period: Advisory board and volunteer contribution to criteria development, weighting process, and review process. Executive Director and admin support, contracting, financing design, accounting, misc supplies. Donated time from vendors	\$ 212,750

Green Scoring Tool for Existing Homes Project Manager Qualifications and Organization Description

Project Supervisor - Mike Williams, Executive Director, MN GreenStar

Joining MN GreenStar in June of 2008, Mike has lead MN GreenStar from an entrepreneurial pilot to a sustainable non-profit business. During this short time, Mike has created and enhanced the business infrastructure and product platforms while driving strong MN GreenStar brand credibility, awareness and engagement from MN homeowners and the MN building community.

Mike's background includes the successful entrepreneurial experience as the Founder and President of award winning residential design build firm, Rinnovare, Inc. coupled with a diverse experience base of senior management positions at General Electric and Carlson Companies. Related positions include, Vice President of eBusiness, customer relationship management and marketing, regional sales management, operations management and quality assurance. Mike has lead transformations and product implementations with annual operating budgets in excess of \$2.4MM

MN GreenStar Certified New Homes and Remodeling comprises a regionally appropriate green building standard that embraces our unique climate concerns, building codes and material, energy, and natural resources. Fundamental to the program is an objective, third-party verification system that assures consumers that the new home or remodeling project performs as promised. The standard is supported by a mandatory education program for builders and remodelers, as well as general education and promotion to consumers. With the robust standard as the vehicle, it is our aim to bring home buyers and homeowners a verified guideline that will allow them the opportunity to choose more efficient, healthy, and environmentally-sensitive design and construction practices for their new or remodeled home. MN GreenStar is a 501c3 non-profit organization.

Verified Green, Inc. was founded in 2006 to meet the growing demand for Green building training and assistance in navigating the LEED for Homes and the MN GreenStar programs. The principal owners, Michael Anschel and Cindy Ojczyk, LEED AP, were key contributors to the creation of MN GreenStar Certification for Green Homes & Remodeling program. Michael continues to support the organization as a Board Member. Cindy serves on the Technical Committee. Verified Green is the Technical Assistance Provider for the Enterprise Foundation Green Communities Initiative - providing consulting and training services to developers and builders of affordable housing in Minnesota.

Building Knowledge, LLC was founded in 2002 to develop educational, training, and marketing materials on home building best practices. Building Knowledge has provided consulting services to the United States Green Building Council in developing the LEED for Homes program. In August of 2008 Building Knowledge became a Provider of the U.S. Green Building Council's LEED for Homes Program. *Building Knowledge* has been the curriculum developer and trainer for the Energy and Environmental Building Association's Houses that Work education series based on research from the Department of Energy's Building America program. Ed VonThoma and Pat O'Malley, principals of Building Knowledge, have over twenty years of experience in the homebuilding industry. Ed was a member of the Minnesota Energy Code Advisory Committee and currently serves on the Advisory Committee for MN Green Communities. Pat O'Malley serves on the Board of Directors for Minnesota GreenStar and is Chairperson of the Technical Committee.

The **University of Minnesota's Center for Sustainable Building Research's** mission is to lead and support—through research, outreach, and education—the transformation of the regional built environment to provide for the ecological, economic, and social needs of the present without compromising those of the future. Objectives include - conduct and share the research needed to transform the built environment toward sustainability; provide assistance and outreach to those working to transform the built environment toward sustainability; educate stakeholders in methods for transforming the built environment toward sustainability; promote organizational excellence through effective leadership, management, and the establishment of a stable, sustainable base of funding to support our work.

