



## Long Island Green Homes

### Delivering High Assessment-to-Upgrade Conversion Rates

Operated by the Town of Babylon, Long Island Green Homes (LIGH) provides financing for comprehensive energy efficiency and renewable energy improvements. Since its launch in late 2008, the program has persuaded more than 70% of homeowners who had an energy assessment to invest in a full home energy renovation, with LIGH financing \$3 million of improvements for more than 350 homes. The program's outreach strategy is designed to harness Babylon's existing resources without adding significant cost to either program participants or the town itself (LIGH's outreach cost per home upgraded is \$39). Messaging has shifted since inception to brand LIGH as a program that educates residents about energy efficiency first, and provides a tool for paying for these improvements second. LIGH lately has recruited participants as spokespeople to sell the program to their peers.

#### Background

LIGH is operated by the Town of Babylon, New York. In 2006, Babylon, a town of 220,000, conducted a greenhouse gas (GHG) emissions inventory and found that more than one-third of the town's emissions came from residential buildings. The town then developed a comprehensive green building code and became the first Long Island town to adopt aggressive energy efficiency standards consistent with the EnergyStar New Homes performance standards for new home construction and to require LEED-certification for all new commercial buildings over 4,000 sq ft. Babylon also adopted the 12X12 Initiative to Combat Global Warming (a program of the Sierra Club), committing itself to reducing its greenhouse gas emissions 12% by 2012. LIGH was launched in October 2008 to reduce GHG emissions from the town's residential housing stock.

The LIGH program requires applicants to complete a \$250 energy assessment and then finances the cost of participants' energy efficiency and/or renewable energy improvements. Contractors must be Building Performance Institute (BPI) accredited to be eligible to conduct assessments and upgrades for LIGH, and the LIGH program director does extensive outreach to these contractors to ensure they understand, and can communicate to customers, how the program works.

#### A Hands-on Approach to Program Administration

LIGH has been extremely successful in converting assessments into improvements, with a greater than 70% assessment-to-upgrade rate. This high conversion rate may be largely a function of the program's applicant pre-screening. The program pre-screens potential participants for energy-usage patterns and pre-existing conditions. Because applicants are required to pre-assess their houses and pay \$250 for an assessment, the program separates "serious candidates from tire-kickers," according to Sammy Chu, Program Director of LIGH. Program managers review the application and streamline access to homeowner utility data.

# Driving Demand for Home Energy Improvements



LIGH actively communicates with residents that have expressed interest in the program to encourage them to apply and assist them through the process. While the contractor conducts the assessment and recommends improvements, LIGH staff reviews each application and ensures that applicants are comfortable with the expected cost savings from the energy improvements and how the financing works. LIGH staff also conducts quality assurance and works with property owners to ensure that they save more money on their energy bills than they're paying for LIGH financing.<sup>1</sup> While this approach is time intensive, staffers believe it is essential that early participants have a good experience with both energy-efficiency improvements and LIGH to enhance the program's reputation.

## Harnessing Existing Town Resources to Market LIGH

LIGH has been very active in developing brand recognition in Babylon. The program's outreach strategy is designed to harness Babylon's existing resources without adding significant cost to either program participants or the town itself. Marketing techniques have included a CFL giveaway, neighborhood canvassing, and making sure people see LIGH and its logo frequently – on lawn signs, on town vehicles, at festivals and in town newsletters. LIGH makes use of almost all Babylon public spaces to advertise, and the program has requested that each of the town's departments designate a representative to learn how to market the LIGH program to both peers and curious residents. As an added benefit, most of these employees live in Babylon, and the program encourages them to lead by example.

In addition, LIGH has been featured in more than 30 articles and has been the subject of 3 national television segments. This coverage has drawn significant attention to LIGH in Babylon, across Long Island, and around the country.

When LIGH was launched, staff members made frequent presentations to Babylon's civic and community groups. These meetings were typically very well attended (20-70 participants), and a number of key civic leaders were among the first to participate in LIGH. The program is now training several of these leaders to make presentations on behalf of LIGH themselves, as the program director has found that testimonials from program participants are often the best formula for selling LIGH.

LIGH has also had significant success conducting outreach at Babylon's public pools and beaches. The program hired 4 seasonal workers in 2009 to staff these high-profile locations, and it plans to train existing seasonal workers (lifeguards, concession stand workers, etc) to market the LIGH program this season, as seasonal workers often have significant periods of idle time during the workday. If all seasonal workers were trained, this would mean between 200 and 400 LIGH advocates, all at virtually no additional cost to the town.

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<sup>1</sup> LIGH has the capacity to extend the financing term to reduce monthly payments. The program has only done this once, and the adjustment still left the financing term under ten years.

# Driving Demand for Home Energy Improvements



## Presenting the Product Not the Financing

While LIGH has experimented with a number of messages and messengers, one of its biggest lessons learned has been to present the product first. Initially, marketing focused on the nitty-gritty of how the financing mechanism worked. In other words, messaging presented a financing program capable of funding energy efficiency improvements. Subsequently, program managers have shifted messaging to brand LIGH as a program that educates residents about the importance of energy efficiency first, and provides a tool for paying for these energy improvements second. “Car dealers don’t explain the auto loan terms first, then have you test drive the car,” says Sammy Chu, the program director. “They sell you on the car then get into the technical details!”

## Impact and Evaluation

Since its launch in October 2008, LIGH has financed over \$3 million of energy improvements on 366 Babylon homes. Over 1,100 Babylon residents have attended LIGH presentations in the past year and a half. Other outreach techniques have driven over 1,900 residents to request further information on the program. LIGH estimates that the outreach cost per job converted has been approximately \$39. LIGH plans to test a number of new innovative outreach techniques, including extensive neighborhood canvassing, in the next year.