

Policy Briefing Summary

City Council



Regarding:	Resolution to Grant \$50,000 to the Residential Energy Retrofit Mini-Grant Program (2nd reading)
Staff Contact(s):	Emily Irvine, Climate Program Manager, Kristel Riddervold, Director of the Office of Sustainability
Presenter:	Emily Irvine, Climate Program Manager
Date of Proposed Action:	January 5, 2026

Issue

The Office of Sustainability recommends supplementing the Residential Energy Retrofit Mini-Grant program through a \$50,000 grant to the Local Energy Alliance Program (LEAP). Since its launch in July 2025, the program has been successful in supporting more than 50 Charlottesville households in making energy-saving upgrades to their homes. Without additional funds, the program will be paused.

Background / Rule

In July of 2025, in partnership with LEAP, the Office of Sustainability launched the *Residential Energy Retrofit Mini-Grant Program*, which is designed to lower barriers for community members in accessing energy-saving home improvements by providing personalized energy audit support and up to \$2,000 per household in direct financial support. The program is open to community members of all income levels and supports the following home energy upgrades:

- Energy Star or Cold-Climate Heat Pump Installation \$1,000
- Electric heat pump water heaters \$800
- Attic insulation with air sealing \$500
- Foundation insulation with air sealing \$500
- Additional wiring or electrical work \$250
- Duct Sealing \$250
- Energy Audit Reimbursement \$250

Since its launch, this program has been extremely popular and the original funding (\$58,000 for mini-grants + \$15,357 for audit support) has been nearly exhausted. The original funding has so far supported 56 households in making energy-saving upgrades to their home. The Office of Sustainability recommends supplementing the program with an additional \$50,000 so that it can continue to support community members for the remainder of the fiscal year.

Analysis

Approximately 95% of Charlottesville's greenhouse gas (GHG) emissions are attributable to non-municipal, community-based activities. Of this share, approximately 30% come from residential buildings. Climate Program staff recognize that community members need support in reducing emissions from their homes. The same actions that reduce emissions also result in reduced energy use, lower utility bills, and safer, healthier homes – all important benefits in a time of rising costs.

The Mini-Grant program has been delivered through LEAP and was designed to leverage the Community Energy Resource Hub by providing an extra layer of incentive for people to take action towards reducing their home energy usage. Program funds can be stacked with other local, state,

federal, or utility-funded initiatives. These funds will either bridge the gap to the availability of federal energy efficiency funding (HOMES and HEAR programs) or help fill the gap should those programs be rescinded.

This program supports implementation of the City's Climate Action Plan. It also contributes to one of the Strategic Outcome Areas (Climate Action) of the 2023 City Strategic Plan Framework.

Financial Impact

There is no budgetary impact to the City. The proposed funds to be added to the Residential Retrofit Mini-Grant Program are previously appropriated FY26 Climate Initiative Funds.

Recommendation

Staff recommends adoption of the Resolution.

Recommended Motion (if Applicable)

Motion to approve the resolution granting \$50,000 to support the Residential Energy Retrofit Mini-Grant Program.

Attachments

1. 2025 Residential Retrofits Supplemental Funds_Resolution