

Finance Fridays Webinar Series –
Episode 6

Stretch Building Code Adoption Grants



August 15, 2025



*The Building Energy Hub is a
project of Illinois Green Alliance*

Who is the Hub?



Hub Partners

Program Partners



Education, Technical, and Resource Development Partners



Funding Partners



The Goals of the Hub are to:

- Educate & train building professionals
- Support diverse contractors
- Connect contractors to a project pipeline
- Build capacity for advanced codes and policies
- Streamline access to financial resources

The Hub is growing capacity for commercial & multi-family building retrofits.



Today's Presenters



Rebecca Goold
President & Principal Consultant
2R Group



Robert Coslow
Professional Services Administrator
Capital Development Board



2023 Illinois Stretch Energy Code



**Capital
Development
Board**
Building a Better Illinois



Presented by

Robert Coslow
Professional Services Administrator
Capital Development Board

Illinois Stretch Energy Code

Mandated by Public
Act 102-0662 Energy
Transition Act
formerly CEJA

Modified the Energy
Efficient Building
Act (20 ILCS
3125/55) to require a
Stretch Energy Code.

Stretch Code

Energy Efficient Building Act (20 ILCS 3125/55)

- Creates an optional, more stringent code that municipalities can adopt to achieve more energy efficiency than the Illinois Energy Conservation Code through a consistent pathway across the State.
- Shall be available for adoption by any municipality, taking the place of the Illinois Energy Conservation Code.
- Shall have separate components for commercial and residential buildings, which may be adopted by the municipality jointly or separately.

Illinois Stretch Energy Code Requirements

Commercial Buildings

- By 6/30/24 must have a site energy index no greater than .60 of the 2006 IECC.
- By 12/31/25(26) must have a site energy index no greater than .50 of the 2006 IECC.
- By 12/31/28(29) must have a site energy index no greater than .44 of the 2006 IECC.
- By 12/31/31(32) must have a site energy index no greater than .39 of the 2006 IECC.

Residential Buildings

- By 6/30/24 must have a site energy index no greater than .50 of the 2006 IECC.
- By 12/31/25(26) must have a site energy index no greater than .40 of the 2006 IECC.
- By 12/31/28(29) must have a site energy index no greater than .33 of the 2006 IECC.
- By 12/31/31(32) must have a site energy index no greater than .25 of the 2006 IECC.

Illinois Commercial Stretch Energy Code

Commercial is based on 2024 IECC

- Allows PHIUS as a compliance path
- Renewable Energy Requirement
- EV readiness
- Electric readiness in R-2
- Heat pump incentives in exist buildings
- ASHRAE 90.1 alignment with IECC

Illinois Commercial Stretch Energy Code

2024 IECC Final Draft vs Final Version

- Appealed items moved to appendices in IECC Final Version remain in the main body of the Stretch Code.
- C406.1.1.1 Requires buildings w/o heat pumps to get 25% more credits.
- C403.4.6 Demand responsive controls.
- C405.14 EV charging infrastructure.
- C405.16 Energy storage system readiness.

Illinois Residential Stretch Energy Code

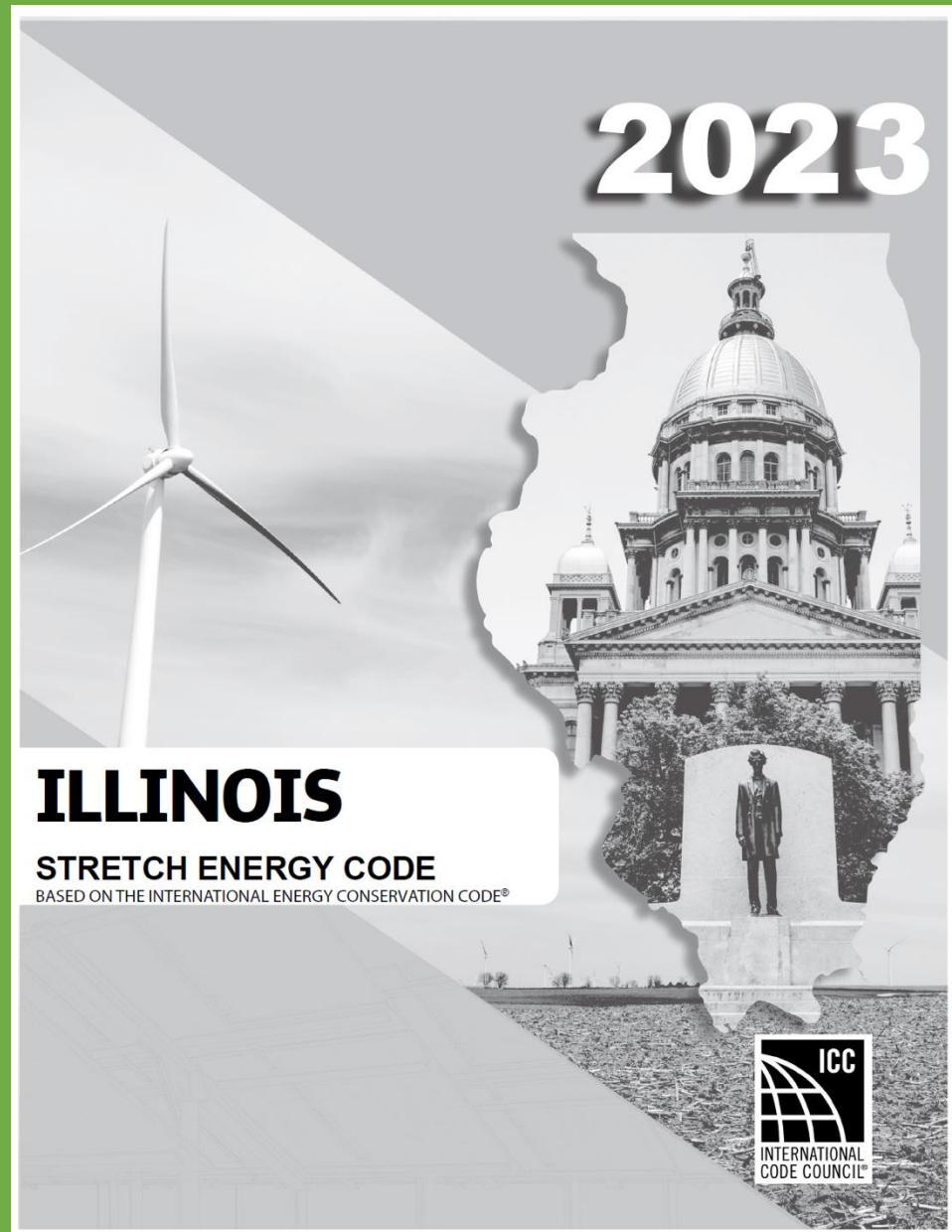
Residential is based on 2021 IECC

- Allows PHIUS as a compliance path
- Electric readiness
- Renewable energy readiness
- Heat pump incentives
- Demand response thermostats

Illinois Residential Stretch Energy Code

Cost Effective Analysis

- The resulting analysis shows that the proposed code is cost-effective, yielding short-term and long-term consumer benefits when homes are built to the stretch code as compared to the 2021 IECC. Over the course of 30 years, a homebuyer will net approximately \$2,355 in life-cycle energy cost savings as well as \$6,474 in avoided future retrofit costs for the electrified technologies, resulting in a total life-cycle cost savings of \$8,829.
- Visit CDB website for full report.



ICC Publishes Stretch Code
online and print versions

Illinois Stretch Energy Code



We have asked DOE to create custom versions for Illinois Stretch, but they have not committed to a timeline.

Illinois Stretch Energy Code

Status

- 2023 Version is available for adoption.
- 2026 Version should be available early spring of 2026. This version will better align with the 2024 IECC and should be easier for end users and code officials.

Who can adopt the Stretch Code

- Municipalities
- Units of local government that meet exceptions noted in EEB

(20 ILCS 3125/45)

Sec. 45. Home rule.

(a) (Blank).

(b) No unit of local government, including any home rule unit, may regulate energy efficient building standards for residential buildings in a manner that is either less or more stringent than the standards established pursuant to this Act; provided, however, that the following entities may regulate energy efficient building standards for residential or commercial buildings in a manner that is more stringent than the provisions contained in this Act:

(i) a unit of local government, including a home rule unit, that has, on or before May 15, 2009, adopted or incorporated by reference energy efficient building standards for residential or commercial buildings that are equivalent to or more stringent than the 2006 International Energy Conservation Code, (ii) a unit of local government, including a home rule unit, that has, on or before May 15, 2009, provided to the Capital Development Board, as required by Section 10.18 of the Capital Development Board Act, an identification of an energy efficient building code or amendment that is equivalent to or more stringent than the 2006 International Energy Conservation Code, (ii-5) a municipality that has adopted the Illinois Stretch Energy Code, and (iii) a municipality with a population of 1,000,000 or more.

(c) No unit of local government, including any home rule unit or unit of local government that is subject to State regulation under the Code as provided in Section 15 of this Act, may hereafter enact any annexation ordinance or resolution, or require or enter into any annexation agreement, that imposes energy efficient building standards for residential or commercial buildings that are either less or more stringent than the energy efficiency standards in effect, at the time of construction, throughout the unit of local government, except for the Illinois Stretch Energy Code.

(d) This Section is a denial and limitation of home rule powers and functions under subsection (i) of Section 6 of Article VII of the Illinois Constitution on the concurrent exercise by home rule units of powers and functions exercised by the State. Nothing in this Section, however, prevents a unit of local government from adopting an energy efficiency code or standards for commercial buildings that are more stringent than the Code under this Act.

(e) A unit of local government requiring the Illinois Stretch Energy Code must do so with the adoption of the Code by its governing body.

(Source: P.A. 102-662, eff. 9-15-21.)

The background of the slide is a photograph of a modern solar carport. The carport has a yellow metal frame and a roof covered in solar panels. Two cars are parked under the carport, each connected to a charging station. The scene is set in a wooded area with trees in the background. The entire image is overlaid with a semi-transparent green filter.

**ILLINOIS
FINANCE
AUTHORITY**



**ILLINOIS
CLIMATE
BANK**

Stretch Code Adoption Grants Webinar

August 15th, 2025

Agenda:

- Climate Bank Overview
- Grant Funding Opportunities Overview
- Stretch Code Adoption Grants
- Q&A
- Other IFA Resources



THE IFA WAS DESIGNATED AS THE CLIMATE BANK BY CEJA



CLIMATE BANK PURPOSE

- (1) the distribution of the benefits of clean energy in an equitable manner;
- (2) making clean energy accessible to all; and
- (3) *accelerating the investment of private capital into clean energy projects in a manner reflective of the geographic, racial, ethnic, gender, and income-level diversity of the State.*

– Climate & Equitable Jobs Act,
2021 (20 ILCS 3501/850-15)



In October 2024, U.S. Environmental Protection Agency (US EPA) lawfully awarded the State of Illinois' Environmental Protection Agency (IL EPA), \$430,000,000 under the congressionally approved Climate Pollution Reduction Grant (CPRG) to implement several initiatives and programs across 5 key sectors. These sectors include buildings, transportation, agriculture, power, and industry.



The Illinois Climate Bank received a subaward of \$137,000,000 to implement several initiatives and programs under the CPRG award that aligns with Illinois state policy and CEJA.

Grant Funding Opportunities Overview



The Illinois Climate Bank currently has two open competitive grant solicitations; both aligned with Illinois' climate and equity goals.

Grant Opportunity Name	Funding Source	Estimated Total Current Program Funding	Award Range	NOFO Posted Date	Application Due Date	Eligible Applicants
Stretch Code Adoption Grants	CPRG	\$3,239,770	Up to \$200,000 per award	July 15, 2025	December 31, 2025	Municipalities
Clean Energy Planning Grants	CPRG	\$400,000	Up to \$200,000 per award	July 16, 2025	December 31, 2025	Municipal & Cooperative Utilities

Stretch Code Adoption Grants



Program Summary and Objectives

The Stretch Building Code Grant Program is designed to facilitate the adoption, implementation, and enforcement of the Illinois Stretch Energy Code by supporting municipalities with the necessary resources to navigate this process. The program will provide financial support for education, community engagement, and technical assistance to ensure that municipalities are well-equipped to integrate the stretch code into their regulatory frameworks.

The program objectives include:

1. Municipal awareness and capacity building,
2. Community engagement and education,
3. Incremental code modernization, and
4. Emissions reductions and energy efficiency improvements

Notice of Funding Opportunity

- Open to municipalities
- \$3,239,770 currently available, awards up to \$200,000
- Application window: Accepting rolling applications from July 15–December 31, 2025, or until funding is depleted
- NOFO located at:
https://illinoisclimatebank.com/wp-content/uploads/IFA_CPRG_STRETCH-CODE-ADOPTION_NOFO_DRAFT_Rolling-Application_CORRECTION.pdf
- Requirement to report on key metrics including GHG emissions reductions and building square footage



Eligible Activities

- Staff time, and municipal leadership/city council education and training on the stretch energy code
- Community outreach and public engagement on stretch energy code adoption and implementation
- A staged approach to code modernization with an update to key base codes that enables the stretch energy code
- Tracking and reporting energy savings and GHG emissions reductions
- Please see the NOFO for more information

August 15th, 2025

Questions?

**Please use the Q&A feature or chat
to ask your questions!**

Contact for Further Questions

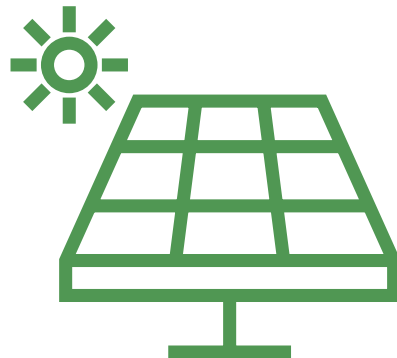
This presentation and questions and answers from today's webinar will be posted on the Climate Bank's website:

- Illinois Climate Pollution Reduction Grants:

<https://illinoisclimatebank.com/financing-programs/local-governments-nonprofits/stretch-building-code-adoption-support/>



If you have further questions, please send them to ClimateBank@IL-FA.com by the date that questions are closing, listed in the program NOFO.





Private Activity Bonds

IFA issues tax-exempt qualified private activity bonds for 501(c)(3) organizations and other conduit borrowers. Borrowers work with banks, underwriters, or placement agents of their own choosing.



Commercial Property Assessed Clean Energy Bonds

IFA has statewide authorization to issue bonds and notes to fund eligible building improvements in any PACE area. Eligible improvements include energy efficiency, renewable energy, water use, and EV charging stations. Projects located in Cook County are not currently eligible.

Illinois Stretch Code Resources

- [Illinois Residential Stretch Code Guide](#)
- [Illinois Residential Stretch Code Workshop](#) (60-minute recorded program)
- [Illinois Commercial Stretch Code Guide](#)
- [Illinois Commercial Stretch Code Workshop](#) (60-minute recorded program)



Engage with the Hub

- **Ask the Hub Help Desk!**
- Check out our updated website
- Volunteer with us
- Share a featured building or project
- Sign up for our newsletter
- Follow us on LinkedIn



Thank you for joining us!