



HOMES FOR AMERICA: GREEN INITIATIVE FOR SUSTAINABLE PROPERTIES

SOLUTION OVERVIEW

Homes for America (HFA) is a nonprofit housing development corporation that develops and preserves affordable rental housing serving low- and moderate-income households, seniors, and persons with special needs. HFA owns 81 properties with 6,400 units across four mid-Atlantic states. The organization established a goal of reducing energy and maintenance expenses while improving the health and comfort of residents through its Green Initiative. HFA secured \$3.6 million in state and local grants and utility incentive programs and established performance tracking for all properties through benchmarking, resulting in energy-efficient upgrades of over 1,000 units of affordable housing. Since joining the Better Buildings Challenge in 2013, HFA has achieved an average annual percent improvement in energy savings of 5%.

ORGANIZATION TYPE

Affordable Multifamily Housing

BARRIER

Unable to perform energy retrofits due to limited capacity for coordinating multiple partners and entities, and lack of financing.

SOLUTION

Implement the portfolio-wide Green Initiative program, securing funding through state grant and utility incentive programs.

OUTCOME

The Green Initiative program allowed HFA to proactively perform energy-efficient upgrades by implementing performance tracking for all properties, resulting in upgrades to over 1,000 units.

POLICIES

HFA launched its Green Initiative in 2013 with the goal of reducing utility expenses for itself and tenants through the cost-effective implementation of efficiency measures, while maximizing the

health and comfort of residents. High energy costs in multifamily housing make it difficult to sustain affordable rental housing for low-income families. Reducing these expenses helps maintain affordability and frees up capital for maintenance repair needs and other necessary improvements.

PROCESS

For properties receiving energy improvements but not undergoing major rehabilitation, HFA sought out and applied for financing through available state grants and utility incentive programs in Maryland, Virginia, Pennsylvania, and Delaware, including direct-install programs that allowed them to incorporate energy efficiency measures into their new and existing portfolio.

Energy Audits: Energy audits were a pre-requisite for the energy grants; HFA used these audits to determine where the Initiative would have the greatest impact in their portfolio. HFA also sent a survey to each property management company to identify lighting, HVAC equipment, and water efficiency needs.

Cost Estimates: The HFA asset management team conducted on-site sampling of units to verify existing inefficient equipment. After gathering the data, the HFA team developed cost estimates for the upgrades and calculated return on investments to create a timeline for project implementation.

Installation: For some projects, individual property managers oversaw implementation of the work directly; the HFA asset management team managed other projects, sourcing materials and equipment at the portfolio level. The latter option gave HFA control over quality assurance and costs, and relieved property managers of the additional burden of the upgrade process.

Green O&M: The Green Initiative team developed energy-efficient and green operating and maintenance (O&M) protocols for maintenance staff to incorporate into property management operations. The protocols outline seasonal and annual servicing and maintenance checklists for maintenance staff. HFA used guidance from Stewards of Affordable Housing for the Future's (SAHF's) Multifamily O&M Toolkit and U.S. EPA's ENERGY STAR® Operations & Maintenance reports to develop its O&M protocols.

FINANCING

Levels of grant funding were based on expected savings and ranged from 40-100% of overall costs. Each property typically funded the owner's share from its HUD-funded Reserve for Replacement accounts. Approval was required by lenders, investors, and HUD for work done at HUD-assisted properties.

TOOLS AND RESOURCES

HFA developed its Green Initiative Energy Efficiency Operating and Maintenance Protocols checklist for all property maintenance staff to review and follow when performing general maintenance or installing retrofits across the portfolio. It includes the following:

- Replacement standards for lighting, hot water heaters, and other appliances
- Recommended set points for plumbing fixtures, HVAC equipment, and other appliances

- Preventive maintenance procedures
- Procedures for Determining ENERGY STAR® Qualified Appliances

MEASURING SUCCESS

Homes for America works with WegoWise, an energy benchmarking provider, to collect utility data, measuring Energy Use Intensity (EUI) and cost savings for assessments of the upgrades. All properties were benchmarked with the utility costs prior to the initiative and are tracked every year for comparison.

OUTCOMES

Since joining the Better Buildings Challenge in 2013, HFA has achieved an average annual percent improvement in energy savings of 5%. HFA was able to install energy-efficient upgrades in over 1,000 units across its portfolio using over \$3.6 million in grant funds, as well as \$694,000 from reserve accounts. There are currently another 150 units in the process of renovation through another round of awards totaling \$1 million and costing HFA \$36,000. Another 480 units will be upgraded through a grant award of \$1.7 million.