



PHIUS Policy Summit

Drivers and Solutions to Support Decarbonization in Multifamily Affordable Housing

Stewards of Affordable Housing for the Future



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SAHF by the Numbers



230,000+

People Served by SAHF Members



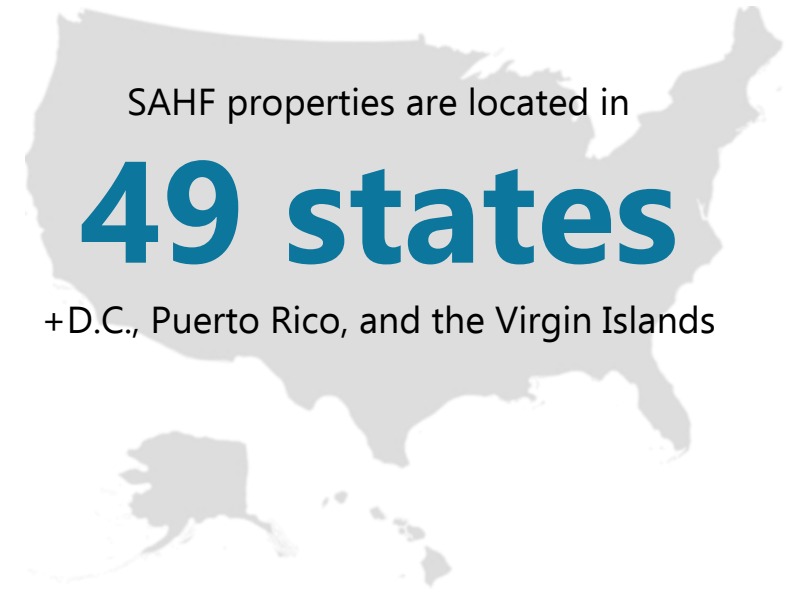
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Non-Profit
Housing Providers



149,000+

Rental Homes for Families, Seniors,
and Special Needs Populations



SAHF properties are located in

49 states

+D.C., Puerto Rico, and the Virgin Islands



1,950

Multifamily Properties
Across the U.S.

SAHF Initiative: The Big Reach

- SAHF members demonstrated that portfolio-wide energy and water reductions can be achieved and measured.
- We are now looking towards including carbon measurement and reduction.



816

properties

68,060

homes

UPGRADED

29,673

homes

BUILT/REHABBED



46,598

homes

RETROFITTED

installed at

**RENEWABLE
ENERGY**

146

properties

The Drivers



SAHF Climate Risk Findings

- Over half of SAHF member portfolio faced at least one high risk.
- Highest risk was **extreme temperature**.
- Members have been using this data, coupled with other information to make decisions.
- Since 2020, new data and tools available.

Property Name	Risk Rating	Utility Event	Flooding	Hurricane	Tornado	Ice Storm/Blizzard	Rain Storm	Wind Storm	Wildfire
Monroe Estates	22	6+ times a year	Once a year	Never	Never	Once a year	6+ times a year	3-5 times a year	Never
Jesse Jackson Jr. - West (YMCA Chicago)	18	3-5 times a year	Never	Never	Never	3-5 times a year	6+ times a year	3-5 times a year	Never
Central Annex & Union Court Apartment	12	Twice a year	Never	Never	Never	3-5 times a year	3-5 times a year	Twice a year	Never
Elgin Manor (Chicagoland Buy & Hold)	9	3-5 times a year	Never	Never	Never	Once a year	Twice a year	Twice a year	Never
Fred C. Matthews III (YMCA Chicago Pr)	9	3-5 times a year	Never	Never	Never	Once a year	3-5 times a year	Never	Never
Cherry Hill Apartments	8	Twice a year	Never	Never	Never	Twice a year	Twice a year	Twice a year	Never
Cocheco Park Apartments	8	3-5 times a year	Never	Never	Never	Never	Never	3-5 times a year	Never
Corcoran Place Apartments	8	Twice a year	Never	Never	Never	Once a year	3-5 times a year	Once a year	Never
Heritage Village Apartments	4	Once a year	Never	Never	Never	Never	Never	Twice a year	Never
Highland Acres Apartments	4	Never	Never	Never	Never	Once a year	Twice a year	Once a year	Never
Highland Meadows Apartments	4	Never	Never	Never	Never	Once a year	Twice a year	Once a year	Never
Chestnut Gardens	3	Never	Never	Never	Never	Once a year	Once a year	Once a year	Never
Jesse Jackson Jr. - East (YMCA Chicago)	3	Once a year	Never	Never	Never	Once a year	Never	Once a year	Never
Archer Senior	2	Once a year	Never	Never	Never	Once a year	Never	Never	Never
Bridle Path Apartments	2	Once a year	Never	Never	Never	Once a year	Never	Never	Never
Gardner Terrace I & II (Parent B&H)	2	Once a year	Never	Never	Never	Never	Never	Once a year	Never
Houston Plaza Apartments	2	Never	Never	Never	Never	Never	Once a year	Once a year	Never
Martin Farrell House (Buy & Hold)	2	Once a year	Never	Never	Never	Never	Once a year	Never	Never
Colony Plaza Apartments	1	Never	Never	Never	Never	Never	Once a year	Never	Never
Emil Jones Jr. Senior Housing (YMCA Chi)	1	Never	Never	Never	Never	Never	Once a year	Never	Never
Glenwood Manor	0	Never	Never	Never	Never	Never	Never	Never	Never
Lafayette Terrace Apartments	0	Never	Never	Never	Never	Never	Never	Never	Never
Old Middletown High School Apartments	0	Never	Never	Never	Never	Never	Never	Never	Never

Preservation of Affordable Housing (POAH) used the data, coupled with utility outages to identify best candidates for generators.

Disclosures & ESG

- Investors say **climate change is a risk**, and they **need to measure and price that risk** as they do other investment risks.
- One U.S.-based investment adviser will use the data to review carbon-transition plans. **“You can no longer just say, ‘I’m going to be net zero by 2050.’ You have to give some indication on how you plan to get there.** And that is interesting, because it allows us to analyze a company’s strategy.”
- Another U.S.-based global investment adviser who works in the private space echoed this sentiment, stating that **when partners make sustainability claims, “My next question is, ‘Prove it?’”**



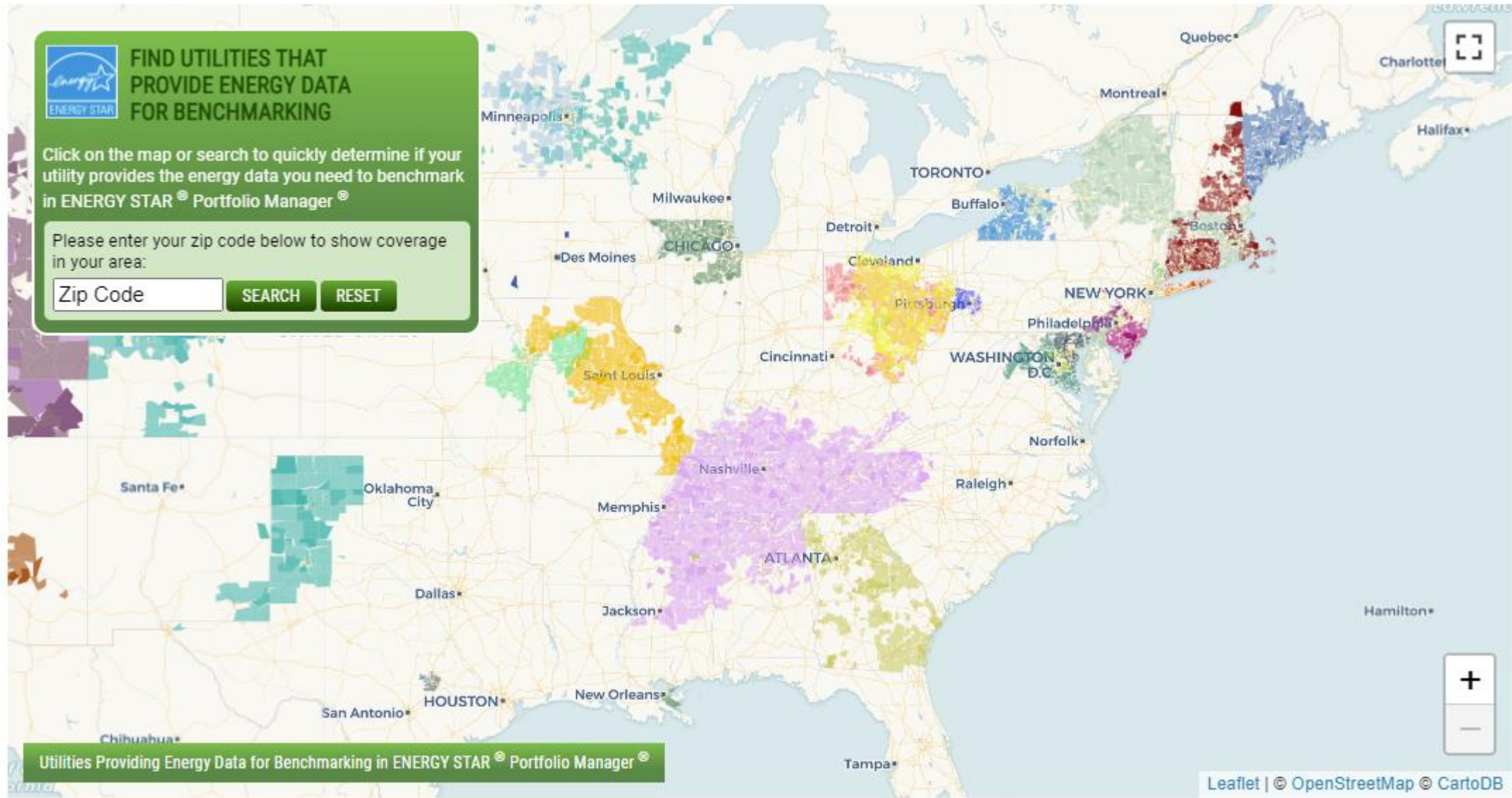
Building Performance Standards

- First comes **energy & water benchmarking**, then comes **building performance standards**
- Federal Definition: *A Building Performance Standard (BPS) is an outcome-based policy and law aimed at reducing the carbon impact of the built environment by requiring existing buildings to meet energy- or GHG emissions-based performance targets.*
- National Building Performance Standards Coalition: launched by the Biden administration, this nationwide group of **state and local governments** are committed to inclusively design and **implement building performance policies and programs**

The State of Building Performance Standards (BPS) in the U.S.
Members of the National BPS Coalition as of November 2023



Data Issues: Pervasive



Washington, DC BEPS

Community engagement and comprehensive resources from the beginning:

- NHT & HAND – BEPS recommendations
- DC DOEE Affordable Housing Retrofit Accelerator
- NHT Power on the Block community engagement



NHT's Second Power on the Block (post from LinkedIn): "More good times and great support for our 2nd Power on the Block event at the Monsenor Romero Apartments in DC! Thx to partners at @DC Department of Energy and Environment, @Pepco, @ProjectCreateDC, @ecolatinos_org and others, residents learned how they could save costs and get help for their energy needs."

Overview of IRA Provisions and Funding Amounts



HUD Energy Efficiency/Climate Resilience Program

Grants and loans for holistic energy and resilience retrofits of privately-owned, HUD-assisted housing w/ extended affordability. Through 2028.



HOMES and High-Efficiency Electric Home Rebate Programs

Rebates to offset the cost of whole-home energy efficiency upgrades and electrification projects. LMI multifamily is eligible for higher incentives: Up to \$8K/unit for energy efficiency and up to \$14K/unit for electrification projects.



Bonus Affordable Housing ITC Solar Credit

20 percentage point increase in ITC tax credit for solar installations of 5MW or less at federally-assisted housing. Tenants must financially benefit. Annual limit of 1.8 GWs.



Greenhouse Gas Reduction Fund

Grants to states, municipalities, Tribal governments, and non-profits to provide technical assistance and financial assistance in the form of grants or loans to deploy zero-emission and other technologies that reduce GHG emissions.

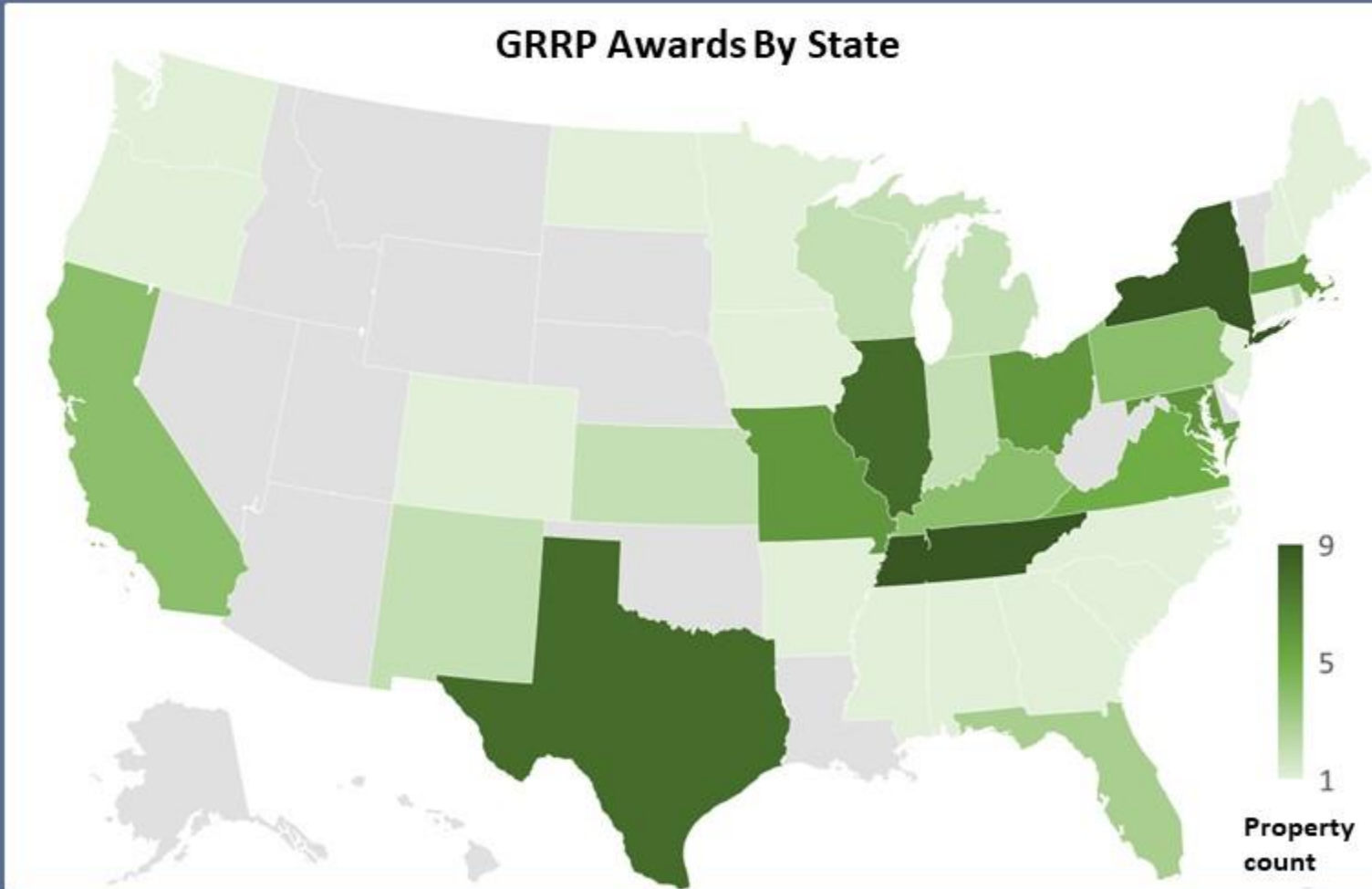
Most to least targeted to affordable housing

*Estimate of solar tax credit amount assumes system cost of \$3/watt and that all 1.8 GW annual capacity is fully subscribed by affordable housing



GRRP Funding Overview

GRRP Awards By State



GRRP Statistics

Updated March 2024

\$544.4

Million awarded
in 6 of 12 funding rounds

413

Applications

109

Awarded properties

12,648

Homes impacted

25%

In non-metro areas

GGRF Programs

National Clean Investment Fund

\$14 billion

2-3 awardees

Focused on providing **financial assistance** to aid in the development and deployment of Qualified Projects

Prioritizing scaled deployment, continued operability, and market transformation

Clean Communities Investment Accelerator

\$6 billion

2-7 awardees

Focused on providing **grant capital** to support local project development

Prioritizing seeding the market across geographies to enable and develop qualified projects

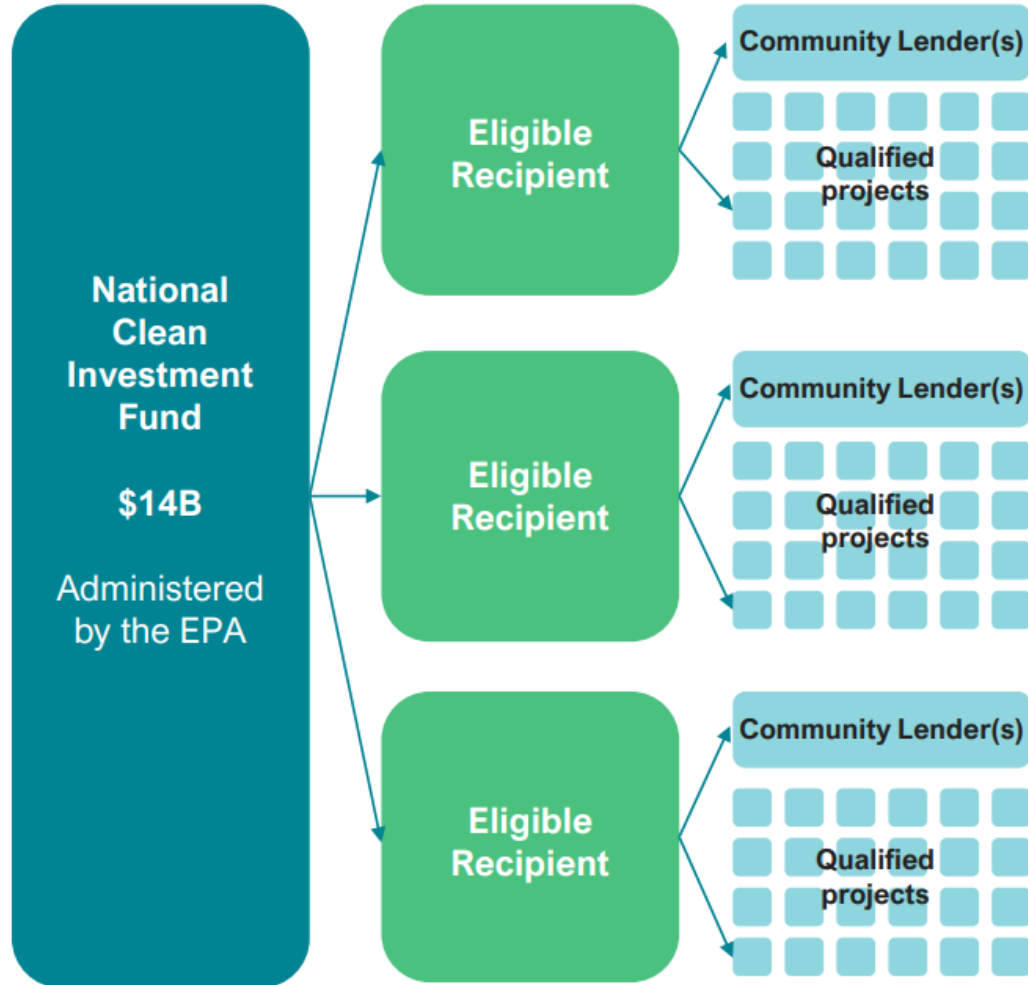
Solar for All

\$7 billion

~60 awardees

Focused on funding rooftop solar in disadvantaged communities (“Solar for All” programs) with/through state and local governments

NCIF



Priority project areas:

1. Distributed power generation and storage
2. Net-zero buildings
3. Net-zero transportation

Qualified Projects:

The project, activity, or technology:

1. Would reduce or avoid greenhouse gas emissions
2. Would reduce or avoid emissions of other air pollutants;
3. Would deliver additional benefits within one or more of the following four categories: clean energy and energy efficiency; clean transportation; affordable and sustainable housing; and training and workforce development;
4. May not have otherwise been financed;
5. Would mobilize private capital; and
6. Would support only commercial technologies.

All financial assistance needs to be used to finance Qualified Projects but not all Qualified Projects need to be in Priority Project Areas

Inflation Reduction Act- GGRF Priority Project Categories



**Greenhouse Gas
Reduction Fund**

Priority qualified project categories include:

- distributed energy generation and storage
- **net-zero emissions buildings**
- zero-emissions transportation

Net-Zero Emissions Buildings include projects, activities, and technologies that either:

- **retrofit an existing building, making a substantial contribution to that building being a net-zero emissions building, or**
- **construct a new net-zero emissions building in a low-income and disadvantaged community.**

Make an outsized impact on delivering affordable and sustainable housing benefits—especially to low-income and disadvantaged communities.

- Affordability covenant **AND** rents do not exceed 30% of 80% AMI for at least half of the units
- Naturally occurring (unsubsidized) housing w/ rents not exceeding 30% of 80% AMI for at least half of the units

Decarb In Practice



New Construction - Massachusetts



TCB's North Commons at Village Hill: A new construction Passive House certified 53-unit community in Northampton, MA.

Challenges

1. Assembling an experienced team
2. Electrifying the hot water system
3. Installing Passive House compliant windows

Key Takeaway: Residents really appreciated comfort. Near zero energy building benefits are greater than the challenges.

Rehab - Massachusetts



POAH's Salem Heights: An existing 281-unit property in Salem, MA.

Challenges

1. Consistency
2. Existing façade issues
3. HVAC in a box

Challenges became opportunities: new look (and resolved water issues), added comfort, ventilation and air conditioning.



HUD GRRP Elements Awards Overview - POAH

- Community Manor, Cincinnati, OH
- 19 units in the Over-the-Rhine Neighborhood of Cincinnati
- \$750,000 Award Round 1 HUD GRRP Elements
- Will fund air sealing work, new plumbing fixtures, and conversion from gas fired furnaces to ASHP
- Required plumbing calculations to indicate 25% water usage reduction
- Transfer of HAP assignment in June 23 was evidence of our recapitalization
- CNA was up to date
- Utilized existing HEROS submission
- NRI Score is census tract not county level (be aware!)

Kindlewood Charlottesville, VA

Funding Phase 2 of a 4-phase redevelopment of a 150-unit community from the 1970s into a new 450-unit community

In partnership with Piedmont Housing Alliance

HUD GRRP Leading Edge Cohort
\$6 Million Award - Surplus Cash Loan
Project Based Section 8

Enterprise Green Communities Plus 2020 (and DOE Zero Energy Ready) certification with Criterion 5.4 Achieving Zero Energy
New Construction Scope of Work

- All-electric and powered with 100% renewable energy from both on-site and off-site renewable energy systems
- Energy and water efficient
- Improve climate resilience


What made this project a good candidate?

- Funding gap due to high construction costs
- Similar scope planned, except for the required 100% renewable energy



Homes For People





“People do things to buildings we don’t like because we give them buildings that don’t work for them.”
- SAHF Member Developer

Resident Experience: New Technology

- Existing CA property
- Aging gas water heater systems
- Replaced with HPWH
- Immediate problems



Community Housing Partners (CHP)



Cedar Crest: A 78 townhome community in Blacksburg, VA undergoing a moderate rehabilitation.

Scope of Work

Building shell: Doors

Hot Water: High-Efficiency Electric Water Heater

Lighting: **In-Unit and Exterior LED Lighting***

Ventilation: Kitchen and Restroom Exhaust Fans

Appliances: **Refrigerators***, Dishwasher, Countertop Microwaves, Garbage Disposals, and Ceramic Top Stoves

Water: Faucets, Aerators, and High-Efficiency Toilets

Other: **Cabinets with Additional Storage*, Refurbished Decks*, Outdoor Playground*, ADA Accessibility Upgrades***

***Measures influenced by residents**

Community Housing Partners (CHP)

Process

- **Pre-work Survey:** design, language and distribution is important.
- **Design:** act on resident feedback, provide a why for items not prioritized in scope
- **Construction:** clear communication and flexibility
- **Post-construction Feedback:** ask how to improve



Thank you!

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