

Upgrading Homes at Monument

Well-designed efficiency programs have the power to drive participation and deliver comprehensive retrofits in affordable housing. **Homes for America (HFA)** is a Maryland-based affordable housing provider with a portfolio of 6,400 units in 81 communities throughout the Mid-Atlantic Region. As a mission-driven non-profit, HFA is committed to providing healthy, sustainable housing. For its Maryland portfolio, HFA improved its properties through the Multifamily Energy Efficiency and Housing Affordability - EmPOWER Program (**MEEHA**), which is administered by the **Maryland Department of Housing and Community Development (DHCD)**. MEEHA incorporates many best practices for efficiency program design, making it easier for owners to upgrade buildings and to provide quality affordable homes for residents.

Bowman Place & Homes at Monument is a HFA community where rents are subsidized through a Project-Based Section 8 contract. When HFA acquired this community in 2015, Bowman Place & Homes at Monument was in need of significant renovations. HFA applied for tax credits and state loan funds to rehabilitate the property, and used the MEEHA program to enable greater efficiency upgrades as part of the rehab scope of work.

Several factors about MEEHA's design made their use of the program simple for HFA and impactful for residents.

Income Verification

Income qualification and verification requirements that are unclear or burdensome to owners or residents can hinder program participation. As the MEEHA administrator, DHCD pro-actively evaluates properties that are applying for Low Income Housing Tax Credits. Properties that participate in any low-income DHCD program are eligible for MEEHA. This **makes it easy for owners to know whether they qualify** and means that DHCD can rely on its own records for program outreach. For the Bowman Place & Homes at Monument, HFA was already applying for tax credits through DHCD, so signing up for MEEHA was a simple and low-cost way for HFA to incorporate greater energy efficiency. In addition to serving its existing affordable housing portfolio, DHCD also ensures that properties going through MEEHA will maintain rent affordability for a minimum of five years.

Contractor Choice

Owners participating in MEEHA have the flexibility to work with the audit firms and **contractors of their choosing**. While DHCD sets audit requirement, owners can choose their audit firm from DHCD's list of Qualified Auditors, taking into account factors such as their level of technical expertise and how well their payment arrangements fit the project's needs. For Bowman Place & Homes at Monument, HFA worked with Pando Alliance, a Minority Business Enterprise with whom they have worked on multiple efficiency projects. Similarly, owners may work with their choice of contractors to implement the scope of work, allowing the efficiency measures to be integrated with the larger rehabilitation scope of work.



Bowman Place & Homes at Monument, a Homes for America community

Location: Annapolis, Maryland

Year Built: 1978

Bowman Place

- 6-story, 60-unit multifamily building
- All utilities are paid by the property

Homes at Monument

- 21-unit set of townhomes
- Electric utilities are paid by the residents



Scope of Work

Building Shell: Windows, Roof Insulation, Air Sealing

HVAC: Heat-Pump Replacement

Hot Water: High-Efficiency Electric Water Heater

Lighting: LED/CFL Lighting for Residential and Common Areas

Appliances: ENERGY STAR Refrigerators and Washing Machine

Water: Low-Flow Showerheads, Faucets, and Aerators

Project Cost

Total Cost: \$241,134

MEEHA-EmPOWER Award: \$209,030

Owner's Cost: \$32,104

Projected Savings

Annual Energy Savings: 140,479 kWh

Annual Cost Savings: \$20,510

Annual Avoided Carbon Emissions:

99.3 metric tons

Project Simple Payback: 10.2 years

Comprehensive Retrofits

Measures that can be funded under MEEHA include any package of electricity-saving measures with an aggregated Savings-to-Investment Ratio (SIR) of 1.1 or greater. For each property, qualifying measures are identified through a comprehensive audit. If the package does not meet the required SIR, MEEHA offers additional flexibility to owners like HFA to share the cost of measures to bring the SIR into compliance. Using an **audit-driven approach** as opposed to a prescriptive list means that no cost-effective measures are left on the table and properties can **achieve deeper savings**. At Bowman Place & Homes at Monument, the audit revealed an extensive set of qualifying measures, from light bulbs to building shell upgrades. The utility cost savings benefit residents at Homes at Monument, who pay for their own electricity.

Homes at Monument includes 21 townhomes, and Bowman Place is a 60-unit, mid-rise property. The Bowman Place was unable to qualify for MEEHA because it is master-metered. Even so, the audit report for the property included upgrade options for Bowman Place, some of which HFA was able to finance as part of the tax credit rehabilitation.

Resident Experience

Residents at Homes at Monument were very pleased with the renovations, noting that the process went quickly and smoothly. Locricha Siscoe, a longtime resident at Homes at Monument, shared that the renovations made her house **feel more like a home**. The new windows along with the LED lighting upgrades made her unit "**brighter and more comfortable**," and the new energy-efficient appliances **improved her quality of life**.

Achieve Greater Resident Benefits Through Utility Programs

Energy and water efficiency upgrades can lead to greater benefits to residents, beyond utility cost savings. A **study** produced by Stewards of Affordable Housing for the Future uncovered 48 distinct benefits that flow to residents from building upgrades. Programs like MEEHA can elevate resident benefits by incentivizing deep retrofit measures like shell upgrades. In SAHF's study, shell upgrades produce the most benefits to residents, such as improvements to the residents' health and the comfort of their home. At Homes at Monument, the shell upgrades had an additional health benefit by using a healthier insulation product, which avoids some of the chemicals in commonly-used materials like spray polyurethane foam. For this project, HFA used blown-in cellulose fiber insulation, which is one of the healthier, affordable material options recommended by the **Healthy Building Network**. Through improved program design, efficiency programs can play an important role in empowering and supporting more affordable housing providers like HFA to undertake deep retrofits that save energy, lower bills, and generate additional quality-of-life benefits for low-income residents.

Stewards of Affordable Housing for the Future

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