# Net Zero and Multifamily Housing: Is It an Attainable Goal?



## CUDDLY PUPPIES AND KITTIES







# AND A MELLOW COUGAR IN A ROOM











## A SYMBOL FOR NET ZERO?



## TAKING ENERGY CODE ++ TO NET ZERO

## AFFORDABLE RENTAL HOUSING

How the Non-Profit World Works



![](_page_8_Picture_0.jpeg)

![](_page_9_Picture_0.jpeg)

![](_page_10_Picture_0.jpeg)

![](_page_11_Picture_0.jpeg)

Equity - LIHTC	6,321,000	59%
Bank debt	1,450,000	14%
VHCB- G. F. Loan	500,000	5%
HOME	950,000	9%
Neighborworks	292,500	3%
State Tax credits	408,900	4%
VCDP	668,750	6%
REEP & VT Gas	57,140	1%
TOTAL SOURCES	10,717,845	100%
Tax Credit 18R rent	\$765	
Operating expenses	\$565	\$200
Debt service	\$217	
Cash flow	(\$17)	
Market Rate 1BR rent	\$950	
Operating expenses	\$565	\$385
Debt service	\$217	
Cash flow	\$168	
Tax Credit 28R rent	\$800	
Operating expenses	\$585	\$215
Debt service	\$217	
Cash flow	(\$2)	
Market Rate 2BR rent	\$1,200	
Operating expenses	\$585	
Debt service	\$217	
Cash flow	\$398	

![](_page_12_Figure_1.jpeg)

### FUNDING SOURCES FOR A TYPICAL PROJECT

![](_page_13_Figure_0.jpeg)

"In order to deliver on our core mission, we have to be great at energy efficiency."

![](_page_14_Picture_0.jpeg)

## **Overarching Policy Question**

Invest in new construction "net zero" multi-family units

vs.

The need to create more affordable housing units

1/3 of our housing stock was built prior to 1950 13,000 renters currently pay more than 50% of their income towards rent

## **Total Energy Considerations**

- Transportation
  - Proximity of housing to jobs
- Building Materials:
  - Carpet vs. vinyl flooring
  - Vinyl siding vs. fiber cement

![](_page_17_Picture_0.jpeg)

![](_page_18_Picture_0.jpeg)

![](_page_19_Picture_0.jpeg)

![](_page_20_Picture_0.jpeg)

## State Comprehensive Energy Plan

- Goal of 30% new construction units meeting net zero by 2020
- Should this goal be modified for affordable multifamily housing?

## NEIGHBORHOOD DESIGN

![](_page_23_Picture_0.jpeg)

#### Basic Plan of a Roman City

![](_page_23_Figure_2.jpeg)

Roman civil engineers
used a plan like this

- Two main streets at right
- Intersection right in the middle of the town.
- Both streets extend outside the town through four fortified gates.

Aqueducts provided
water to fill the city's
cisterns

![](_page_23_Picture_8.jpeg)

## ROME, ITALY & BRISTOL, VT

## NEIGHBORHOOD DESIGN - SHELBURNE

![](_page_24_Picture_1.jpeg)

![](_page_24_Picture_2.jpeg)

![](_page_24_Picture_3.jpeg)

## NEIGHBORHOOD DESIGN - RUTLAND

![](_page_25_Figure_1.jpeg)

![](_page_25_Picture_2.jpeg)

![](_page_25_Picture_3.jpeg)

![](_page_25_Picture_4.jpeg)

![](_page_25_Picture_5.jpeg)

FOREST PARK

## AS-BUILT & NET ZERO

![](_page_27_Figure_0.jpeg)

![](_page_27_Figure_1.jpeg)

## 6PLEX AS BUILT Energy Code ++

![](_page_27_Figure_3.jpeg)

![](_page_27_Picture_4.jpeg)

![](_page_28_Figure_0.jpeg)

![](_page_28_Picture_1.jpeg)

![](_page_28_Picture_2.jpeg)

![](_page_28_Picture_3.jpeg)

## AS BUILT - HERS RATING 45

• Slab/Frost Wall R10 Continuous, R15 perimeter.

- Walls R 27.5 - R20 dense pack + R7.5 continuous, rain screen.
- Roof R 60 dense pack or foam.
- Windows R3.3 low e argon.
  - 2.15 ACH50 1672 CFM50 (tested)
  - Gas (propane or natural gas) hydronic OR pellet boiler. Storage tank off boiler.
- Ventilation Exhaust (CD) only with passive vents OR Lunos/HRV.
  - Energy Star Fluorescent.
- Appliances Energy Star.

• Air Sealing

• Heating

• Lighting

• DHW

## NET ZERO - HERS RATING 0

• Slab/Frost Wall R20 Continuous, R15 perimeter.

1200 cfm/50

- Walls R46 Dense pack in 12" double stud wall (or corson wall)
- Roof R90 dense pack or foam.

ASHP

- Windows R6.3 low e argon Alpen Series 925 Casement.
- Air Sealing
- Heating
- DHW
- 98% Efficient gas (propane or natural). Preheat from ASHP.
- Ventilation 85% Efficient HRV Lunos or central unit.
- Lighting
- LED.

30kw PV

• Appliances ES Tier 3 refrigerator; induction range.

Solar

## ENERGY MODELING

#### **REM Rate Modeling Results**

#### 2011 RBES Compliant Construction

<b>Component Load - Heating Se</b>	mmbtu/yr	
Ceilings/Roofs	R-49 Flat, R-32 Slope cellulose	9
Rim/Band Joists	R-20 XPS	4.7
Above Grade Walls	R-21 cavity FG Batt	50.9
Doors	standard	1.5
Windows	U=0.32 SHGC 0.30	28.8
Slab Edge and Floor	R-15	11.5
Infiltration	5.0 ACH50	45.7
Mechanical Ventilation	Exhaust only, 24 hrs/day	24.4
Internal Gains		-53.8
	Total	122.7

Annual Consumption		mmbtu/yr
Heating	80% AFUE LP Boiler	154
Domestic Hot Water	Indirect Fired Tank	73.4
Lights/Appliances	50% CFL, Baseline Appliances	76.2
	Total	303.6

Annual Operating Costs	\$
Heating	4200
Domestic Hot Water	2000
Lights/Appliances	3350
Total	\$ 9,550

Annual Operating Cost per Apartment \$ 1,590

## **RBES CODE**

#### **REM Rate Modeling Results**

#### As-Built, Code ++ 2013 Construction

<b>Component Load - Heating</b>	mmbtu/yr	
Ceilings/Roofs	R-67 Flat, R-32 Slope cellulose	7.5
Rim/Band Joists	R-23 HDSF	4.4
Above Grade Walls	R-19 cellulose, R-5 exterior	32.6
Doors	standard	1.4
Windows	U=0.30 SHGC 0.32	26.6
Slab Edge and Floor	R-15	11.5
Infiltration	1631 cfm50 (2.0 ACH50)	11.2
Mechanical Ventilation	Exhaust only, 24 hrs/day	24.4
Internal Gains		-46.7
	Total	72.9

Annual Consumption		mmbtu/yr
Heating	94% AFUE LP Boiler	78
Domestic Hot Water	Indirect Fired Tank	64.9
Lights/Appliances	CFL, LED, Energy Star	71.7
	Total	214.6

Annual Operating Costs	\$
Heating	2130
Domestic Hot Water	1770
Lights/Appliances	3150
Total	\$ 7,050

Annual Operating Cost per Apartment \$ 1,180

CODE ++

#### **REM Rate Modeling Results**

#### **Proposed Net Zero**

Component Load - Heatin	mmbtu/yr	
Ceilings/Roofs	R-90 Flat, R-67 Slope cellulose	5
Rim/Band Joists	R-36 HDSF	3.5
Above Grade Walls	R-46 Cellulose, Dbl Wall	16.7
Doors	standard	1.5
Windows	U=0.20 SHGC 0.32	16.3
Slab Edge and Floor	R-20	9.7
Infiltration	1,000 cfm50 (1.25 ACH50)	15.9
Mechanical Ventilation	Lunos ERV 85% eff	3.7
Internal Gains		-41.4
	Total	30.9

Annual Consumption		mmbtu/yr
Heating	ASHP 11.6 HSPF	14.8
Domestic Hot Water	ASHP (80%) LP backup (20%)	40.7
Lights/Appliances	LED, Induction Range, CEE Tier 3	68.4
	Total	123.9

Annual Operating Costs	\$
Heating	65
Domestic Hot Water	165
Lights/Appliances	301
Total	\$ 5,310

Annual Operating Cost per Apartment \$ 890

## NET ZERO

#### **REM Rate Modeling Results Summary**

	2011 RBES Compliant		As-Built, Code ++		Proposed Net Zero	
Heating Component Load		mmbtu/yr		mmbtu/yr		mmbtu/yr
Ceilings/Roofs	R-49 flat, R-32 slope: cellulose	9	R-67 flat, R-32 slope: cellulose	7.5	R-90 flat, R-67 slope: cellulose	5
Rim/Band Joists	R-20 XPS	4.7	R-23 HDSF	4.4	R-36 HDSF	3.5
Above Grade Walls	R-21 cavity: fiberglass batt	50.9	R-5 XPS cont, R-19 cavity: cellulose	32.6	R-46 double wall: cellulose	16.7
Doors	standard	1.5	standard	1.4	standard	1.5
Windows	U=0.32 SHGC 0.30	28.8	U=0.30 SHGC 0.32	26.6	U=0.20 SHGC 0.32	16.3
Slab Edge and Floor	R-15	11.5	R-15	11.5	R-20	9.7
Infiltration	5.0 ACH50	45.7	1631 cfm50 (2.0 ACH50)	11.2	1,000 cfm50 (1.25 ACH50)	15.9
Mechanical Ventilation	exhaust only, 24 hrs/day	24.4	exhaust only, 24 hrs/day	24.4	Lunos ERV 85% eff	3.7
Internal Gains		-53.8		-46.7		-41.4
	Total mmbtu/yr	122.7	Total mmbtu/yr	72.9	Total mmbtu/yr	30.9
Annual Consumption		mmbtu/yr		mmbtu/yr		mmbtu/yr
Heating	80% AFUE LP Boiler	154	94% AFUE LP Boiler	78	ASHP 11.6 HSPF	14.8
Domestic Hot Water	Indirect Fired Tank	73.4	Indirect Fired Tank	64.9	ASHP (80%) LP backup (20%)	40.7
Lights/Appliances	50% CFL, Baseline Appliances	76.2	CFL, LED, Energy Star	71.7	LED, Induction Range, CEE Tier 3	68.4
	Total mmbtu/yr	303.6	Total mmbtu/yr	214.6	Total mmbtu/yr	123.9
Annual Operating Costs		Dollars		Dollars		Dollars
Heating		\$ 4,200		\$ 2,130		\$ 650
Domestic Hot Water		\$ 2,000		\$ 1,770		\$ 1,650
Lights/Appliances		\$ 3,350		\$ 3,150		\$ 3,010
	Annual Operating Cost	\$ 9,550	Annual Operating Cost	\$ 7,050	Annual Operating Cost	\$ 5,310
	Per Apartment	\$ 1,590	Per Apartment	\$ 1,180	Per Apartment	\$ 890

## COMPARISON

ENERGY USE Management & Allocation

![](_page_37_Picture_0.jpeg)

## **RESIDENT AIR CONDITIONING**

Developer pays for exterior and common lighting as well as all heat and hot water.

Resident pays for their own electrical use including window AC.

Developer has hard data on what they pay for but little on total electrical use for residents.

With ASHP developer pays for AC; resident has no incentive not to use. Odd situation of investing more money to bring down energy use which then increases energy costs in one area.

NZ scenario covers plug loads. Does resident still pay for own electric and developer gets surplus or do residents get free electric in which case they have no incentive to conserve?

## ALLOCATION OF ENERGY USE

## ON SITE PV - GETTING TO NZ

# **GETTING TO NET ZERO - SHELBURNE**

![](_page_40_Picture_1.jpeg)

## GETTING TO NET ZERO - RUTLAND

![](_page_41_Figure_1.jpeg)

Options.

- 1. Larger buildings maximize thermal and economic efficiency and reduce PV.
- 2. Maximize roof size and orientation for PV.
- 3. More land/Same number of units negative cost/neighborhood implications.
- 4. Provide PV off site.

NET ZERO COSTS

#### 1/19/2015

	Harrington Village		Actual	3	nflation	Net Incremen		cremental	
	Shelburne, Vermont		SOV	F	Istimate		Zero Add		Add
	6-Plex	S	pring of		Fall		Fall	F	for Net
			2013		2014		2014		Zero
1.0	General Conditions	\$		\$	-	\$	-	s	-
2.1	Site work	\$	22,000	\$	23,823	\$	24,108	\$	285
2.2	Demolition	\$	-	\$	-	\$	-	\$	-
3.0	Concrete	\$	29,500	\$	31,520	\$	32,109	\$	590
4.0	Masonry	\$	-	\$		\$	-	s	-
5.0	Metals	\$	-	\$	-	\$	-	\$	-
6.0	Carpentry	\$	219,940	\$	239,023	\$	261,715	\$	22,692
7.0	Thermal & Moisture Protection	\$	51,300	\$	55,891	\$	80,664	\$	24,773
8.0	Doors & Windows	\$	34,400	\$	53,383	\$	71,995	\$	18,613
9.0	Finishes	\$	100,700	\$	106,897	\$	107,048	\$	151
10.0	Specialties	\$	4,670	\$	4,880	\$	4,880	\$	-
11.0	Equipment	\$	1,275	\$	840	\$	840	S	-
12.0	Furnishings	\$	-	\$	-	\$	-	\$	-
13.0	Special Construction	\$	-	\$		\$	-	\$	
14.0	Conveying Systems	\$	-	\$		\$	-	\$	
15.1	Mechanical	\$	111,146	\$	115,495	\$	111,600	S	(3,895)
15.2	Sprinkler	\$	15,519	\$	16,372	\$	16,372	\$	
16.0	Electrical	\$	52,285	\$	65,739	\$	150,798	\$	85,059
	Total	\$	642,735	\$	713,862	\$	862,128	\$	148,267
	Note- Excludes infrastructure sitework								

## AS-BUILT TO NET ZERO COST ESTIMATE

PAYBACK ANALYSIS:			
(with full cost of PV)			
	Energy Code ++	Net Zero	
Annual Operating Cost per unit	\$1,180	\$890	
Annual savings:			\$290
Estimated Construction Cost:	\$713,862	\$862,128	
Incremental Cost to NZ:			\$148,266
(includes \$90k for PV)			
Percent increase:			20.77%
Per unit increase:			\$24,711
Payback			85.2
PAYBACK ANALYSIS			
PAYBACK ANALYSIS			
(net of PV incentive)	Energy Code ++	Not Zoro	
	Energy code ++	Net Zero	
Incremental Cost to NZ for PV:		\$90,000	
Other incremental costs to NZ)		\$58,266	
			\$148,266
Estimated PV cost, 30kw:		\$90,000	
Less PV incentive from SSREIP		-\$30,000	
Net PV Cost:		\$60,000	
Incremental Cost to NZ			
(net of PV incentive)		\$118,266	
Percent increase:			16.57%
Per unit increase:			\$19,711

Many people report smaller upcharges and these could come down (this was sche

Required Public Bid Process makes it difficult for a team to include a contractor for 2. Funding/Permitting Schedules. The process is long but once everything is in plated.
 Fees. As costs rise there is increasing pressure to reduce design fees which limits.

Assume we could get it to 10%. That does not sound like too bad a penalty to pay

## **CONCLUSIONS & STRATEGY**

- •NZ adds 20% cost to an affordable housing budget with a 60 80 yr year payback.
- Even assuming 10% extra stresses the present funding/project delivery system and payback still long.
- Heating loads drastically reduced but not plug loads with little control on them so PV still large.
- ASHP adds AC loads and resident has no incentive to conserve.
- Multi-Family PV cannot be accommodated on the roof therefore additional land is necessary.
- Sheer size of neighborhood PV not compatible with urban design. Offsite PV may be necessary.
- Large scale, off site PV may be financially better.
- •NZ discussion needs to occur within a larger framework concerning goals and policies for limited funds.

![](_page_48_Picture_8.jpeg)

OR

![](_page_48_Picture_10.jpeg)