



## The New Alternative: Implementing a Project-Specific Utility Allowance

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## About Abode Communities

Mission-based nonprofit  
located in Los Angeles, CA

- Established in 1968
- Creative and responsible design, development and operation of service-enhanced affordable housing
- Committed to providing long-term sustainable solutions



## Commitment to Sustainability

### Sustainable Culture Reaches to 34 Properties and 4,000 Residents

- Maximize tenant health
- Reduce operating costs
- Educate and advocate
- Minimize environmental impact
- Transform and revitalize neighborhoods
- Increase return on investment



## Traditional Model Utility Allowances

### Challenges

- Generated by Public Housing Authority (PHA)
- Inflexible – one size fits all approach
- Averages utility costs across PHA portfolio – includes older, inefficient buildings
- Does not reflect innovative energy-saving design
- Investment disincentive



## A New Alternative

### Energy Consumption Model

- Project-specific, unique
- Generated by experts that know and understand your development
- Accurately reflects what residents should expect to pay in utility costs
- Rewards innovation by creating additional resources for sustainable investment



## The Game Changer

**JUL 2008**

IRS updates regulations for all Low-Income Housing Tax Credit (LIHTC) projects allowing developers to use the "Consumption Based Model" to estimate utility allowance.

**NOV 2008**

California Energy Commission approves California Utility Allowance Calculator (CUAC) method.

**JAN 2009**

California Tax Credit Allocation Committee (CTCAC) adopts and approves CUAC method for determining project-specific utility allowance.

## Case Study: Casa Dominguez

### LEED for Homes Platinum

- 70 affordable apartments
- Family and Special Needs (TAY)
- 11,390 sf Family Development Center
- Child Care Center
- Health Care Clinic
- Surface Parking
- Courtyard, Play Areas and Laundry
- Completed: December 2009
- Total Development Cost \$28 million



## Casa Dominguez

- Photovoltaic system provides 100% of common area electricity
- Graywater irrigation system sourced from community laundry
- Economizer cooling in units and geothermal heat exchanger in common spaces eliminates need for traditional A/C
- Recycled content carpet and resilient flooring
- Low-flow plumbing fixtures and dual-flush toilets
- Prefabricated framing and blown-in recycled content insulation



## Casa Dominguez



Unit Size	# Units	PHA Allowance (L.A. County)	CUAC Allowance	Annual Variance
1-BR	9	\$57	\$46	\$1,188
2-BR	31	\$71	\$52	\$7,068
3-BR	22	\$87	\$58	\$7,656
4-BR	7	\$112	\$64	\$4,032
<b>TOTAL</b>	<b>69</b>			<b>\$19,944</b>

## Case Study: Ivy Terrace


### LEED for Homes Platinum

- 52 affordable apartments
- Family and Special Needs
- Completed July 2010
- Total Development Cost \$23.5M
- 59 parking spaces
- Community room, computer lab, children's play area, laundry





## Ivy Terrace

- Photovoltaic system generates 50% of common area electricity
- Energy Star lighting and appliances
- Exceeds CA energy standards by 19%
- Low VOC paints and sealants
- Low-flow plumbing fixtures
- Blown-in recycled content insulation
- 91% of construction waste recycled



## Ivy Terrace

Unit Size	# Units	PHA Allowance (City of L.A.)	CUAC Allowance	Annual Variance
1-BR	25	\$50	\$33	\$5,100
2-BR	10	\$66	\$44	\$2,640
3-BR	12	\$80	\$55	\$3,600
4-BR	4	\$101	\$69	\$1,536
TOTAL	51			\$12,876

## Case Study: Rio Vista

### Target: LEED for Homes Platinum

- 50 affordable units
- 114 shared subterranean parking spaces
- LAUSD Early Education Center
- Innovative joint-use model with school district
- Community room, computer lab, laundry, shared playground
- Completion: October 2011



## Rio Vista

- Photovoltaic system provides 50% of common area electricity
- Solar thermal pre-heat combined with central boiler system
- Cool Roof
- Rooftop Community Garden
- Recycled content flooring and insulation
- Energy Star lighting & appliances
- Exceeds CA energy code by 24%



## Rio Vista

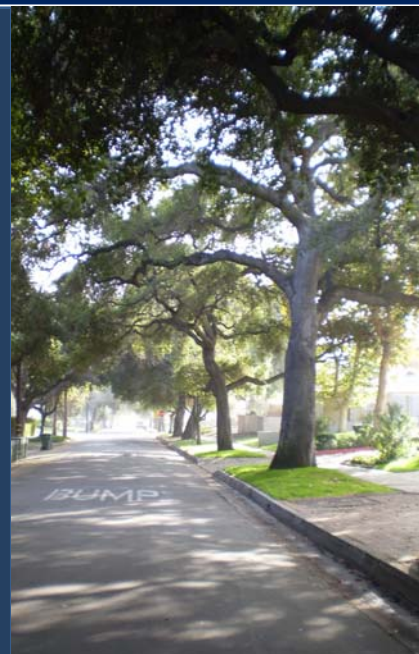


Unit Size	# Units	PHA Allowance (City of L.A.)	CUAC Allowance	Annual Variance
2-BR	35	\$125	\$39	\$36,120
3-BR	14	\$151	\$49	\$17,136
TOTAL	49			\$52,356

## Case Study: Hudson Oaks

### Target: LEED for Homes Platinum

- 45 affordable units
- Senior and special needs housing
- Bioswale and drainage system to retain all water on site
- 100% CFL
- High-efficiency ducted HVAC with 22 SEER rating
- Solar thermal pre-heat combined with central boiler system
- Common area photovoltaic system



## Hudson Oaks

EXISTING



PROPOSED



Unit Size	# Units	PHA Allowance (Pasadena)	CUAC Allowance	Annual Variance
1-BR	44	\$53	\$15	\$20,064

## Case Study: Riverwalk at Reseda

### Target: LEED for Homes Silver

- 77 affordable units
- Family housing
- Park and River views
- Common Area PV system
- Solar thermal pre-heat combined with central boiler system
- Graywater irrigation system
- Abode Communities' standard sustainable design features



## Riverwalk at Reseda



Project-specific utility allowance leverages additional \$645,000 in permanent financing

Unit Size	# Units	PHA Allowance (City of L.A.)	CUAC Allowance	Annual Variance
1-BR	10	\$97	\$55	\$5,040
2-BR	42	\$125	\$63	\$31,248
3-BR	24	\$151	\$71	\$23,040
<b>TOTAL</b>	<b>76</b>			<b>\$59,328</b>

## Resources

***“Utility Allowance Options for Investments in Energy Efficiency: Resource Guide”*** Published by Enterprise Green Communities  
[www.greencommunitiesonline.org](http://www.greencommunitiesonline.org)

***“California Utility Allowance Calculator – Users Guide (Third Edition)”***  
 Published on California Energy Commission website  
[www.energy.ca.gov](http://www.energy.ca.gov)

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# Questions?

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