

Testimony to House Energy & Technology Committee

Thursday February 2, 2017

Good morning, I'm Cindy Reid, Director of Development for Cathedral Square. Cathedral Square is a nonprofit organization founded in 1977, and a leader in the development of service enriched housing communities for seniors and persons with special needs. Today we own and/or manage 30 affordable senior housing communities in Vermont and administer the award winning SASH® (Support and Services at Home) initiative statewide as part of Vermont's Blueprint for Health.

Thank you for the opportunity to speak with you this morning.

We appreciate the Governor's leadership on supporting both housing and conservation in his commitment to the Vermont Housing and Conservation Board (VHCB.)

We ask for your support for the Governor's budget recommending \$16.3M to VHCB for FY18, a million dollar increase from last year.

Additionally, we ask for your support for his proposal for a \$35M affordable housing bond.

VHCB was established in 1987 by the General Assembly. Since that time, it has created tremendous value for Vermonters and our working landscape, a few highlights of which include:

- The creation of affordable homes for more than 30,000 Vermonters
- Conservation of 672 farms covering over 161,700 acres of land
- Conservation of 261,000 acres of recreational land and natural areas and 67 historic properties for community use
- Leverage of \$1.3 Billion in federal and private funds

Cathedral Square has utilized funding from VHCB to invest in many new housing communities, as well as renovation and preservation of existing senior housing communities. We have leveraged this investment with federal, local and private funds. Today I wanted to tell you about two recent affordable housing developments we've undertaken which are both cutting edge in terms of energy efficiency and technology.

McKnight Lane, Waltham/Vergennes

We recently completed, in partnership with Addison County Community Trust, McKnight Lane, Vermont's first net zero energy affordable rental community. Located in Waltham along the Otter Creek, and adjacent to Vergennes, there once sat a blighted and contaminated mobile home park that had been unoccupied for close to a decade. We cleaned it up, remediated the soil, had new foundations and infrastructure installed, connected to municipal water and sewer, and 14 new high performance modular homes made in Vermont by VERMOD, were installed in duplex configurations. These homes sit on foundations and are built with quality and green materials. The building envelop offers a R-40 floor system, R-43 Walls, and a R-60 Roof. The 6kW solar array on the rooftop is designed to cover all power needs. In addition, a back up solar battery makes these homes resilient in the event of an outage. The Sonnen batteries are estimated to provide about 6 hours of back up energy.

The home is heated and cooled using heat pumps. A whole house heat recovery ventilation system creates healthy indoor air quality and saves energy. Each home has energy efficient appliances including washer and dryer. These homes also offer many Universal Design features which offer residents and visitors accessibility. Not only are these homes high quality, built to last, and energy efficient, they are affordable for low income Vermonters. Two bedroom homes rent for \$775 including all utilities, and three bedroom

homes rent for \$850 including all utilities. These rents are affordable to households at 50% of Area Median Income. To translate, in Addison County, a household of two at 50% of Area Median Income earns \$28,400, for a household of three, 50% of median income is \$31,950. For a household of four, \$35,500. Stable affordable housing for persons earning this range of incomes is critical. It means more of the family's budget goes to food, clothing and health care, all resulting in better, more stable quality of life. VHCB's investment in this project leveraged an additional \$3.3M in federal and private funds. This development cleaned up a brownfield, and created permanently affordable net zero energy new homes in a low vacancy area, and is now fully occupied.

Pictures of McKnight Lane (it was a creepy place):

BEFORE

AFTER



McKnight Lane is the first net zero energy with solar battery back up, affordable housing community in the nation!



Rendition of overall site showing the 7 duplexes (14 homes altogether). The actual development is more attractive – with landscaping, garden beds for residents, and a new sidewalk that connects the community to the existing sidewalk.

Elm Place, Milton

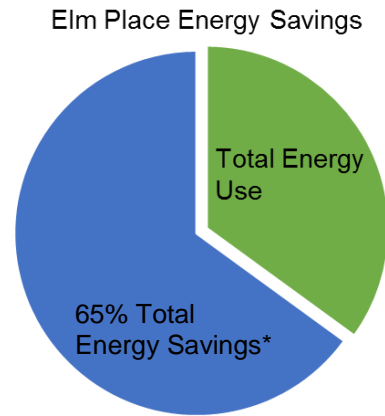


Cathedral Square is completing construction on a 30-unit service enriched affordable senior development in Milton's downtown district. Elm Place is near the UVM Medical Center, grocery shopping, library, senior center, and located on a bus line. Elm Place will be Cathedral Square's most energy efficient building to date, and even more importantly, Vermont's first Multi Family Passive House certified building. Passive House is a high performance standard, designed with a robust thermal envelop to use less energy. This building will have a R40 foundation, R39 walls, R 66 Roof, and R 7 triple pane windows. The building is

designed to use 95% less heating energy than the same building built to RBES (Code), and 65% less total energy. This represents a cost savings of 40% over an RBES code building.

It's estimated it will cost \$1,500 to heat the whole 28,700 SF building for one year. A 15 kW rooftop solar array will help mitigate the electric cost. The whole building heat recovery ventilation will result in healthy indoor air quality.

What this means for residents is a comfortable building with heating and cooling (the cost of which is included in the rent), and good indoor air quality. What this means for CSC is lower operating costs, and a reduction of fossil fuel use. Not only does Cathedral Square build to last, but we manage proactively to maintain quality and steward public investment. Our SASH program is also preventative – it helps seniors age in place with dignity, helps prevent homelessness, and reduces turnover, as residents can age in place, in some cases delaying or avoiding more expensive institutional care.



*compared to the same building built to 2015 VT RBES

VHCB's investment in Elm Place leveraged \$7.9M in federal and private funds. The housing will offer a number of rent levels, to serve seniors below 30%, 50% and 60% of Area Median Income, and two homes will be market rate.

In addition to combining Health, Housing and Energy Efficiency, we are also spearheading other innovations in technology. These initiatives include: we use a Direct Digital Controls system, which allow us to remotely monitor our mechanical systems, heat, cooling, and domestic hot water. We can remotely diagnose and remediate a no heat situation before a resident may even notice there is a problem. This saves staff time and operating cost. We monitor energy use and costs in all of our properties through an on line system called wegowise, to identify energy outliers and to manage our portfolio. In our most recent two properties we have a digital dashboard in the lobby which displays energy use (gas, water, electricity) and solar production. It is meant to educate residents, and it also has social and community news to keep residents connected. Last, we are working on a pilot Telehealth Program with UVM Medical Center so our residents can stay in place with their RN Wellness Nurse and have remote doctor visits.

Thank you for your time and interest in affordable housing and the connections with energy efficiency and technology. We could not do the innovative housing, energy and services work without the investment of VHCB, and without your support.

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