Tennessee Housing Agency Adopts Green-Building Standards

By Madeline Faber

The Tennessee Housing Development Agency wants to build healthy communities from the ground up.

Under new guidelines to be incorporated later this year, affordable housing developers seeking Low-Income Housing Tax Credits will have to qualify for full certification from Enterprise Green Communities. The certification was first introduced nationally in 2004, and the THDA board recently approved incorporation of the revamped 2015 criteria.

According to local developers, the guidelines are likely to take off in Memphis.

"We're moving in a direction where this is going to be normal business," said <u>Tim Bolding</u>, executive director of <u>United Housing Inc</u>.

Overall, affordable housing developments have to demonstrate sustainability in the categories of integrative design; location and neighborhood fabric; operations, maintenance and resident engagement; site improvements; water conservation; energy efficiency; materials and healthy living environment.

Developers who go beyond the minimum requirements – features like ENERGY star appliances, active design that promotes physical activity within the building and data collection and monitoring of energy use – can earn higher scores on the 100-point system, which would make them more likely to earn federal tax credits to offset most of the construction costs for new multifamily buildings.



Cleaborn Pointe's first two phases already have been approved by Enterprise Green Communities, making the development one of Memphis' earlier adopters.

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<u>Jimmie Tucker</u> with Self-Tucker Architects has used several green building certifications in the past. He says EGC works well for Memphis' market because it's less time-consuming, less expensive and more user-friendly for designers than the various LEED, or Leadership in Energy & Environmental Design, certifications.

"The Green Communities program, when it started out, was geared toward nonprofits, so that's why it's set up that way," he said.

The first two phases of the nearly 380-unit Cleaborn Pointe at Heritage Landing, which Self-Tucker designed, have already been approved by EGC. The remaining phases will be certified as they come online making the development one of Memphis' earliest EGC adopters when completed in December. Self-Tucker Architects also recommended EGC for the upcoming residences at Green Leaf Learning Farm.

Tucker said that he started working with EGC at Cleaborn Pointe in 2010, five years prior to the criteria's upcoming adoption by THDA.

In putting together his application for the HOPE VI grant given to rehabs for distressed affordable housing developments, he decided to go a different direction and pursue EGC certification instead of LEED.

"We researched it and thought it was great. We had already had some experience with LEED and we knew what the challenges were," he said. "The real plus is that using a program like Enterprise Green doesn't have so much front-end cost.

"I get really excited about seeing Memphis moving in a certain direction where we're adopting more positive initiatives and being seen in a more progressive light. New developers from around the country are pursuing low-income tax credits and coming in our market, so it's great that they see this happening."

Tucker believes EGC will catch on quickly in Memphis, and he is already training his University of Memphis students on the 2015 criteria.

Bolding served on the THDA board a couple years ago and witnessed the "slow and steady" progression over the past eight years to add energy efficiency to the tax credit program. He believes that stronger sustainability requirements have the power to reduce utility costs and uplift quality of life for Memphis' most underserved populations.

"In the general marketplace, I think that the sustainable green building and energy efficient building is becoming more and more desirable and almost demanded by customers," he said. "People want to know, 'How much cheaper is my utility bill going to be?"

In recent years, UHI has made strides in providing energy-efficient homes to low-income markets. Bolding is putting power in the hands of Memphis' low-income population with UHI's new Wolf River Bluffs community. Each of the 34 single-family houses has its own two-kilowatt solar panel making the community its own solar energy factory and resulting in a \$30 monthly credit on individual residents' utility bills.

The Wolf River Bluffs development also qualifies for Memphis Light, Gas & Water Division's green building program, EcoBUILD. The residents see a 37 percent MLGW bill savings over a similar house without sustainability features like storm windows and increased insulation.

While UHI isn't actively pursuing Enterprise Green Communities certification to gain tax credits, Bolding says "the answer is probably yes," about using it in upcoming developments.

"I think we're moving in the right direction because around the country there's been more of a connection made between architectural design and good health," Tucker said. "I definitely am pleased to see the 2015 Enterprise Green standards are making that connection with health and more importantly THDA has adopted the program."