



## Moderate Multifamily Rehab: Protocols for Building Performance Upgrades

Minnesota's affordable housing funders and Enterprise Green Communities want to require multifamily rehab projects to implement cost-effective energy efficiency improvements. However, current requirements as detailed in items 5.1c and 5.1d (Building Performance Standard: Multifamily, rehabilitation of all building heights) of the [Minnesota Overlay and Guide](#) amending the [2011 Enterprise Green Communities Criteria](#) are unclear. Minnesota's funders, technical assistance providers and building performance service providers are receiving regular requests to clarify the intent and requirements.

At the same time, Enterprise is starting the process to revise and update the 2011 Enterprise Green Communities Criteria, and will be carefully considering changes that may impact projects classified as moderate rehab.

For these reasons, Minnesota Housing, the Minnesota Green Communities initiative of the Family Housing Fund and Greater Minnesota Housing Fund, and Enterprise Green Communities with the guidance and partnership of the Neighborhood Energy Connection are convening a process to develop greater clarity on the best assessment practices for limited-scope multifamily rehab projects in Minnesota. This document outlines a process for clarifying and revising 5.1c and 5.1d for future funding through Minnesota Housing and affordable housing funding partners.

### Additional Context

Minnesota's affordable housing funders and Enterprise Green Communities work in slightly different settings, so their needs are somewhat different. However, both Minnesota and Enterprise have an interest in aligning the requirements.

- Enterprise Green Communities Certification is a national, voluntary program. To protect the validity of the Green Communities brand and the value of certification, Enterprise must set a meaningfully high minimum performance requirement for energy efficiency improvements. For this reason, Enterprise approaches building performance through a lens that asks, "What is the minimum acceptable standard for certification? What is the highest reasonable standard for certification? What is the best way to define that standard while allowing projects flexibility in implementation?"
- All projects receiving funding through Minnesota's Consolidated RFP must comply with the Green Communities requirements (as amended by the Minnesota Overlay and Guide). Because preservation of existing affordable housing is a priority, and because a significant number of rehabilitation projects have a limited scope of work, the Overlay must be cost-effective and relevant to relatively small scale rehab projects. For this reason, Minnesota approaches building performance through a lens that asks, "What guidance can be provided on the procedures to assess existing buildings? What cost-effectiveness standard for improvements should be required? What verification should be required?"



## Desired Outcomes

- Clear direction on the procedure for assessing an existing property, appropriate for properties that are three stories and fewer as well as those that are four stories and more. Provide guidance on a scope of work for building performance service providers.
- Clear standard for how to determine cost-effective energy improvements that reflects the capital improvement context of a property.
- Clear performance standard to be achieved, and critical exceptions if any exist.
- Direction, as needed, on modeling software, required checklists, and verification requirements.
- Ideally, use standards and requirements based on existing national standards.

## Process

There will be four half-day stakeholder meetings, with small groups completing interim work. Meeting topics and goals will be structured as follows.

**Work Group Meeting 1:** Review and discuss goals for meeting conveners. Explore case studies of example projects, including budgets. Review existing requirements (i.e. Energy Efficiency Plans, Capital Needs Assessments), protocols, and standard practices. Identify any known needed updates, highlight any relevant changes in national standards.

**Outcomes:** group understanding of the tensions between budgets, timing, scope of work, and other issues. Define and assign next steps.

**Interim work:** Small groups develop draft building assessment recommendations for 5.1c and 5.1d, including convener review.

**Work Group Meeting 2:** Review proposed building assessment recommendations for 5.1c and 5.1d.

**Outcomes:** feedback on:

- how they address voluntary projects vs. projects required to meet them
- what is the process for a moderate rehab vs. very limited rehab
- how do recommendations align for use in different contexts
- does it provide clarity for building performance service providers
- what is the cost for assessment

**Interim work:** Small groups develop draft cost-effectiveness recommendations for 5.1c and 5.1d, including convener review.



**Work Group Meeting 3:** Review proposed cost-effectiveness recommendations for 5.1c and 5.1d.

**Outcomes:** feedback on:

- what is the proper cost-effectiveness threshold for making improvements
- how to ensure consistent quality installation without unintended side-effects
- what is the ease of integration with other current and future capital improvements

**Interim work:** Funders review recommendations and identify any challenges with proposed approach and standards. Seek feedback from developers and property owners, and integrate it into final proposal.

**Work Group Meeting 4 (if necessary): Outcomes:** feedback on final product and stakeholders comments.

## Timeline

**Background research:** April-May 2013

**Work Group Meeting 1:** 10:00-2:30, Wednesday, June 12<sup>th</sup>, 2013

**Develop draft building assessment recommendations:** Jun 2013

**Work Group Meeting 2:** 10:00-2:30, Tuesday, July 23<sup>rd</sup>, 2013

**Update building assessment recommendations:** September 2013

**Develop Cost-effectiveness guidelines:** September 2013

**Work Group Meeting 3:** 10:00-2:30, Tuesday, October 15<sup>th</sup>, 2013

**Developer feedback:** December 2013

**Final convener feedback:** December 2013

**Work Group Meeting 4:** 10:00-2:30, Tuesday, January 21<sup>st</sup>, 2014

**Finalized:** February 2014