

LOS ANGELES OFFICE OF PUBLIC HOUSING FACILITIES MANAGEMENT NEWSLETTER

SEPTEMBER 6, 2007

ANNUAL EDITION

K.J. Brockington
Director

Marilyn G. Patterson
Editor/Facility
Manager

Quinn Donovan
General Engineer

Percy Taylor Facility
Manager

Jerry Nakano
Technical Editor

Los Angeles HUB
Office of Public
Housing
611 W 6th Street
Suite 1040
Los Angeles, CA
90017

Phone
(213) 534-2605

Fax
(213) 894-8125

We're on the Web!
www.hud.gov



PIH Energy Star Clearinghouse

HUD's Office of Public and Indian Housing (PIH) has streamlined the procurement process for purchasing energy-saving products through the Department of Energy's 'ENERGY STAR Quantity Quotes' website. By purchasing energy-saving products through the website, Housing Agencies (HAs) can reduce their processing costs and improve their purchasing timelines. PIH has determined that this procurement method is in compliance with 24 CFR 85.36 and the Procurement Handbook

The new process allows HAs to submit product requests and receive responses from vendors. HAs interested in making a purchase can contact a supplier and directly negotiate discounted prices. The readily available products may be purchased in bulk quantities and include ENERGY STAR qualified light bulbs, light fixtures, clothes washers, dehumidifiers, dishwashers, refrigerators and room air conditioners.

How does the process work?

1. Register on the website and create a username and password.
2. Choose the ENERGY STAR product you are interested in purchasing.
3. Complete and submit the product-specific questionnaire to ENERGY STAR partners.
4. Check ENERGY STAR partner responses by logging in to the website. You will be notified by email if a partner has responded to your request. You will receive all subsequent responses on the website without email notification.
5. Follow up with partners and continue communication via the website.
6. Contact supplier when you are ready to purchase.

All of the correspondence on the website between purchasers and suppliers is anonymous. If you have posted a product request, suppliers cannot view your contact information. They can, however, see the city and state in which you are located. This allows the partners to make more informed responses to your requests. When you are ready to negotiate a contract with a supplier you can use their contact information to contact them. If "Quantity Quotes" provides less than three quotes, then you must supplement the difference with additional quotes. Housing Agencies are required to

stay within their state's procurement limits if they are less than the federal limit of \$100,000. To register, go to <http://www.quantityquotes.net>

Part 58 Environmental Review Training in Anaheim

The Department will be conducting Part 58 Environmental Review training October 24-26, 2007. The training will take place at the City of Anaheim Community Development Department, 201 South Anaheim Boulevard., Anaheim, CA. to contact Karen Choi at 213-534-2458 to register. The National Environmental Policy Act requires housing authorities to conduct environmental reviews of budgeted work items. 24 CFR Part 58 outlines the regulations required under the National Environmental Policy Act. Part 58 covers the regulations of environmental reviews conducted by responsible entities. Our office strongly recommends PHA staff as well as staff of the responsible entity to attend this training.

Environment Laws and Regulations:

TITLE 24--HOUSING AND URBAN DEVELOPMENT

PART 58_ENVIRONMENTAL REVIEW PROCEDURES FOR ENTITIES ASSUMING HUD ENVIRONMENTAL RESPONSIBILITIES--Table of Contents

Subpart D_Environmental Review Process: Documentation, Range of Activities, Project Aggregation and Classification Sec. 58.30 Environmental review process.

(a) The environmental review process consists of all the actions that a responsible entity must take to determine compliance with this part. The environmental review process includes all the compliance actions needed for other activities and projects that are not assisted by HUD but are aggregated by the responsible entity in accordance with Sec. 58.32.

(b) The environmental review process should begin as soon as a Recipient determines the projected use of HUD assistance.

§ 58.5 Related Federal laws and authorities.

In accordance with the provisions of law cited in § 58.1(b), the responsible entity must assume responsibilities for environmental review, decision-making and action that would apply to HUD under the following specified laws and authorities. The responsible entity must certify that it has complied with the requirements that would apply to HUD under these laws and authorities and must consider the criteria, standards, policies and regulations of these laws and authorities. (a) *Historic properties.* (1) The National Historic Preservation Act of 1966 (16 U.S.C. 470 *et seq.*), particularly sections 106 and 110 (16 U.S.C. 470 and 470h-2). (2) Executive Order 11593, Protection and enhancement of the Cultural Environment, May 13, 1971 (36 FR 8921), 3 CFR 1971-1975 Comp., p. 559, particularly section 2(c). (3) Federal historic preservation regulations as follows: (i) 36 CFR Part 800 with respect to HUD programs other than Urban Development UDAG. (4) The Reservoir Salvage Act of 1960 as amended by the Archeological and Historic Preservation Act of 1974 (16 U.S.C. 469 *et seq.*), particularly section 3 (16 U.S.C. 469a-1). (b) *Floodplain management and wetland protection.* (1) Executive Order 11988, Floodplain Management, May 24, 1977 (42 FR 26951), 3 CFR, 1977 Comp., p. Action Grants (UDAG); and (ii) 36 CFR part 801 with respect to 117, as interpreted in HUD regulations At 24 CFR parts 55, particularly section 2(a) of the order (For an explanation of The relationship between the decision-making Process in 24 CFR part 55 and This part, see § 55.10 of this subtitle A.) (2) Executive Order 11990, Protection Of Wetlands, May 24, 1977 (42 FR 26961), 3 CFR, 1977 Comp., p. 121, particularly Sections 2 and 5. (c) *Coastal Zone Management.* The Coastal Zone Management Act of 1972 (16 U.S.C. 1451 *et seq.*), as amended, particularly section 307(c) and (d) (16 U.S.C. 1456(c) and (d)). (d) *Sole source aquifers.* (1) The Safe Drinking Water Act of 1974 (42 U.S.C. 201, 300(f) *et seq.*, and 21 U.S.C. 349) as amended; particularly section 1424(e)(42 U.S.C. 300h-3(e)). (2) Sole Source Aquifers (Environmental Protection Agency—40 CFR part 149). (e) *Endangered species.* The Endangered Species Act of 1973 (16 U.S.C. 1531 *et seq.*) as amended, particularly section 7 (16 U.S.C. 1536). (f) *Wild and scenic rivers.* The Wild and Scenic Rivers Act of 1968 (16 U.S.C. 1271 *et seq.*) as amended, particularly section 7(b) and (c) (16 U.S.C. 1278(b) and (c)). (g) *Air quality.* (1) The Clean Air Act (42 U.S.C. 7401 *et seq.*) as amended; particularly section 176(c) and (d) (42 U.S.C. 7506(c) and (d)). (2) Determining Conformity of Federal Actions to State or Federal Implementation.

Public Housing Energy Conservation Clearinghouse

Public and Indian Housing (PIH) Allows Housing Agency Energy Procurements through the ENERGY STAR Quality Quotes Website

process for purchasing energy-saving products through the Department of Energy's 'ENERGY STAR Quantity Quotes' website. By purchasing energy-saving products through the website, Housing Agencies (HAs) can reduce their processing costs and improve their purchasing timelines. PIH has determined that this procurement method is in compliance with 24 CFR 85.36 and the Procurement Handbook.

The new process allows HAs to submit anonymously product requests and receive responses from vendors. HAs interested in making a purchase can contact a supplier and directly negotiate discounted prices.

The readily available products may be purchased in bulk quantities and include ENERGY STAR qualified light bulbs, light fixtures, clothes washers, dehumidifiers, dishwashers, refrigerators and room air conditioners.

Energy Performance Contracting

Energy Performance Contracting (EPC) is an innovative financing technique that uses cost savings from reduced energy consumption to repay the cost of installing energy conservation measures. Normally offered by Energy Service Companies (ESCOs), this innovative financing technique allows building users to achieve energy savings without up front capital expenses. The costs of the energy improvements are borne by the performance contractor and paid back out of the energy savings. Other advantages include the ability to use a single contractor to do necessary energy audits and retrofit and to guarantee the energy savings from a selected series of conservation measures.

EPC Guidebook

A Guidebook was developed in 1992 to outline energy performance contracting by Public Housing Agencies and Indian Housing Authorities (PHAs and IHAs). It defines how performance contracting may be done in accordance with regulations governing HUD's Performance Funding System for Public and Indian Housing.

Energy Performance Contracting for Public and Indian Housing

Energy Performance Contracting is an innovative financing technique that uses cost savings from reduced energy consumption to repay the cost of installing energy conservation measures. Normally offered by Energy Service Companies (ESCOs), this innovative financing technique allows the capture of benefits from energy savings without up front capital expenses on the part of the building owners, since the costs of the energy improvements are borne by the performance contractor and paid back out of the energy savings. Other advantages include the ability to use a single contractor to do necessary energy audits and retrofit and to guarantee the energy savings from a selected series of conservation measures.

This Guidebook was developed to explore and clarify the use of energy performance contracting by Public Housing Agencies and Indian Housing Authorities (PHAs and IHAs). It defines how performance contracting may be done in accordance with regulations governing HUD's Performance Funding System for Public and Indian Housing. The Guidebook begins with an explanation of energy conservation incentives available in HUD's Performance Funding System. It continues with a general description of performance contracts, HUD procurement requirements, and step-by-step guidance for contractor selection, negotiation and monitoring. You can view the Guidebook at www.huduser.org click on Publications. It covers many of the EPC basics, but for the current, standardized procedures go to the 2005 protocol.

Role of Energy Conservation in the Transition to Asset Management

The upcoming transition to Asset Management will align public housing with operations and management models commonly found in private housing to increase profitability and managerial flexibility. PHAs manage real estate assets. Reducing PHA operating costs improves profitability ratios, which equates to increasing the asset value of the property. Increased asset value translates into better quality housing for tenants to live in and for PHAs to manage.

Energy conservation and energy efficiency go hand and glove with asset management. Utility costs account for 23% of PHAs operating expenditures, which make energy and water conservation important tools for controlling these costs at the property level. Utilities are property based. Tracking and monitoring utilities at the property level will enhance the PHA's capacity to control energy and water consumption and related costs.



Accessibility Requirements During Modernization. Is your agency in compliance with Section 504?

Background

On June 2, 1988, the Department issued the implementing regulations for the Rehabilitation act of 1973 under 24 CFR Part 8. The provisions under 24 CFR Part 8.25 required that by July 11, 1992, each PHA identify, on a PHA wide basis, all physical obstacles in the PHA's facilities that limit the accessibility of its programs to individuals with disabilities. The results of this analysis were to include, on a PHA wide basis, the minimum percentage that would be required to meet the actual needs of residents with disabilities. All activities required by this analysis were to be included in a transition plan that was to be completed in 1994.

It should be noted that the original implementation of the needs assessment/transition plan did not establish a minimum percentage of accessible units at each development. Instead, the agencies were to provide accessible units at the level of actual needs, on a PHA wide basis. In some cases, the needs were less than the minimum level of 5% that was established in the new construction and rehabilitation section of the Regulations at 8.22 and 8.23. Once the initial PHA wide units were completed in accordance with the needs assessment, PHAs were then required to complete additional units, at the 5% minimum level, at all new developments and at each community that received modernization funding.

Modernization Program Requirements

Public Housing Agencies that conduct modernization activities are required to meet the requirements of 24 CFR 8.23. Under this paragraph, depending on the level of modernization activity, PHAs are required to make, at a minimum, 5% of units accessible for mobility impairments and 2% accessible for hearing and vision impairments. In general, if you complete substantial alterations (greater than 75% of replacement value), then the Authority must provide *fully* accessible units to these minimums (24 CFR 8.23(a)). In those instances where the PHA conducts modernization activities at less than 75% of replacement cost, the PHA is required to make 5% of the units fully accessible or replace 100% of the elements being modernized with accessible elements.

Regulatory Guidance

Public housing agencies should familiarize themselves with Notice PIH 2006-13(HA), which explains PHA obligations for compliance with pertinent laws and implementing regulations that provide for nondiscrimination and accessibility in Federally funded housing and non-housing programs for people with disabilities. The Authority should note three important items explained in this notice:

- The Uniform Federal accessibility Standard (UFAS) is the standard for the design, construction, and alteration of dwelling units and common areas.
- Each sleeping area and bathroom in accessible dwelling unit must be on an accessible route with fully accessible features.
- Accessible alterations must be included in modernization activities as required by 24 CFR 8.23(b)(2).

The following pertinent references are provided:

PIH Notice 1992-11: This Notice was issued on April 3, 1992 and provided guidance to Comprehensive Grant Program (CGP) recipients on compliance with Part 8 requirements. In general, this notice required HAs to give funding priority, in the first year of the CGP, to removal of physical barriers detailed in the Needs Assessment.

PIH Notice 2002-01: This Notice was issued on January 22, 2002 and provides specific guidance regarding Regulatory requirements:

24 CFR 8.22 (a) and (b), New Construction: A minimum of 5% or at least one unit

(whichever is greater) is required for mobility impaired persons. A minimum of 2% or at least one unit (whichever is greater) is required for people with hearing or vision impairments.

24 CFR 8.23(a), Substantial Rehabilitation: If alterations are undertaken to a project that has 15 or more units and the cost of the alterations is 75% or more of the replacement cost of the completed facility, then the provisions of 24 CFR 8.22(a) and (b) for new construction apply.

24 CFR 8.26, Distribution of Accessible Dwelling Units: Requires PHAs, to the maximum extent feasible and subject to reasonable health and safety requirements, to distribute accessible units throughout projects and sites. It also requires units be available in a sufficient range of sizes and amenities so that people with disabilities have a choice of living arrangements comparable to that of other families eligible for assistance under the same program.

Uniform Federal Accessibility Standards (UFAS): The UFAS were published in the Federal Register on August 7, 1984 (49 FR 31528). 24 CFR Part 8.32 establishes the UFAS as the design standard for compliance with Parts 8.21, 8.22, 8.23 and 8.25. PIH Notice 95-48 allowed PHAs to choose between the ADAAG and UFAS as the design standard to be followed.

Smoke Detectors and Fire Safety

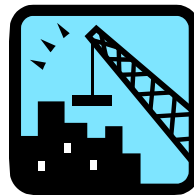
In an effort to make all public housing communities safer, HUD encourages PHA's to adopt policies that ensure all smoke detectors in public housing dwelling units are present and properly working. Notice PIH 99-11 was issued as an effort to protect the health and welfare of residents in public housing. This notice provides guidance to public housing agencies and Section 8 owners on their responsibilities under the Fire Administration Authorization Act of 1992. HUD provides further safety guidance in the "Guide for Implementation of PL 102-522 for Fire Alarm and Automatic Sprinkler Installations."

Many housing authorities have voiced concerns about being penalized because residents disarm smoke detectors in their units. The Department believes that the instances of inoperable smoke detectors can be reduced through adequate PHA inspections, the installation of higher quality smoke detectors, and a resident education program. Notice PIH 99-11 considers the removal of batteries from smoke detectors, by residents, a serious violation of the lease agreement. PHA's should inform all residents that smoke detector violations could result in eviction.

New Asset Management Tools

There are two informative items recently published on HUD's website.

The first item is the project based budget tool, which was developed to aid PHAs in developing individual project based budgets. The provided format is not mandatory, but is offered as general guidance.



Here is the link to access the project based tool.

<http://www.hud.gov/offices/pih/programs/ph/am/fm.cfm>

The second item is the proposed financial data schedule (FDS) prototype under asset management. The proposed prototype for asset management is being made available to assist PHAs in their planning efforts; however, this prototype is still in the development stage and will go through user testing before a final template is implemented. The Department will provide notification to PHAs when the new FDS is finalized.

Here is the link to access the new prototype.

<http://www.hud.gov/offices/pih/programs/ph/am/fds.cfm>

Also as a reminder, much useful information concerning asset management can be found at HUD's website at the following link.

<http://www.hud.gov/offices/pih/programs/ph/am/>

Changes to HUD Handbook 7460.8 REV 2

The Procurement Handbook for Public Housing Agencies; HUD Handbook 7460.8 REV. 2 incorporate, changes in Federal laws, regulations, and other instructions especially in the increase of Federal small purchase threshold. The small purchase threshold increases from \$25,000 to \$100,000 in accordance with revisions to 24 CFR 85.36. It addresses the Department's guidance in support of asset management. Under asset management, purchasing functions are frequently administered by on-site personnel, with appropriate supervision and controls. The revised handbook also provide streamline guidance on the elimination of any required forms for small purchases with the exception of applicable maintenance and construction contracts exceeding \$2,000.00. The use of a simplified contract for construction work not exceeding \$100,000.00 will expedite the construction process. Additionally, PHAs may self-certify that their procurement systems satisfy the requirements of 24 CFR 85.36, eliminating the need for prior HUD approval for most change orders and non-competitive purchases. The handbook also streamlines the cost/price analysis process. The streamlined process eliminates the requirement to conduct a separate cost/price analysis when obtaining products or services of a commercial nature.

Highlights of Changes to 24 CFR Part 58 Environmental

At the HUD Regional Environmental training seminar held in March 2007, two regulation changes were highlighted. They can be noted at 58.22 and 58.5(i)(2): (*1)Section 58.22 clarifies that all project participants are prohibited from undertaking projects or activities pending HUD's approval of the recipient's request for release of funds if the activity or project would have an adverse environmental impact or limit the choice of reasonable alternatives. (*2) Section 58.5(i)(2) states HUD's policy that a project site is free of hazardous materials that could affect the health and safety of the occupants and specifies the criteria necessary in an environmental review to support HUD's policy. HUD requirements does not require an ASTM Phase I analysis, although a Phase I report or equivalent analysis is a possible means for complying with 58.5(i)(2).



Regional Recognition Awards for Affordable Housing

ENERGY STAR offers regional recognition awards for affordable housing organizations that demonstrate outstanding commitment to ENERGY STAR at the local level.

Eligible organizations include the following:

- Organizations that allocated housing funding in 2007 that contributed to the adoption of ENERGY STAR's residential construction guidelines and/or investments in ENERGY STAR products for new or existing housing via public/private standards and policies. This includes state housing finance agencies, local governmental agencies, and affordable housing lenders.
- Organizations that managed large portfolios of affordable housing properties in 2007 that have contributed to ENERGY STAR investments and reduced energy consumption in existing affordable housing. This includes public housing authorities, and asset management companies.
- Organizations that have undertaken project specific or community-based initiatives in 2007 demonstrating innovative use of ENERGY STAR construction guidelines and/or ENERGY STAR products to substantially reduce energy consumption. This includes sponsors of project-specific developments or community activities inclusive of affordable housing developments (multifamily or single family), and neighborhood or community revitalization initiatives.

Regional awards are available within each of the ten federal regions covering every state and the District of Columbia. Winners will be selected by regional representatives from the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Housing and Urban Development (HUD). Winners of a regional award will be honored at local events.

To apply: To be considered for a Regional Recognition Award, follow the application instructions and complete the application form for the [ENERGY STAR Award for Excellence in Affordable Housing](#). Regional award winners will be selected from the same pool of applications as the winner of the ENERGY STAR Award for Excellence in Affordable Housing. Questions about the Regional Recognition Awards can be sent to Brian Ng at ng.brian@epa.gov.

Housing Agencies: “Change a Light” and Save Thousands

How many people does it take to replace a light bulb? About the same number it takes to change the world, according to the Environmental Protection Agency, the Department of Housing and Urban Development, and the Department of Energy’s “Change a Light, Change the World” campaign. Re-launching for the eighth year on October 3rd, the campaign presents an exciting chance for Housing Agencies (HAs) to join millions of Americans nationwide by switching from incandescent light bulbs in their homes to more energy efficient, longer-lasting compact fluorescent lights (CFLs). Thanks to the campaign, an estimated 322,307,388 kWh of energy has been saved so far, equating to \$32,230,739.

A single CFL costs about \$3.00 but lasts almost 12 times longer than its incandescent counterpart, saving an average of \$30.00 over the life of the bulb. Multiplying this by the number of lights in a community reveals the thousands of dollars that HAs nationwide could save.

Indeed, while Housing Agencies have and continue to focus on energy efficient heating and cooling systems, lighting is an area where discretion and awareness can have significant impact on costs. As people plug in an ever-increasing number of electronic appliances, plug load has grown to account for up to 35% of a home’s energy consumption. Incandescent lighting is chief amongst plug load energy culprits; not only is electricity consumed to produce light, but it is also consumed to help cool and remove the heat generated by such lighting. These hidden costs may seem small, but can add up to thousands of dollars over the years. Thus CFLs, which consume less electricity and produce much less heat than their incandescent counterparts, offer an extraordinary chance for people to directly impact and reduce their energy costs.

As October rolls around, some utility companies may be offering discounted or free quantities of CFLs. So if you haven’t already, begin contacting local utilities, HUD field offices, and state energy offices to see if you and your residents can take advantage of these exceptional opportunities. Likewise, ENERGY STAR’s online “Quantity Quotes” service (see Resources) enables you to easily price and bulk order the CFL bulbs that best suit your needs.

Regional Spotlight - “Change a Light, Change the World”

[Cambridge, MA](#) - **The Cambridge Housing Authority distributed 1,200 CFLs to its residents, courtesy of a donation from Constellation New Energy.**

[Memphis, TN](#) - **The City of Covington, TN partnered with HUD and the Tennessee Valley Authority to save \$26,000 by using CFLs.**

[Los Angeles, CA](#) – **The Housing Authority of the City of Los Angeles had residents participate in tree planting and light bulb exchange earlier in the year.**

HUD Partnerships Boost “Change a Light” Campaign Savings

From Maine to Washington, Housing Agencies (HAs) have seen the light! As it happens, that light is coming from an energy efficient compact fluorescent light (CFL). HAs across the country are replacing standard incandescent bulbs with CFLs as part of their commitment to the “Change a Light, Change the World” campaign. They will all save on their utility costs as a result. Some, however, are going to save even more. Why? Because they didn’t have to pay for the bulbs!

How did they do it? They did it by establishing partnerships with municipalities, HUD field offices, state energy offices, and local power companies. Last year, for example, the City of Seattle and City Light, a municipal electric utility, donated four CFLs to each of the 60 units of Vincent House, a senior housing development in Seattle, WA. In Phoenix, to kick off the 2006 campaign, Arizona Public Service donated around 330 CFLs to Paradise Homes, a complex that provides housing for the elderly and disabled.

HUD field offices in Tennessee and Alabama are making the South a hotbed for energy partnerships. At an energy conference last year in Tennessee, representatives from HAs and HUD field offices met with the Tennessee Valley Authority (TVA). Through a partnership that developed between the HUD office in Knoxville and the TVA, the TVA donated more than 3,000 bulbs to HAs in Tennessee. When HUD's office in Birmingham, Alabama got word of this partnership, they initiated their own relationship with the TVA, which has since donated a total of 540 CFLs to HAs in Alabama. The utility savings achieved from these 540 bulbs alone is surprising — adding up to \$14,162. The HUD offices in both states are building on this success by continuing to forge partnerships in their areas.

Developing relationships with municipalities, HUD field offices, state energy offices, and local power companies can lead to partnerships that could be very beneficial to your HA in the future.



Resources

QuantityQuotes.net

A direct link to the Quantity Quotes website

[Change a Light, Change the World](#)

ENERGY STAR's campaign page

For tips on disaster preparedness, check out the following documents from FEMA:

[Best Practices and Case Studies](#)

[Are You Ready? A Guide](#)

"The 3,000 bulbs that went to HAs were a result of building relationships."

Mark Brezina

Field Office Director, Knoxville, TN

Maintenance Corner

Disasters and Emergencies: Are You Ready?



Disasters— both natural and manmade— can cut off energy supplies and destabilize communities; successful planning and prevention can make all the difference. You may wish to develop a comprehensive emergency plan about what your offices need to do in case of a disaster.

Distribute your emergency plans in hard copy to all staff and residents

Develop communication strategies amongst your offices. Each manager and employee should know how and to whom they report information about emergencies

Map and familiarize your offices with the location of all circuit breakers, water and gas tanks, power generators, and other key equipment in your communities

Routinely check smoke detectors, CO alarms, and backup generators to ensure proper functioning

Know your point-of-contact at FEMA, the Red Cross, and other local agencies

Make sure your evacuation plans accommodate elderly and disabled persons. This is especially true for senior communities, where residents are heavily dependent upon such amenities as elevators and heating

Tips for Maintenance Staff



[House Appropriations Committee Report 110-238 to the DEPARTMENTS OF TRANSPORTATION, AND HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS BILL, 2008 \(H.R. 3074\)](#)

TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT SUSTAINABILITY IN HUD'S HOUSING PROGRAMS

“The Committee held several hearings focused on the future direction of housing and transportation policy, and heard a consistent refrain that sustainability, both in the nation’s housing and transportation infrastructure, should be a key component in planning for the future. The Committee firmly believes that the federal government should be a leader in this area, and that a great deal of progress can be made through the Department of Housing and Urban Development.



According to HUD’s own figures, the Department assists more than 5 million renters and homeowners and spends about 10 percent of its total budget, approximately

\$4,000,000,000, in energy costs through its various housing programs. The Committee notes that HUD has made initial steps to improve energy efficiency in its programs, including the adoption of an Energy Action Plan in April 2002. In addition, Section 154 of the Energy Policy Act of 2005 required HUD to implement an integrated energy strategy to improve awareness about energy saving technologies and provide limited incentives for energy efficiency. HUD has also signed a joint partnership with the Environmental Protection Agency and the Department of Energy to promote energy efficiency in HUD's affordable housing programs.

The Committee strongly believes that increased energy efficiency in HUD programs is beneficial to the agency through lowered utility costs. Just as important, however, is the fact that decreased energy costs benefit lower income families and communities served by HUD's programs. In fact, the population assisted through HUD programs can realize significant health, economic and environmental benefits from more sustainable approaches to affordable housing development. However, the Committee is concerned that HUD's energy and environmental initiatives have been largely ineffective because they rely on voluntary actions and provide few incentives for compliance. For example, for the HOPE VI program, HUD currently awards just 1 point for Energy Star compliance out of a total of 125 points. Similar weak incentives are found in other HUD housing programs.

HUD should go beyond voluntary and limited incentives for energy efficiency and incorporate robust green building and rehabilitation standards into its housing programs. Preliminary studies of green affordable housing developments have found a 2 to 4 percent increase in the cost of construction. However, these same studies also report substantial energy and water utility savings for low-income families living in green affordable housing. A recent review found Green Communities homes were 30 percent more energy efficient than traditional homes and that the average household can save hundreds of dollars per year in decreased utility costs. Furthermore, during the Committee's hearings on sustainable communities this year, a reputable green housing developer testified that it takes only 5 to 7 years to repay the increase in green construction costs through long-term operational savings.

The Committee is convinced that the results of initiatives such as the Green Communities program and the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system are increasingly demonstrating that sustainable development can be achieved on a cost effective basis. The Committee notes that a number of states and cities have already incorporated green building criteria into their affordable housing programs. By including strong green building standards into HUD programs, such as HOPE VI, the Committee believes that HUD will be able to better promote sustainable communities and healthy living environments, as well as reduce utility costs for low-income families. Some programs already contain energy efficiency components, which should be utilized, and other programs could find ways to better incorporate green principles. For example, the HOME program statute authorizes funds for technical assistance and capacity development to improve the ability of grantees to incorporate energy efficiency into affordable housing (42 U.S.C. 12782). The Committee urges HUD to investigate the costs of requiring stronger environmental standards in HUD programs; the long-term operational savings to HUD that may result from sustainable capital investments in public housing; and how HUD can better incorporate energy efficiency measures and green building standards into all housing programs, including but not limited to the Community Development Block Grant, HOME, Section 202, Section 811 and HOPE VI programs."

Quantity Quotes - Your Energy Procurements Are Now Faster, Easier and Cost Effective

Gone are the days of piles of paperwork and lengthy phone conversations - Public and Indian Housing (PIH) has just made it easier for Housing Agencies to purchase ENERGY STAR products. If you want to start saving time and money, all you need is access to the internet. QuantityQuotes.net is a website that the Department of Energy created to make it easier for private and public sector customers to find available ENERGY STAR products, make contact with vendors, and negotiate discounted prices. Available products include light bulbs, light fixtures, clothes washers, dehumidifiers, dishwashers, refrigerators and air conditioners. Soon this list will also include commercial windows and HVACs systems.

QuantityQuotes.net

**How it Works
Energy Watch
Survey Coming Soon!**

Submit purchase request to suppliers

There are many benefits to using QuantityQuotes.net. There is no limit to the number of manufacturers and suppliers that participate, which ensures competitive quotes. Within a few days of submitting a product request, you start to receive quotes. With a minimum of three quotes required, you may fulfill your procurement requirements with a few clicks of the mouse.

Interested suppliers respond through website

Be on the lookout for a September survey because we want YOU to tell us about your experiences with ENERGY STAR and the energy audit process.

Follow up with suppliers to arrange purchase

ENERGY STAR products have a wide variety of product specifications and QuantityQuotes.net allows you to request exactly what you need for your development. For example, you can specify the electrical requirements and maximum dimensions of a clothes washer; the lumen output for a light bulb, or the style, finish and wattage of a light fixture. Purchasing products in bulk can be a hassle when you are at the mercy of a vendor's delivery schedule. QuantityQuotes.net, however, allows you to receive deliveries when you are ready. You can even request that a vendor phase product delivery over a period of time and at multiple locations. In addition to ease of procurement, ENERGY STAR products are also a wise investment. The payback period for most products is less than five years. The savings don't stop there - ENERGY STAR products are more reliable and durable than their less efficient counterparts and require less maintenance. They also improve the affordability and marketability of a property. ENERGY STAR products are a great idea for your development, and with QuantityQuotes.net, purchasing them has never been easier.

Housing Agencies are authorized to use the program for most procurement purchasing above \$2000 and below \$100,000 with a minimum of three quotes. If Quantity Quotes provides less than three quotes, then agencies must supplement the difference with additional quotes. PIH has determined that this procurement method is in compliance with 24 CFR 85.36 and the Procurement Handbook. Housing Agencies are required to stay within their state's procurement limits if they are less than the federal limit of \$100,000.

Regional Spotlight - Resident Education Programs

[Wilmington, NC](#) - Resident Councils have financed school supplies and scholarships with \$37,000 earned through the Wilmington Housing Authority's energy incentive program.

[El Paso, TX](#) - The Housing Authority of El Paso organized energy conservation seminars and empowered residents to take charge of their energy bills.

Successful Energy Conservation - It's All About the Residents

If you are trying to save money and conserve energy, look no further than your residents. Resident education programs that involve residents in the planning, construction, and maintenance of Energy Conservation Measures (ECMs) can help you achieve projected savings. These programs also inform residents of the financial benefits that can be realized through energy efficiency.

According to an Energy Service Company industry participant, group and one-on-one training can ensure that residents know how their bills will be reduced and how they should maintain ECMs. At the Tampa Housing Authority, they do just that. The agency provides one-on-one training and counseling to residents who experience high utility bills or want to lower their individual housing costs. Tampa has also encouraged resident involvement – residents of the 17 public housing communities play an active role in the implementation of ECMs. They share energy conservation approaches and work collaboratively to achieve savings.

Resources

[QuantityQuotes.net](#)

A direct link to the Quantity Quotes website

[Overview](#)

[ENERGY STAR Quantity Quotes](#)

[ENERGY STAR Products](#)

A comprehensive list of Energy Star qualified products

[ENERGY STAR's Energy Conservation Tips](#)

Top Ten Tips for Renters

While the focus of ECMs is to generate substantial dollar savings for both the HA and the residents, forward-thinking HAs share ECM job opportunities with the residents. Residents living in Tampa's communities are employed to collect housing monitoring data as well as plan and execute the installation of energy efficient appliances. While bringing economic benefits to residents, these activities also provide residents with a sense of community involvement, which leads to greater incentives to participate in and maintain ECMs in the long term.

"Resident education is critical to the success of Energy Conservation Measures."

- James Bean

**Construction Manager,
The Housing Authority of
the City of Austin**

Maintenance Corner

Be Wise - Top Tips for Conserving Energy

Saving energy and reducing costs can be painless. You can conserve energy and save money by trying the following tips.

Tips for Conserving Electricity:

Reduce the frequency and the amount of time that the refrigerator is open. For summer cool, keep your thermostat at the highest comfortable setting for cooling your home. Turn your lights off when you leave a room. Use your curtains to keep cool by closing them during the day. Consider using a microwave for cooking instead of the oven or stove

Tips for Conserving Water:

Turn the water off when brushing your teeth or shaving. Fill the sink with water for rinsing when washing dishes by hand. Scrape food off dishes into the garbage before washing them. Take a 7-minute shower or less this uses less hot water than a bath. Teach your children to turn the faucets off tightly after each use.

Email us with your Maintenance Corner questions! pheccinfo@helrod.com Getting residents to participate can be easy if you provide the right incentives.

At meetings held by the Housing Authority of the City of Austin, residents became aware of the financial savings and benefits brought about by conservation, as well as the job opportunities that might be available to them through the initiatives. Austin utilizes resident education as part of its goal of reducing the overall cost of utilities by 20-40%.

The implementation of ECMs has evolved into much more than economic and environmental savings for a community. It has also become a great opportunity for HAs to encourage economic independence for their residents.

Tips for Residents

On July 20 Ted Toon, Deputy Assistance Secretary for HUD's Office of Affordable Housing Preservation announced a new initiative providing real incentives for encouraging property owners of HUD-assisted properties to incorporate Green Building principles in multifamily rehabilitation.

The announcement was made in San Francisco at the Green Homes and Sustainable Communities 2007, an annual national Symposium on Green Affordable Housing sponsored by the Enterprise Foundation and Nixon Peabody. This announcement was a highlight of the Conference and is one of the most promising program initiatives to come along in several years.

HUD's Energy Task Force and several of the energy partners we have worked with in Region 9 have assisted Ted and his staff with this initiative.

I have attached a copy of HUD's press release. Below is an outline of how this initiative will work. Some of the operational details for the program are still to be worked out. Please let me know if you have any additional questions.

PROGRAM OUTLINE

Overview: OAHP's Green Initiative Pilot Program is designed to incorporate Green principles into the property rehabilitation required in conjunction with M2M restructuring as well as into the repairs and replacements that are scheduled to occur over the next 20 years of the project's life.

Each property undergoing a M2M restructuring is subject to a Physical Condition Assessment (PCA), a detailed inspection used to identify rehabilitation needs and estimate repair and replacement needs. For projects in the Green Initiative Pilot Program, the PCA scope will be expanded to explore Greening opportunities. OAHP will include as many Green alternatives as the property owner advocates, as the transaction can accommodate, as are appropriate for a specific property, and as OAHP determines are within its statutory authority.

OAHP will establish threshold Green requirements for property owners to qualify for Green Initiative incentives. Beyond threshold requirements, OAHP will not stipulate what elements must be included in any given property, but will rely on its contractor/underwriters (the Participating Administrative Entities or PAEs) and the owner to highlight the opportunities, costs, and benefits of Green alternatives on each subject property.

As an incentive to property owners to "Go Green", OAHP may at its discretion declare the Green replacements to be Significant Additions as that term is defined statutorily, thus reducing the owner's required financial contribution to the rehabilitation costs from the traditional 20 percent to as little as 3 percent of total costs. Upon the owner's assurance that the property management company has a Leadership in Energy and Environmental Design (LEED) Accredited Professional, OAHP may also increase the Incentive Performance Fee (IPF) to support the owner's ongoing maintenance of the Green property.

Eligibility: Owner participation in the Green Initiative is voluntary. Effective immediately, OAHP will offer the Green Initiative to all owners currently engaged in M2M who have not yet executed a Restructuring Commitment, and to all owners entering M2M during the life of the Green Initiative. OAHP may consider a case-specific waiver request if an owner with a Restructuring Commitment wants to participate in the initiative. Owners may choose to undergo a traditional M2M restructuring, but will not be eligible for Green Initiative incentives.

HUD ROLLS OUT GREEN INITIATIVE FOR SOME PROPERTIES

Section 8 pilot to reduce consumption of resources, lower utility costs, and improve indoor air quality

WASHINGTON – The U.S. Department of Housing and Urban Development today rolled out a nationwide pilot program to encourage owners of multifamily Section 8 properties to rehabilitate and operate their buildings using "green building" principles that embody a combination of sustainability, energy efficiency, recycled materials, indoor air quality, and incorporate the healthy housing approach pioneered by HUD's *Healthy Homes Initiative*.

Green building practices are designed to lower utility costs, thereby benefiting taxpayers, property owners, and the residents of the buildings themselves. When rehabilitation is performed in a manner that meets both green and Healthy Housing principles, residents can also benefit through improved indoor air quality, lower risk of pest infestations, lower levels of allergens, and reduced risk of mold-related illness.

The Green Initiative will be implemented on properties within HUD's Section 8 portfolio, specifically properties in the Mark to Market (M2M) Program, administered by HUD's Office of Affordable Housing Preservation (OAHP). Participation in the Initiative will be voluntary for eligible-property owners.

HUD Deputy Assistant Secretary Theodore K. Toon announced the initiative today in San Francisco at the "National Symposium on Green Affordable Housing" sponsored by the Enterprise Foundation and the Institute for Professional and Executive Development.

"The Mark-to-Market" Green Initiative recognizes that the affordable housing industry can make a significant impact in reducing energy consumption and enhancing tenants' living environments." said Brian Montgomery, Assistant Secretary for Housing – Federal Housing Commissioner. "I appreciate the hard work of our Office of Affordable Housing Preservation team that launched this Initiative, and I look forward to seeing the impact(s) of this and similar Green Programs throughout the HUD affordable housing portfolio."

The M2M Program is a unique platform for establishing HUD's Green Initiative because it can be implemented within existing statutes, regulations, and current budget authorities. M2M affords HUD the opportunity to fund these efforts in a representative sample, which is already undergoing rehabilitation.

M2M provides an opportunity to test the impact of green and Healthy Housing principles in the existing HUD-subsidized multifamily inventory, by providing modest incentives to owners and purchasers to perform needed rehab and maintenance using Green alternatives, and to collect ongoing data to validate impacts on utility consumption and indoor air quality.

Currently, under M2M, HUD finances 80 percent of most rehab items, and 97 percent of certain significant additions to the property. Under this initiative, HUD will designate substantially greener materials, appliances, systems, etc. as "significant additions."

As one of HUD's primary housing preservation tools since its creation in 1997, OAHP has restructured over 1,600 projects nationwide through M2M. These projects are privately owned, HUD-subsidized (through Section 8), multifamily properties, with approximately 100 units each, on average. In addition to rehabilitation of properties, M2M also resizes and restructures property debt to account for market rent levels, to pay for rehabilitation and 20 years of estimated repairs and replacements, and to establish a financially viable project for the long term.

LEAD BASE PAINT

In many homes built before 1978, deteriorating lead paint causes lead hazards in dust and soil. Out of every 40 American children has too much lead in his or her body. The threat of lead poisoning is even higher in cities. Dust from lead paint is the biggest threat to young children. Lead poisoning is one of the most serious health threats for children in and around the home. Young children, pregnant women, and pets can ingest this dust and soil and become poisoned.



HUD Lead Regulations

- **Disclosure of known Lead-Based Paint and LBP Hazards (1996) Published jointly with EPA**

Pre-1978 housing

- **Notification, Evaluation and Reduction of Lead-Based Paint Hazards (1999) Covers housing receiving Federal assistance and federally owned housing being sold.**

Revises and consolidates existing HUD regulations

**HUD's 1012/1013 Regulation, 24 CFR 35 B-D, F-M, R, effective
September
15, 2000**

Requirements

- **Lead Hazard control based on program**
- **Required activities vary by type of assistance**
- **Pre-1978 housing receiving HUD or other Federal assistance**
- **Pre-1978 Federally owned housing being sold.**

You can download a copy of the Lead Disclosure pamphlet

www.hud.gov/offices/lead/disclosurerule/index.cfm

1-800-424-LEAD

Publications in Spanish are available by contacting Marilyn G. Patterson, Healthy Homes Coordinator, PIH at Marilyn.G.Patterson@hud.gov or 213-534-2467.

Additional Resources,

National Healthy Homes Information Listing –<http://www.healthy-homes.info/>

USDA-HUD Healthy Home Partnership-<http://www.uwex.edu/healthyhome/>

CDC National Center for Environmental Health-www.cdc.gov/nceh/

EPA Indoor Air Quality- <http://www.epa.gov/iaq/>

EPA Office of Children's Health Protection-www.epa.gov/children/

EPA-www.epa.gov/opptintr/lead

HUD's Office of Community Planning & Development -

<http://www.hud.gov/offices/cpd/energyenviron/environment/resources/contact>

www.espanol.hud.gov

www.hud.gov/lead

National Lead Information Center

- Copies of the regulation (ensure understanding of the regulations)
- 1-800-LEADLIST
- For a packet of materials or questions about lead, call 1-800-424-LEAD.
- Contact HUD regarding Tenants' rights and other housing issues, 800 HUDS-FHA-www.hud.gov/lead

#

HUD is the nation's housing agency committed to increasing homeownership, particularly among minorities; creating affordable housing opportunities for low-income Americans; and supporting the homeless, elderly, people with disabilities, and people living with HIV/AIDS. The Department also promotes economic and community development as well as enforces the nation's fair housing laws. More information about HUD and its programs is available.