Paisano Green Community & the Rental Assistance Demonstration (RAD)

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ABOUT HACEP
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- LARGEST in Texas
- 14th LARGEST in the U.S.
- 2x SAFER than safest large U.S. city - El Paso
- $91 MILLION ANNUALLY into the LOCAL ECONOMY
- $30 MILLION to HOUSING CHOICE VOUCHER PROGRAM landlords
- SAFETY NET for VULNERABLE CITIZENS
ABOUT HACEP

430 Employees

6,100 Public Housing Units

84% built prior to 1980

495 Section 8

New Construction Units

2,400 Tax Credit & Non-Subsidized Units

5,600 Housing Choice Vouchers, including 170 HUD-VASH

40,000 Low-Income El Pasoans

6% of the City’s Population
UNIQUE Capabilities

LARGEST city entity that PROVIDES SAFE, DECENT, and AFFORDABLE HOUSING to families earning ↓30% AMI

AFFORDABLE HOUSING CONSTRUCTED at a COST IN LINE with private developers

SUPPORTING HACEP
PRIVATE INDUSTRY PARTNERSHIPS

FUNDs INVESTED in the CITY'S URBAN CORE

73% of PUBLIC HOUSING FAMILIES are considered EXTREMELY LOW INCOME

OTHER DEVELOPERS can RENT THEIR AFFORDABLE UNITS to only a FRACTION of these families
Net Zero & Fossil Fuels Free Community

73 units of accessible, livable and sustainable elderly housing

Accessory uses - office, security, community rooms(s), laundry room, maintenance, etc

Windmills readily visible from a distance

Decorative LED lighting which is attractive on the outside of the building

Shaded areas which residents can use and enjoy

LEED Platinum and Enterprise Green Communities Certification

Because the Paisano Green Community is Net Zero, it is 35% more efficient than required by LEED Platinum standards.
lessons from the field of design competition

- a vehicle to obtain great design
- multiple design ideas in a short period of time
- engage the experts when assessing talent and ability
well insulated building envelope
  • Roof - R-38
  • Wall - R-24

tight building construction
  • NACH < .1/hr

heat recovery systems
  • HRV/ERV
    • Constant filtered fresh air
    • Necessary for extremely airtight home
    • Low maintenance
    • Very low noise
    • Provides extremely high efficiency heating and cooling
    • Reduces Allergens
    • Reduces Toxins
Air source heat pump water heater

- New technology
- 2 to 3 times more efficient in creating hot water
- Works like a refrigerator in reverse
- Takes air out of the interior space and puts it into water - reducing air conditioning loads

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wind

• 2 horizontal axis turbines
• 10 KW each
• 12’ radius (blade length)
• 60’ tall (rotor)
HERS Score and Energy Consumption

**HERS Home Energy Rating System**

- Typical Existing Home: 150
- Built to IECC 2003 Building Code: 100
- EPA Energy Star & LEED-H Minimum: 90
- Federal Tax Credits (approximate): 80
- Net Zero Energy Home: 0

**Energy Cost**

- Built to code: $625
- Design HERS 37: $317
- Design + PV HERS 10: $8

**Annual Energy Cost for a One Bedroom Flat on the Ground Floor**

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**Housing Authority of the City of El Paso**
**Lifecycle: costs**

This set of graphs shows the result of a discounted net present value analysis of the life cycle costs of the project.

The bar on the left shows the cumulative capital cost and operating costs of the project if designed only to IECC 2003 compliance. The center bar shows the cumulative capital cost and operating costs of the project if the additional place sensitive passive elements are included. The bar on the right shows the cumulative capital cost and operating cost of the project if renewable energy systems are included.

While extra capital funds are expended at the start of the project to include passive design strategies and renewable energy systems, the long-term cost savings from reduced energy consumption are substantial.
phase 1 residential:

**base** residential costs $7.9M $161/sf
including site improvements

**place** sensitive costs $1.9M $39/sf
canopy wall, single loaded structures,
deep south wall, high ceilings

**extend to net zero costs** $1.1M $22/sf
solar photovoltaic system, air source heat pump
water heaters

**total cost** $10.9M $222/sf
Canopy Wall
Tapestry Garden
Kitchen
Living Room
Jewel Box and Wind Turbines
Flats and Tapestry Garden
Paisano Green at Night
On the Horizon
PUBLIC HOUSING NEEDS A NEW SUSTAINABLE MODEL

THE NUMBERS TELL THE STORY
Federal Funding Baseline vs. Actual Appropriation

$11.9 Million Funding Shortfall in Last Two Years Alone.
EL PASO’S IMPENDING HOUSING CRISIS
Machuca: 49 out of 122 units (40%) offline due to asbestos.
Tays: 11 out of 359 units (3%) offline due to structural damage and asbestos.
Kathy White: Crumbling walls.
Eisenhower: Rotting ductwork behind asbestos walls and ceilings.
RAD AS A SOLUTION TO TRANSFORM PUBLIC HOUSING
What is RAD?

RAD
The Rental Assistance Demonstration

60,000 out of 1.3 million total public housing units provided on a first come, first served basis.

Section 9
Public Housing

Section 8
Multi Family

Address the $26 billion backlog in capital improvements across the U.S.

Public housing assets can then leverage those assets to raise significant capital.

40 yrs. Guaranteed sustainable federal revenue

Local PHA

PHAs must use that capital to rehabilitate their units to acceptable standards.
A BETTER, MORE STABLE FUTURE

December 2013

Convert 6,100 housing units through RAD.

LARGEST PHA

to ENGAGE in RAD

10% of the federal allotment
RAD BY THE NUMBERS
RENTAL ASSISTANCE DEMONSTRATION (RAD) PROGRAM

FEDERAL MODEL

Federal Ownership

- Limited Capital Improvement
- Limited Local Control
- Declining Housing Budget

$16 Million Decline
Over 5 Years in Public Housing Operating Subsidies

LOCAL MODEL

Local Ownership

- Opportunity
  - Access to Private Finance Markets
  - Local Control
  - 40 Year Funding Commitment
- RAD Revenue
  - $50 Million Each Year for 20 Years (includes a 1.2% annual operating cost adjustment factor)

OBJECTIVES

- Housing Authority of the City of El Paso
- 9% Low-Income Housing Tax Credits to Improve El Paso
- Public/Private Partnerships
- Low Risk, U.S. Government-based Financing
- Financiably Sustainable Communities

IMPACT/RESULTS

- $500 Million Investment Brought to El Paso
- $1 Billion Local Impact
- 1,000+ Jobs
- 6,100 Revitalized Housing Units

SAFER LIVING CONDITIONS
ENERGY EFFICIENT UPGRADES

$0 No Cost to the Local Taxpayer

RAD is a vital opportunity to avert the pending affordable housing crisis due to the federal government's inability to adequately fund public housing across the United States. The Rental Assistance Demonstration (RAD) is a voluntary program of the Department of Housing and Urban Development (HUD). RAD seeks to preserve public housing by providing Public Housing Agencies (PHAs) such as the Housing Authority of the City of El Paso (HACEP) with access to more stable funding to make needed improvements to aging properties.
WE CAN DO IT.

AFTER ALL...

WE’VE DONE IT BEFORE!
HACEP’s Successful Revitalization Record

- HACEP has a successful track record of revitalizing distressed neighborhoods.

1. **Paisano Green Community (2009-2012)**
   - 4000 East Paisano Drive 79905
   - $15 million

2. **Alamito Community HOPE VI (2005-2010)**
   - 509 South St. Vrain (Segundo Barrio)
   - $58 million

   - 400 South Zaragoza 79907
   - $38 million

   - 12019 Sarah H. Circle 79938
   - $22 million funded in part by 9% tax credits.
Paisano Transformation

2010

Housing Authority of the City of El Paso

2012
PREPARING FOR RAD’S SUCCESS
HUD Approval to Convert to RAD:
- December 16, 2013

First Tranche (Phase I Construction):
- Rehabilitation of 2,053 units – January 2015 to January 2017

Second Tranche (No Construction):
- Conversion without rehabilitation of 301 units – December 2014 (Alamito, Paisano Green, Montwood)

Third Tranche (Phase II Construction):
- Rehabilitation of 2,794 units – January 2017 to January 2019
HOW RAD BENEFITS
EL PASO
Benefits to El Paso

+1,000 JOBS

MIXED-INCOME & MIXED-USE neighborhoods

NO COST to local taxpayers

NEW residences will feature GREEN ENERGY efficiency

6,346 REVITALIZED PUBLIC HOUSING UNITS

Aligned with STRATEGIC HOUSING OBJECTIVES outlined in Plan El Paso 2012
A successful RAD initiative is dependent on a strong partnership between HACEP and the City of El Paso to secure 9% Low Income Housing Tax Credits (LIHTC) from the Texas Department of Housing and Community Affairs (TDHCA).

This commitment will ensure a $500 million infusion of capital into El Paso, *at no cost to local taxpayers*, that will translate into more than $1 billion of economic impact and create 1,000+ jobs.
for supporting HACEP in this critical opportunity to revitalize local public housing while bringing $500 million of investment to El Paso!

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