

April 26, 2012

California Energy Commission **Attention: Docket No 12-BSTD-1 Docket Office** 1516 Ninth Street, MS-4 Sacramento, CA 95814

**DOCKET** 

12-BSTD-1

DATE APR 26 2012

RECD. MAY 22 2012

Re: Docket No 12-BSTD-1

> Comments of the California Housing Partnership Corporation on the Initial Study and Proposed Negative Declaration of the Proposed 2013 Revisions to the California Buildings Energy Efficiency Standards and Green Building Standards Code [Title 24]

To Whom It May Concern:

The California Housing Partnership Corporation (CHPC) respectfully submits these comments in response to the Initial Study and Proposed Negative Declaration of the Proposed 2013 Revisions to the California Buildings Energy Efficiency Standards and Green Building Standards Code.

CHPC is a statewide nonprofit organization dedicated to assisting nonprofit and government housing agencies to create, acquire, green, and preserve housing affordable for lower-income households, while providing leadership on housing preservation policy and funding. CHPC is also the convener of the Green Rental home Energy Efficiency Network (GREEN), a coalition of over 35 organizations committed to increasing access to energy efficiency resources for low income residents of multifamily rental properties in California and ensuring that publicly assisted properties serving the state's lowest income households receive an equitable distribution of these resources.

While CHPC appreciates the scope of the Energy Commission's proposed 2013 building standards and the importance of using the update to Title 24 standards to reduce energy consumption and thereby green house gas (GHG) emissions, we want to bring two issues to the CEC's attention that we believe will negatively impact the development and preservation of low income affordable housing in parts of California:

The proposed standards appear to have a built-in bias against buildings without air **conditioning.** By comparing a proposed building that does not need air conditioning to an idealized model that has air conditioning, the standards do not give "credit" to buildings in which cooling is truly not required, which is typically the case in coastal California. This has led to the need to use more efficient hydronic systems to provide heat, which drives up the cost of developing affordable housing.

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The proposed standards fail to account for the size of units and the number of people likely to occupy the unit, thereby penalizing smaller units developed by affordable housing developers and forcing them to spend substantially more on expensive advanced energy technologies. By focusing on the assumed greatest load demand of the unit rather than the number of likely occupants, the proposed standards have the effect of making it harder to comply for units with greater "people density", when these units may be consuming less energy on a per person basis. All of the state's housing agencies (TCAC, CDLAC, HCD, CalHFA) have data both on unit sizes and on the number of actual occupants that would demonstrate the inaccuracies of the standard's assumptions on these two points.

While neither of these issues is unique to low income housing developers, increased development costs, even when weighed against prospective energy savings or avoided energy costs, have a greatly magnified impact on state regulated, rent-restricted low income housing. With shrinking sources of capital such as redevelopment agency funds, affordable housing production is likely to decline sharply over the next decade. Since the purpose of affordable housing is to provide rents at below market rate, affordable housing cannot maximize ongoing revenue through increased rents, unlike market-rate housing. Combined with CTCAC requirements to exceed Title 24 standards by 15 percent (10% for rehabilitation), the increased cost of meeting the increased standards will have a significant negative impact on affordable housing production, which we don't believe is the CEC's intent.

CHPC urges the CEC to work with us and other affordable housing stakeholders to address these issues before they become a critical impediment to the development of low income housing. Please contact CHPC Sustainable Housing Policy Manager, Ross Nakasone, at <a href="mailto:rnakasone@chpc.net">rnakasone@chpc.net</a> or 415-433-6804 x 310 with any questions or concerns about this letter.

Sincerely,

Matt Schwartz President & CEO