

To: Community Members

From: Terry Nash Giovannucci, Community Engagement Manager



Date: July 28, 2020

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**RE: Public Comments received during the spring public comment period with respect to the 2020 Low-Income Housing Tax Credit program Qualified Allocation Plan (QAP)**

Background: At its meeting on May 28, 2020, the CHFA Board of Directors authorized a public hearing and associated public comment period to receive stakeholders' views on proposed revisions to the 2020 QAP.

Responses: A summary of all comments received immediately follows this cover memo, which is then followed by submitted written public comments in their entirety. The audio of the recorded public hearing, which took place on June 17, 2020 may be found at [www.chfa.org](http://www.chfa.org).

Questions, if any, may be directed to Terry Nash Giovannucci, Community Engagement Manager at [terry.nash@chfa.org](mailto:terry.nash@chfa.org).

To listen to audio recording of public comments go to:  
<https://www.chfa.org/about-us/chfa-audio-video-publications/>

**2020 Application Year Qualified Allocation Plan - Public Comments Summary**

	Respondent	Role/Title	Affiliation/Representing	Comment
1	Charlie Adams	Regional Vice President (developer)	Pennrose	<p>Reinstate points for Passive House in 2020 QAP as investment has already been made in this sustainable design measure, Passive House is the gold standard in sustainable design and is not equal to LEED Multifamily Silver or National Green Building Standard 2015 Silver; Costs for sustainability design measures, particularly PH should be removed from cost effectiveness calculations; Urges CHFA to make the QAP more flexible to account for the unique characteristics of each project and the needs of the communities we are trying to serve; Reduction of 6 pts favors opportunity areas over urban areas; Provides recommendations including providing 20% at 50% AMI units on qualified (not total) units; expanding TOD criteria; Seeks clarification on Affordability Commitment; Recommends industry input on CHFA design and underwriting standards.</p>
2	Edith Allison	Citizen (Storrs)		<p>Opposed to changes in QAP that reduce incentives for sustainability in construction</p>
3	Lois Arena	Citizen (Fairfield) and Director Passive House Services	Steven Winter Associates	<p>Strongly supports including both LEED for Homes and Passive House standards in the QAP; Recommends the maximum points for Sustainable Design (Section 2, Item f) in the 2020 QAP be increased from 7 (allowed in the 2019 QAP) to 8 points as follows:</p> <p>Retain the additive structure in the 2019 QAP.</p> <p>1 point for solar photovoltaic system at the increased stringency as proposed (50% site and common area</p>

**2020 Application Year Qualified Allocation Plan - Public Comments Summary**

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			<p>energy demand, increased from 33% in 2019 QAP).</p> <p>Retain the Passive House Design category, where third party net zero certification program will earn 3 points. These programs include any certifications through PHI and PHIUS programs, EPA Zero Energy Ready Homes, or Zero Energy certifications.</p> <p>Retain 1 point awarded to the two most cost-effective Passive House projects.</p> <p>Adjust High Performance Design category to award 2 points for projects qualified for LEED for Homes or LEED Multifamily Midrise v.4 Silver, or National Green Building Standard 2015 Emerald.</p> <p>Concerned about cost burden of tenants and high utility costs, PH is a solution – give more points to PH</p>
4	Max Ballardo	Citizen (Hamden) and Architect	<p>Supports CTPH position statement, strongly opposed to the proposed reductions in overall points for the sustainable design section, and instead, would like to see CHFA consider additional points for both Passive House and Zero Energy; Supports retaining the additive structure of the 2019 QAP which allocated more points to those higher performing standards, specifically Passive House and offer additional point for renewable energy</p>
5	Alysson Blackwelder	Project Manager	<p>U.S. Green Building Council</p> <p>Retain the proposed addition of LEED certification as an acceptable option for compliance to receive the competitive points under Sustainable Design Measures; increase (not decrease) points for sustainability ideally to 8 or</p>

**2020 Application Year Qualified Allocation Plan - Public Comments Summary**

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				10, at minimum retain current 2019 points structure
6	Kenneth Boroson	Architect	Kenneth Boroson Architects	Opposes the reduction in points for Passive House; recommends increase in PH points to achieve 2030 and 2050 sustainability goals and believes it is short sighted to cut the incentives
7	Lewis Brown	Executive Vice President (developer)	Vesta Corporation	Supports points reduction in hard costs and 90% drawings; Opposed to hard cap on credits, request that the LIHTC cap revert to 20% of the population component of the State housing credit ceiling; Supports inclusion of housing for all ages, and opposed to exclusion of age-restricted housing; opposed to family criteria in opportunity category; sustainability points should line up with associated cost and value and currently they do not. Overall, believes themes of deep income skewing and minimal utilization of 9% credits are fundamentally in conflict with one another without compromising construction quality
8	Nicole Burger	Certified Passive House Consultant and HERS Rater		Urge CHFA and DOH to place more emphasis on sustainability and creating healthier buildings by allocating additional points for the Passive House Standard as a path to Net Zero; concerned about major changes to QAP in sustainability that weaken energy efficiency
9	Karla Butterfield	Citizen (New London) and Sustainability Director	Steven Winters Associates	Strongly supports the inclusion of both LEED for Homes and Passive House standards in QAP; Supports increase to 8 pts for sustainability incentive and proposes point structure
10	Gina Calabro	Executive Director	American Institute of Architects-CT	Strongly recommend maintaining the same number of overall achievable points for Sustainable design

**2020 Application Year Qualified Allocation Plan - Public Comments Summary**

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			and maintaining incentives for Passive House Standards as a separate category, not an alternative option in the QAP; Maintain, at a minimum, the existing number of possible points for Sustainable Design at 7 points and consider increasing points instead.
11	Philippe Campus	Architect	Opposed to proposed changes to QAP Passive House measures which will have a negative impact (higher costs in maintenance and operations) and lower energy efficiency; Passive House not the same as other sustainability measures and allows for more that energy efficiency alone - occupants can shelter (survive) safely in place, PH provides unmatched health and indoor air quality
12	Edward Connelly	President	New Ecology, Inc. Strongly opposed to points reduction in sustainability measures; Revert to prior points structure and cumulative 7 pts; offers feedback for sustainability measures criteria and seeks predevelopment incentive funding for this work
13	Rachana Crowley	Director of Real Estate Development	The Community Builders Recommend considering a 'set-aside' or a cap on high opportunity projects, similar to the way that Public Housing projects are managed in the competitive 9% LIHTC process; Partner with the Department of Housing to offer additional rental or operating subsidies; Recommend improvements to the 4%/9% Hybrid Financing Structure; Provide clarity on Senior Housing priorities as this remains a great need
14	Sara DeVico	Green Building Services Manager	Building Efficiency Resources Supports inclusion of LEED and Enterprise Green Communities in sustainable design measures and provides suggestions on

**2020 Application Year Qualified Allocation Plan - Public Comments Summary**

	Respondent	Role/Title	Affiliation/Representing	Comment
				allowances for HERS ratings in various construction/building types
15	Sheri Dieso	Architects	Bryant Dieso LLC	Urge continued commitment to sustainability; offer points for training; increase sustainability points especially for Passive House
16	Kate Doherty	Citizen (Norwalk) Business Systems Analyst and Passive House Consultant	Steven Winter Associates	Strongly encourage continued commitment to sustainability with continued inclusion of Passive House standards, inclusion of both LEED for Homes and Passive House standards in QAP; Supports increase to 8 pts for sustainability incentive and proposes point structure
17	Alicia Dolce	Builder	CT Passive House Board of Directors	Opposed to points reduction and groupings of measures in sustainability category; Supports continued inclusion of additive points structure (as in prior QAP) and points for renewable energy to achieve Zero Energy
18	Shenae Draughn	Senior Vice President	The Glendower Group	Recommends increase in points for family developments; Recommends amending opportunity characteristics category to include urban areas with considerable public and private investment; Supports decreasing points for 90% drawings and sustainable design measures
19	Samantha Dynowski		Sierra Club of Connecticut	Urge CHFA to increase not decrease points for sustainable design measures, as well as set a requirement for tax credits to go only to energy efficient, net-zero, all-electric, zero embodied carbon designs.
20	Deane Evans	Citizen (Norwalk) and Architect	Fox Run Productions	Opposed to changes in QAP that reduce incentives for sustainability in construction Supports Multifamily Housing Green Peer-to-Peer Network proposal that CHFA and DOH defer implementation of major changes to the sustainable design section of QAP until

**2020 Application Year Qualified Allocation Plan - Public Comments Summary**

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				2021 and that taskforce is convened to develop appropriate high-performance standards and incentives and identify Best Practices
21	Linda Feller	Citizen (Tolland)	Retired Professor Emeritus St Joseph University, West Hartford	Support the Multifamily Housing Peer to Peer Network position on the 2020 QAP; does not support changes that reduce incentives for sustainable construction
22	William Freeman	Citizen (Guilford) and Design Builder	Celebration Development Group, LLC	Opposes dramatic changes in QAP that reduce sustainability points and place Passive House on par with measures of a lesser standard; return to a stronger incentive for PH
23	Bryan Garcia	President	CT Green Bank	Urges CHFA to retain the 2019 QAP point structure for Sustainability, defer implementation of major changes to the QAP until 2021 and continue to incrementally increase incentives for passive house, sustainable and high-performance buildings for at least 5 years; offers assistance in developing sustainable design measures
24	Jonathan Gottlieb	Vice President (developer)	Charter Oak Communities and Rippowam Corporation	Supports additional incentives for preservation; appreciates and agrees with the reduction in ranking points available for Cost Effectiveness, 90% Plans, and Sustainable Design; opposed to weight afforded opportunity category; opposes new language in 4% LIHTC section that appears to unfairly constraint on the selection of a project lender
25	Joanna Grab	Citizen (Tolland) and Senior Sustainability Consultant	Steven Winters Associates	Strongly supports the inclusion of both LEED for Homes and Passive House standards in QAP; Supports increase to 8 pts for sustainability incentive and proposes point structure; lenders assume greater utility expense than is

**2020 Application Year Qualified Allocation Plan - Public Comments Summary**

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				realistic when Passive House is
<p>26 27 28 29 30 31 32  33 34 35 36 37  38  39 40 41</p>	<p><b>GROUP RESPONSE:</b>  Dara Kovel Helen Muniz Jonathan Gottlieb Steve Kominski Karen Dubois Walton John McClutchy Lou Trajcevski  Bart Mitchell, Charlie Adams Aaron Gornstein, Kenan Bigby George Howell  Carol Martin  Adam Stein Lewis Brown, Andrea Ketchmer</p>	<p>Group of developers, owners, and property managers</p>	<p>Beacon Communities The Carabetta Companies Charter Oak Communities Dakota Partners Elm City Communities JHM Group Newcastle Housing Ventures The Community Builders Pennrose POAH Trinity Financial West Hartford Housing Authority Westport Housing Authority Winn Companies Vesta Corporation Xenolith Partner</p>	<p>Consider timing of announced changes to QAP and telegraph one year earlier; recommend CHFA consider forward allocating at least an additional 50% of next year's cap; Opposed to \$1,500,000 Cap on LIHTC Allocation; Strongly suggest that the LIHTC cap revert to 20% of the population component of the State housing credit ceiling for this upcoming round; recommend that CHFA consider a more balanced approach to balancing urban redevelopment and development in High Opportunity Areas- particularly in light of the changes in the QAP reducing points for 90% drawings and sustainability measure as well as cost effectiveness making the difference between high opportunity areas and urban areas that much greater since there will be fewer ways to increase points for an urban project; New TEB language at Section IV (d) unclear and appears to required CHFA to be the lender-this could have negative consequences with lender and investor communities; Request that 20% at 50% AMI units be based on qualified units as opposed to total units; suggest modelling CHFA hybrid program after MA program. Specific recommendations: · More encouragement for transit-oriented development (pursuant to a more level playing field mentioned above)  · Discussion of the benefits of the Cost</p>

**2020 Application Year Qualified Allocation Plan - Public Comments Summary**

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			<p>Effectiveness and Credits per Bedroom points and other potential changes that focus on cost that lead to a “race to the bottom” which only creates deals that are financially infeasible or of poor quality</p> <ul style="list-style-type: none"> <li>· Revisiting the overall discouragement for age restricted housing in the QAP</li> <li>· Deep income targeting, ie. 25% AMI units, should be accompanied by rental assistance (as it is in MA). Units at this level of affordability hinder projects feasibility, often creating negative debt coverage trending, requiring more State subsidy and boding poorly for a project financial health over time.</li> <li>· Director’s pick (one high priority project that fails to achieve the points necessary to be awarded in the round, but meets other State priorities in the opinion of the CEO or Board of CHFA)</li> </ul>
42	Peter Haberlandt	Senior Legal Counsel	<p>Open Communities Alliance</p> <p>Reiterated strong recommendation that CHFA rewrite the QAP to meet the state’s fair housing obligations; resubmits prior letters recommending several changes designed to increase awards to higher opportunity area developments: adopt 60/40 buckets and Kirwan map; forward allocate to support zoning challenges; increase scrutiny of community revitalization plans</p>
43	Peter Harding	Vice President and Certified Passive House Consultant	<p>MaGrann Associates dba Home Energy Technologies</p> <p>Recommends clarification for for Options 1 &amp; 2 in 2.f Sustainable Design; Describes inequity of Scoring Points in 2.f Sustainable Design that proposes reduced points for Passive</p>

**2020 Application Year Qualified Allocation Plan - Public Comments Summary**

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				House, recommends increasing points for Passive House option; Recommends timing of QAP be revised to permit greater time to react- The design cycle for buildings is typically 6-9 months, yet the final 2020 QAP will not be issued until 3-4 months before applications are due. Suggests timing remedy; announce 2021 changes now.
44	Sara Dodson Holmes	Architect and Certified Passive House Designer	Wyeth Architects	Strongly in favor of increasing the incentive points for Passive House in the upcoming 2020 QAP to encourage high quality buildings for the sector of the population who would most benefit from affordable utilities and healthy buildings
45	Paul Keyes	Development Specialist	Greenleaf Energy Solutions	Energy costs highest in nation; urge greater incentive for sustainability design measures
46	Dara Kovel	CEO	Beacon Communities	Oppose hard cap on LIHTCs, suggest the LIHTC cap revert to 20% of the population component of the State housing credit ceiling for 2020; Propose that the SSHP points not be tied to a LIHTC cap and instead allow the SSHP projects to be evaluated on their merit in other categories; Reducing points in 90% plans and specs should be implemented in 2021, money has already been invested; Similarly, money has already been invested in PH design and reducing points will disadvantage current applicants. Suggest Passive House be worth 6 points in this category and that the costs associated with the work are considered "extraordinary costs" under the Technical Services cost review. Propose CHFA simplify its hybrid

**2020 Application Year Qualified Allocation Plan - Public Comments Summary**

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				<p>requirements and require that hybrid financing deals demonstrate a plan for independent financing and ownership and provide a letter from tax counsel corroborating that the proposed structure will comply with IRS regulations Recommend that CHFA forward allocate at least 50% of 2021 credits in order to mitigate COVID-19 related economic losses; Request calculation of 20% at 50% AMI be calculated on qualified units not total units.</p>
47	Andrea Kretchmer	Principal	Xenolith Partners LLC	<p>Supports that 90% drawings are not being so heavily incentivized, as that is an expensive hurdle to overcome for a small developer; opposes the \$1,500,000 LIHTC Allocation cap as projects are already too far in development to be feasible with this limitation; Strongly suggests LIHTC cap revert to 20% of the population component of the State housing credit ceiling for this upcoming round. The cap could be revisited in the future for deals that have not yet been planned.</p>
48	Jake Littman	Citizen (Jamestown, RI) and contractor	Seal Tight Energy Solutions	<p>Supports Passive House and zero energy design; retaining the additive structure of the 2019 QAP which allocated more points to those higher performing standards, specifically Passive House.</p>
49	Michael Luzier	President, CEO	Home Innovation Research Labs	<p>Commends CHFA for recognizing the NGBS, as its flexibility and affordability make it well-suited for affordable housing construction; request that CHFA requires evidence of third-party rating/certification, as opposed to a statement from and energy consultant or engineer.</p>

**2020 Application Year Qualified Allocation Plan - Public Comments Summary**

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50	Maureen Mahle	Citizen (Norwalk) and Managing Director	Steven Winter Associates	Plea to emphasize healthy, durable and energy efficient green buildings; Strongly supports the inclusion of both LEED for Homes and Passive House standards in QAP; Supports increase to 8 pts for sustainability incentive and proposes point structure
51	Todd D. McClutchy	Developer	JHM Financial Group, LLC	Recommends retaining 90% drawings points at 3 and adding new points category for subsequent phases of a previously awarded public housing preservation/rehabilitation development to ensure they are awarded and completed – provides suggested language for new 10 points category
52	Thomas Meehan	Citizen (Wallingford) and Architect	Thomas Meehan Architect	Supports CTPH position; strongly opposed to the proposed reductions in overall points for the sustainable design section, and instead, supports additional points for both Passive House and Zero Energy. Retain the additive structure of the 2019 QAP which allocated more points to those higher performing standards, specifically Passive House
53	Peter Millman		Eastern CT Green Action People's Actions for Clean Energy	Supports Net Zero Energy building design/development; mentioned Mansfield and Manchester towns implementing NZE in its new schools; effective use of taxpayer money to invest in sustainable design measures
54	Thomas O. Moore	Building Systems Analyst	Steven Winters Associates	Strongly supports the inclusion of both LEED for Homes and Passive House standards in QAP; Supports increase to 8 pts for sustainability incentive and proposes point structure
55	Mary Moran	Citizen (Greenwich) and volunteer environmental steward		Supports CTPH position; strongly opposed to the proposed reductions in overall points for the

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				sustainable design section, and instead, supports additional points for both Passive House and Zero Energy. Retain the additive structure of the 2019 QAP which allocated more points to those higher performing standards, specifically Passive House
56	Helen Muniz	Developer	Carabetta Companies	Suggest reducing either the soft funding provided or the LIHTC provided; hold on Passive House until cost saving data is available
57	Susan Bridgewater Odell	Architect, Certified Passive House Consultant	Multifamily Housing Green Peer-to-Peer Network	QAP is important to provide healthy, comfortable, energy-efficient housing that will play a pivotal role in meeting the state's mandated climate goals to decarbonize and increase the resiliency of our building stock; scope of changes to major and disruptive at this time (COVID-19) and should be postponed until 2021; proposes task force to consider best practices and offers assistance in this endeavor (Eversource planning to replicate MassSave in CT).
58	Karen Patriquin	Architect	Patriquin Architects	Public Hearing: Urges increase incentives for sustainable design, and to maintain Passive House design as a separate category; Passive House best means to achieve Net Zero and states 2030 and 2050 energy efficiency goals
59	George Penniman	Architect	George Penniman Architects	Opposed to reduction in incentive for Passive House Design; urges support for energy efficiency measures in accordance with state goals
60	Jeannette Penniman	Citizen (New Haven) and Architect	Patriquin Architects	Urges increase, rather than decrease, the current points available for sustainable design, and to maintain Passive House design as a separate category.

**2020 Application Year Qualified Allocation Plan - Public Comments Summary**

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61	Wayne Pipke	Citizen (Rocky Hill)	Supports CTPH position and zero energy building design
62	Paul Pizzo	Citizen (Middlefield) President and Architect	Landmark Architects Strongly supports Passive House design; Supports CTPH position statement, strongly opposed to the proposed reductions in overall points for the sustainable design section, and instead, would like to see CHFA consider additional points for both Passive House and Zero Energy
63	Charles Rothenberger	Attorney	Save the Sound Urges CHFA to retain the Passive House building standard as a benchmark metric in its QAP, and continue to provide for the allocation of additional points for meeting the Passive House standard; also urges CHFA to allocate additional points for projects that achieve a “Zero Energy” performance standard
64	Paul Selnau	Architect, Certified Passive House Consultant, Vice-President	Schadler Selnau Associates Recommends that an additional option be added to sustainability measures: Option 4: Proposed design qualifies for PHIUS, PHI+ Zero Energy Ready Home; and 6 Points be available for compliance. In addition, recommends that the High-Performance Design-Applications max available points remain at 7 Points
65	Jamie Smarr	Senior Vice President	The NHP Foundation (developer) Points reductions proposed disadvantage applicants who have already heavily invested in the success of their applications (90% plans and specs, Passive House design, cost effectiveness)-suggest implementing in a later QAP; With state’s reduction in soft funding, request CHFA reconsider its requirement for commitment letters at time of application to enable other funding sources to be secured when announcements aren’t made until December (i.e., AHP)
66	Ross Spiegel	Architect, S/L/A/M Collaborative	Chair, CT Green Building Council Board of Directors Opposes reduction in points for sustainability; Supports

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67	Melissa Kops	Architect, Pirie Associates	Vice-Chair, CGBC	retaining cumulative points previously in place and adding points to Passive House option; wrong time to disrupt points incentives particularly with COVID-19 pandemic; all developments should be built to Zero Energy standard since anything else will be obsolete within the decade; promote resident health and wellbeing through incentives for programs such as FitWELL.
68	Jeff Spiritos	Business owner, sustainable builder	Spiritos Properties	Strongly supports maintaining the full and maximum point allocation for Passive House design in CHFA 2020 QAP; if any changes be made, urges increase in points for Passive House.
69	Scott Van Etten	Citizen (Monroe) and Commercial Sales Manager	Pella Windows and Doors	Supports QAP as written; Passive House is expensive and parts are not US made.
70	Kathy Ward	Citizen (Mansfield) and volunteer Board member	Mansfield Non Profit Housing Development Corporation; Mansfield Board of Education	Do not implement the proposed changes to the QAP that reduce the incentives for sustainable construction and reduce the quality of construction incentivized under the program. Instead work toward standards that increase rather than decrease sustainability of all new construction undertaken with public funding in Connecticut.
71	Gilbert Winn	CEO	Winn Companies	Suggests modifications to the criteria for transit oriented development to include all rail (MetroNorth and Amtrack as well as revising the definition of mixed use development to mean in the building or within 1000 feet of the building; Provides suggestions for clarifying the hierarchy of sustainability design measures.
72	Leonard Wyeth	Architect and Certified Passive House Designer	Wyeth Architects	Urges points structure for sustainability remain at 2019 level; align with

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				Connecticut's adopted benchmarks for reducing greenhouse gas emissions in SB 7: An Act Concerning Climate Change Planning & Resiliency along with the 2018 Comprehensive Energy Strategy and our ambitious State housing goals; Maintain Passive House as a separate category (2 letters)
73	Catherine Young	Citizen (Middletown) and Architect		Consider increasing tax credits for Passive House design; Supports CTPH position statement, strongly opposed to the proposed reductions in overall points for the sustainable design section, and instead, would like to see CHFA consider additional points for both Passive House and Zero Energy
74	Katie Zoppo	Citizen (Bethel) and Passive House Coordinator	Steven Winters Associates	Strongly supports the inclusion of both LEED for Homes and Passive House standards in QAP; Supports increase to 8 pts for sustainability incentive and proposes point structure

NOTE: Comments are listed in alphabetical order by respondent's last name.

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July 6, 2020

Ms. Nandini Natarajan, CEO  
Connecticut Housing Finance Authority  
999 West Street  
Rocky Hill, CT 06067

Dear Ms. Natarajan:

Pennrose is writing in response to the call for comments on the Connecticut Qualified Allocation Plan (QAP) for the State's Low Income Housing Tax Credit Program. Pennrose has been an active participant of the program in the State of Connecticut as well as in fifteen other states and the District of Columbia.

As stated in our previous letter of December 2019, we believe that there is a shortage of housing of all kinds and that we should consider the impact of all QAP policies on our ability to produce high quality units for all communities across the State that are underserved. As we tried to articulate then and are reiterating now -- as an overarching theme, Pennrose strongly urges CHFA to **make the QAP more flexible to account for the unique characteristics of each project and the needs of the communities we are trying to serve.**

We appreciate the hard work that you and your staff have done to refine the QAP for this upcoming round. We recognize that this is no easy task and understand that you are trying to satisfy many different voices and constituencies.

Accordingly, we recognize the critical changes in points made to Cost Effectiveness, 90% drawings, and Passive House categories were very important to a number of stakeholders and constituencies. **However, those changes (a total deduction of 6 points) has an unintended consequence on the balancing of urban and high opportunity areas - that is, any deal not in a high opportunity area has 6 less points it could receive to compete against a high opportunity site.** Changes in the QAP reducing points for 90% drawings and sustainability measure as well as cost effective, will make the difference between high opportunity areas and urban areas that much greater since there will be fewer ways to increase points for urban projects.

Furthermore, with respect to 90% drawings and Passive House – making changes now in reducing points – negatively impact those deals and developments that are already in the pipeline, have been in the works for awhile, and are well into design and planning for this upcoming round.

If changes remain to Cost Effectiveness, 90% drawings, and Passive House categories – it is even more important to address the points disparity between urban and high opportunity areas if the state wishes to support developments in a wide variety of locations.

## **Balancing Urban Redevelopment and High Opportunity Areas**

The QAP continues to place an extremely high emphasis on High Opportunity Areas, through Opportunity Characteristics, Transit Oriented Development, and Priority Areas categories. We encourage CHFA to consider a broader definition of “opportunity” and put forth that communities which have been serving and housing low-income populations should not be penalized in the scoring system. We encourage CHFA



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to revise the scoring system to support development in these communities, to invest in them, and to see the construction of mixed-income developments as an engine that can help spur economic growth. There are other indicators of opportunity that CHFA could think about considering, such as access to jobs, median household income, local amenities, and more, separate from a percentage of deed restricted housing. The new federal Opportunity Zones program may be worth considering as an indicator of Opportunity Characteristics as well.

Based on conversations with both CHFA and DOH, we know you are committed to developing housing in a wide variety of locations and want to achieve such a balance in your awards. However, we continue to remain very concerned that urban development and reinvestment including Transit Oriented Development is broadly disadvantaged by the current QAP as highlighted in our December letter as well as our developer group letter we submitted then and have resubmitted now.

As stated in our group letter, while we appreciate the need to build housing in many communities where there is less housing, discouraging investment in communities where low income people and people of color already live is not good policy. These communities have jobs and public transportation. Urban areas need affordable and mixed income housing and should not be left behind, particularly in this COVID 19 environment where we see the biggest clusters of the virus in overcrowded and substandard housing which is happening in urban areas.

Accordingly, we would advocate, with others in our peer group, for CHFA to consider a more balanced approach to these two types of projects. One option as outlined in our group letter is limiting the total number of nonurban projects which get the substantial point advantage. **After the first 2 highest scoring high opportunity communities are identified, the scoring gets rebalanced by eliminating the excess points in the “Municipalities Having Less Assisted and Deed Restricted Housing.”** This approach would appropriately prioritize resources for locations with low affordable inventories without completely excluding locations with higher inventories but equally pressing local housing needs.

A second option would be to consider a sliding scale point system for a city or town’s affordable percentage as suggested by POAH. Right now the 6 points below 10% affordability is an all or nothing proposition. We have looked at communities siting at 10.1% and are shut out of any affordability points. CHFA might consider POAH’s suggestion of a more graduated approach, which weights proposals in municipalities below the state’s 10% threshold, but also allocates points on a sliding scale for municipalities between 10% and perhaps 15%. For example, **municipalities under 10% would earn six points; those between 10% and 11% would earn five; those between 11% and 12% would earn four; and so on.** Such a gradual approach would appropriately prioritize resources for locations with low affordable inventories without completely excluding locations with slightly higher inventories but equally pressing local housing needs.

Another means to achieve balance would be to give greater recognition to projects that meet urban redevelopment policy priorities such as proximity to transit and services. Under Transit-Oriented Development, the definition of “transit” in the current QAP is limited to those with train stops and leaves out many communities that have not received the transit infrastructure investments they need, and will continue to lag behind. Certain regions of the state may never see a new train stop in their community but may be implementing other initiatives to improve transportation options for their residents. **CHFA should consider having different standards for different regions of the state of what is considered transit-oriented development (e.g. bus lines, sidewalks, bike paths, etc.).**



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A final option to balance the categories is an Executive Director's or staff pick. This is used in many state's including NJ to recognize a high priority project that fails to achieve the points necessary to be awarded in the round, but meets other State priorities in the opinion of the CEO, Board of CHFA or CHFA staff.

## **Unit Mix – Supportive Units and Market Rate**

The current QAP still prioritizes Supportive Housing units and Market Rate Units, both of which come with challenges and, when combined together, can burden the financial feasibility of projects. In order to max out in both categories, a project would need 20% of units to be Supportive Housing units and 20% of units to be Market Rate. While Pennrose strongly favors mixed-income deals and is an experienced developer/manager of them, such a large percentage of units at the two ends of the affordability spectrum leaves few units in the middle as well as makes deals financially challenged. Furthermore, in such a funding constrained environment, there are limited funds from the development and service providers to adequately service such a large percentage of Supportive Housing units. When this is combined with 20% market rate units that are not tax credit eligible, and oftentimes in communities where market rents do not support the cost of construction, the project feasibility is further strained. This leads to smaller developments or renders a project infeasible. For these reasons we believe that **CHFA should consider a lower proportion for both the Supportive Housing and Market Rate tiers for maximum scoring.**

## **Affordability Commitment** (Number 9 on page 15 of the redline draft QAP)

In reviewing this new language, we were a little confused by clause (b) if this clause was supposed to refer to the 0 – 30% bracket as opposed to the 30 -50% bracket.

## **20% at 50% AMI**

Similar to before, we request the 20% calculation should be based on qualified units (i.e.. tax credit eligible) not all units, to be consistent with the other AMI categories. In the QAP, there is conflicting language about the threshold of how many units must be restricted at 50% AMI that negatively impacts projects that are truly mixed income.

## **Sustainability Measures**

Solar was increased from 33% of site lighting to 50% of site and interior common area. While solar is an important attribute to try to include – in some types of housing it may be difficult to achieve this threshold – namely townhouse style or cottage style developments that some cities and towns would require. We would suggest that this change be considered for the following year when more comprehensive changes are made to allow time to study its feasibility on these types of projects.

## **Priority Locations**

We have found that limiting sites to within ½ mile of mass transit stations is too restrictive. Sites that are just over this threshold should be considered desirable sites when CHFA would like to locate housing. We would suggest CHFA increase this to ¾ of a mile or a full mile. Likewise, bus service seven days a week is an extremely high standard and. We have looked at many sites when this standard can be achieved on a 5 or even 6 day basis – but not 7 days. The largest municipalities like Boston have reduced weekend hours and so we would strongly encourage CHFA to drop this bus service threshold to 5 or 6 days a week.

## **Transit Oriented Development/Mixed Use**

Likewise we would ask CHFA consider expanding the ½ mile radius in this category to ¾ of a mile of a full mile.

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We understand that CHFA is trying to protect against developers creating very small commercial spaces in this category to get points. We fully support CHFA's goals. We are concerned about the 10% floor area addition. For large multifamily buildings – this number could be much higher than economically feasible for a building to support. This is based on applying that parameter to the deals we have and are doing. A true commercial space in the current market is around 1,000 – 1,200 square feet. Alternatively – we would suggest eliminating clause (ii) but revise clause (iii) from 500 feet to 1,000 feet – to achieve your objective.

## Long Term Affordability

We would like to comment on the QAP's requirement around long term and extended affordability. CHFA should recognize that long term affordability is a threat to the long term sustainability of a physical asset. Some relief in restrictions on incomes should be available to allow General Partners to refinance, recapitalize, reposition. A 30 year old tax credit deal is our best candidate as next generation "Naturally Occurring Affordable Housing". Allowing the asset to appreciate its income levels after 30 years increases its likelihood of becoming a contributor to neighborhood revitalization. Ironically, these projects will either be allowed to preserve their contribution to their host communities or they will add to the future demand for housing preservation resources. As a policy suggestion, consider the hypothesis that allowing restrictions on tax credit developments to relax will REDUCE the demand on affordable housing resources without reducing the supply of affordable housing.

## Design Standards and Underwriting

While not specifically outlined in the QAP, Pennrose would like to suggest that CHFA solicit comprehensive feedback on the design standards and underwriting standards for LIHTC projects. The participation of architects and lenders in that process may be a helpful process to identify which standards are critical for residents and which standards are simply barriers to feasibility of projects. For example, we believe that some of the design requirements regarding clearances and how those are measured leads to units that are larger than necessary, and as a result reduces the number of units that can be produced. Additionally, the current underwriting standard for CHFA is to escalate current rents and expenses to the expected stabilized year. This is not the accepted underwriting standard for lenders and investors, who typically look at current rents and expenses. The current CHFA underwriting standard does not allow us to show the actual achievable permanent loan that lenders will approve.

Thank you for taking our comments into consideration and we look forward to having an opportunity to discuss these ideas further.

Sincerely,

*Charlie Adams*

Charlie Adams  
Regional Vice President  
Pennrose, LLC  
[cadams@pennrose.com](mailto:cadams@pennrose.com) / 857-415-4650

Cc: Ms. Seila Mosquera-Bruno, Commissioner, Department of Housing  
Timothy I. Henkel, Senior Vice President, Pennrose



Email

**From:** Charlie Adams <[cadams@pennrose.com](mailto:cadams@pennrose.com)>  
**Sent:** Monday, July 06, 2020 3:51 PM  
**To:** Nash, Terry <[terry.nash@chfa.org](mailto:terry.nash@chfa.org)>  
**Cc:** 'Dara Kovel' <[dkovel@BeaconCommunitiesLLC.com](mailto:dkovel@BeaconCommunitiesLLC.com)>  
**Subject:** QAP - Pennrose - Once More Comment

**[EXTERNAL EMAIL: If unknown sender, do not click links/attachments. Never give out username or password.]**

Something a couple of us also wanted to comment on that I left out of my letter. Adding Dara – because this was important to her and reflects language she originally drafted.

Sustainable Design Measures (Page 22, Section F). Option 3: We recognize the changes made to this category are important to a number of constituencies. However, we are concerned with making this change now for this upcoming round. The modifications to this category disadvantage projects which have already engaged in the cost and design for Passive House. We appreciate the intention of providing options for projects to receive recognition for sustainable design measures; however, from a policy standpoint, Passive House is widely recognized as the gold standard in sustainable design and is not an equitable comparison to LEED Multifamily Silver or National Green Building Standard 2015 Silver.

We would like to see points in this category reflect both the investment that Passive House requires and the environmental impact it achieves. This certification should remain a distinguishing factor in a project's evaluation. Assuming each of 1) PHIUS, 2) PHI+ Zero Energy Ready Home, 3) National Green Building Standard Emerald or 4) LEED for Homes/LEED Multifamily Midrise v.4 Platinum certification are separate categories – we would like Option 3 to be increased to 6 points as this standard is a lot higher than Option 2.

Likewise we feel strongly that sustainability measures, particularly for Passive House should be removed from cost effectiveness. The development community and CHFA agree that such sustainability measures do aggressively increase the cost of construction. In the future, perhaps the incremental to build to PH will decrease but it has not yet and therefore these costs should be removed from cost effectiveness calculations.

Thanks for this extra comment. Apologies for leaving out of previous letter.

[Pennrose.com](http://Pennrose.com)

**Charlie Adams**  
Regional Vice President  
Pennrose, LLC

Boston

50 Milk Street, 16th Floor | Boston, MA 02109

Phone: 857.415.4650 | Fax: 617.294.6684 | Email: [cadams@pennrose.com](mailto:cadams@pennrose.com)

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**Email received 7/6/2020**

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Dear CHFA Leaders,

Please do not implement the proposed changes to the QAP that reduce the incentives for sustainable construction and reduce the quality of construction incentivized under the program. Instead please work toward standards that increase rather than decrease sustainability of all new construction undertaken with public funding in Connecticut.

Yours truly,

Edith Allison  
19 Farrell Road  
Storrs CT 06268



June 6, 2020

Terry Nash Giovannucci  
CHFA  
999 West Street  
Rocky Hill, CT 06067  
[PublicComment@chfa.org](mailto:PublicComment@chfa.org)

Dear Ms. Nash Giovannucci, CHFA Officials, and State of Connecticut Stakeholders,

Thank you for providing this opportunity to comment on the 2020 Low-Income Housing Tax Credit Qualified Allocation Plan (QAP). I am writing to you both as a **resident of Fairfield** and the Director of Passive House Services in a 120-person building systems **consulting company headquartered in Norwalk, CT**. My colleagues at Steven Winter Associates, Inc. are involved in sustainability as researchers, green building consultants, energy analysts, and personal activists.

We care deeply about allocating tax dollars to **combat climate change** and **protect CT from an uncertain energy and water future**. Current events have highlighted the importance of **protecting human health and promoting social equity more than ever**, and sustainable, energy efficient housing is paramount to these goals. My firm and I **strongly support the inclusion of both LEED for Homes and Passive House standards into the CHFA QAP**. Not only do these programs incorporate extreme energy efficiency, but they also promote superior occupant comfort, healthy indoor air quality, and ensured building durability. Tenants of these high performing buildings **save money on their utility bills**, enforcing the State's commitment to better housing for Connecticut's workforce and affordable housing occupants. Occupants of certified LEED and Passive House homes also enjoy quieter, healthier buildings.

Passive House and Sustainability incentives should be increased, not decreased, in the 2020 Qualified Allocation Plan (QAP). The **reduction of total overall points for sustainable design along with the elimination of additional, cumulative points for higher-performing standards**, such as Passive House (PH), are major changes that **will steer affordable housing in Connecticut away from the state's sustainability goals** toward lower performance standards that are not aligned with Connecticut's goals. Specifically, my firm recommends the maximum points for Sustainable Design (Section 2, Item f) in the 2020 QAP be increased from 7 (allowed in the 2019 QAP) to **8 points**. This can be achieved as follows:

- Retain the additive structure in the 2019 QAP.
- 1 point for solar photovoltaic system at the **increased stringency** as proposed (50% site and common area energy demand, increased from 33% in 2019 QAP).
- **Retain the Passive House Design category**, where third party net zero certification program will earn 3 points. These programs include any certifications through PHI and PHIUS programs, EPA Zero Energy Ready Homes, or Zero Energy certifications.
- Retain 1 point awarded to the two most cost-effective Passive House projects.
- Adjust High Performance Design category to award 2 points for projects qualified for LEED for Homes or LEED Multifamily Midrise v.4 Silver, or National Green Building Standard 2015 Emerald.

In summary, please maintain the momentum toward meeting CT's 2030 and 2050 energy, sustainability and resilience goals. Pursuit of these goals generated over \$2 million in business for SWA and employed more than 25 full-time CT-based, high-performance building consultants. CT based Passive House business alone, has resulted in 5 new positions at our firm plus 3 new positions for consultants supporting LEED for Homes. **We are working hard to protect our future through healthy and environmentally responsible buildings, and we need your help to continue.**

Sincerely,

A handwritten signature in black ink, appearing to read 'Lois B. Arena'.

Lois B. Arena, PE  
Director, Passive House Services and Fairfield, CT Resident

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July 6, 2020

Max E. Ballardo  
Architect in Greater New Haven area  
Home address: 50 Homelands Terrace, Hamden CT

Dear CHFA board members and Governor Lamont:

I reside in Hamden and I am very involved and committed in my community as an architect. My position regarding the proposed 2020 QAP changes are in agreement with the statement made by Connecticut Passive House provided below. I care about this issue because I believe the current CHFA standards for passive house projects are very important to achieve the climate goals set by the current state administration and that are so much needed to fight climate change. Moreover, this type of program provides a strong aid to low income communities which are important in the state. I love living in this state even though I wasn't born here and I call this place home because I believe we tend to do the right thing. I truly hope you do so.

A note from CTPH, an organization I am part of:

Thank you for providing this opportunity for public comment on the proposed 2020 Low-Income Housing Tax Credit procedures and LIHTC Qualified Allocation Plan (QAP). Connecticut Passive House (CTPH), [www.ctpassivehouse.org](http://www.ctpassivehouse.org), is an organization dedicated to offering education, training and resources on the Passive House design and building standard.

As one of the earliest state financing agencies to incorporate Passive House into the QAP, CHFA demonstrated leadership commensurate with Connecticut's climate goals to reduce greenhouse gas emissions to 45% below 2001 emissions by 2030 and 80% below 2001 emissions by 2050. Since this target became law, the state has continued to emphasize the importance of achieving these targets, as recently as Sept. 2019, with Governor Lamont's Executive Order No. 3 aimed to strengthen Connecticut's efforts to mitigate, or lessen the impacts, of climate change.

- Since buildings represent 40% of greenhouse gas emissions, they play a vital role in Connecticut's ability to meet these mandated targets.
- Because buildings being built today will be in existence in 2050, they must be constructed to be as energy-efficient as possible and targeted to achieve Zero Energy status.
- **As the most rigorous energy-efficient high-performance building standard, Passive-House (PH) is a pathway for buildings to achieve Zero Energy** which is why PH has been adopted as a tool by other states, municipalities and now over 30 state financing housing agencies in their respective Qualified Allocation Plans.

Why is Passive House a pathway for Zero Energy? By emphasizing elements such as an airtight building enclosure, super-efficient insulation, high-performance windows, etc., PH ensures that any energy in the building -- heating or cooling -- stays in the building. It is often said that Passive house buildings sip energy compared to conventionally built buildings that gulp. Because the demand for energy to heat and cool in a PH is substantially lower, buildings can more readily achieve zero energy once renewables are added (note: Some type of renewable energy is essential in order for any building to achieve zero energy status ).

Furthermore, because HVAC systems use the most energy, by far -- 40% -- compared to any other system, it is vital to reduce the heating and cooling loads in a building. To raise the stakes even higher, recent analyses have revealed that it is steadily becoming warmer in Connecticut. Specifically, the state's average temperatures have already increased 1.8°C<sup>1</sup> and are forecasted to continue to rise due to global warming which means the demand to cool our buildings will only increase.

**Given the state's increased emphasis on sustainability and focus on mitigation strategies, CTPH is strongly opposed to the proposed reductions in overall points for the sustainable design section, and instead, would like to see CHFA consider additional points for both Passive House and Zero Energy.**

While CTPH appreciates the intent to include more standards in the QAP, especially if/when PH is not the best "fit" for a project, **the groupings themselves and the comparable amount of points represent major changes to the QAP.** CTPH strongly believes that the impact of the proposed organization/allocation will inadvertently impact the quality of the buildings on a number of levels, including those already mentioned plus additional factors mentioned below because the point structure is not commensurate with the levels of positive impact that these standards deliver.

**Therefore, CTPH is opposed to both the proposed point allocation and the groupings of the various green/high performance standards in the 2020 QAP and instead, urges CHFA to consider:**

- **Retaining the additive structure of the 2019 QAP which allocated more points to those higher performing standards, specifically Passive House.** A recent survey of other QAPs, especially in Pennsylvania, Massachusetts, and Wash. D.C. revealed noticeably higher allocation of points for PH and/or a combination of standards that work in conjunction with more stringent building state codes, than CT, to achieve Zero Energy.
- **To continue to offer an additional point for renewable energy, a "must" to achieve Zero Energy.**

Note that one of the two PH building standards, PHIUS<sup>2</sup>, contains prerequisites for achieving other levels of high-performance: Energy Star, Indoor airPLUS and DOE's Zero Energy Ready Home Program in order to achieve PHIUS certification.

- Third-party RESNET approved quality assurance/quality control
- Earns U.S DOE's Zero Energy Ready Home status
- Includes HERS rating
- Earns U.S. Environmental Protection Agency (EPA) Indoor airPLUS label

The emphasis on superior indoor quality in the PH building standard is another benefit that cannot be overstated, in light of the burden from air pollution that is disproportionately experienced by the most vulnerable residents. According to the American Lung Association,

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<sup>1</sup> Washington Post, 8/13/19: "2°C Beyond the Limit"

<sup>2</sup> [www.phius.org](http://www.phius.org)

there is a documented difference in harm from air pollution to racial or ethnic groups and people who are in a low socioeconomic position, have less education, or live nearer to major sources of pollution.<sup>3</sup> Specifically,

- Moisture is a leading cause of health, comfort and durability concerns in homes.
- 19% of U.S. households have at least one person with asthma and there is a 20-50% increased risk of asthma in damp houses
- The economic cost of asthma amounts to more than \$56 billion annually

**Additionally, since achieving cost-effectiveness in construction is also a key factor for CHFA and DOH, CTPH is also urging a heightened focus of achieving comparable/lower per unit construction costs for Passive House projects.** Now that the learning curve on Passive House has advanced, there is “proof of concept” of affordable PH projects being built for comparable costs to non-PH projects, especially in regions such as Pennsylvania which has the longest track-record of incorporating PH into their QAP.

- CTPH is aware that the Peer to Peer Multifamily network is poised to share data with CHFA and DOH from CT passive affordable housing projects to provide real-time, in-house information.
- Additionally, it is common knowledge in the high-performance design community that pursuing PH later in the design process inevitably leads to higher cost premiums. With this in mind, CTPH is offering to participate in a review of the application process to identify “Best Practices” such as integrated project design, plan review, etc. in order to identify those project designs, in general, that are most suitable for PH and/or identify specific opportunities to realize cost-savings upfront, prior to construction.

Finally, there are additional compelling benefits to utilize Passive House for affordable housing. Notably:

- Energy security for Connecticut residents who are burdened with living in the state with the highest rate for electricity in the continental U.S., according to the federal Dept. of Energy.<sup>4</sup>
- Ability for occupants to safely and comfortably shelter-in-place for sustained periods of time in the advance of energy black-outs and extreme weather events.<sup>5</sup>
- Buildings that are more durable and require less maintenance/ associated “2nd costs” for developers.

In closing, the QAP serves as an important lever that drives market adoption. In light of the scale of the proposed changes in the 2020 QAP, CTPH’s primary concern is that CHFA is inadvertently sending the wrong signal to the market, at a time when the state is seeking to escalate efforts on climate mitigation

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<sup>3</sup> [American Lung Association/Disparities in the Impact of Air Pollution](#)

<sup>4</sup> [wnpr.org/post/facing-some-highest-rates-nation-connecticut-s-electric-customers-struggle](http://wnpr.org/post/facing-some-highest-rates-nation-connecticut-s-electric-customers-struggle)

<sup>5</sup> [be-exchange.org/insight/designing-for-resiliency](http://be-exchange.org/insight/designing-for-resiliency)

By offering additional points for Passive House in prior QAPs, CHFA has played a major role as a catalyst fueling Connecticut's green energy economy in accordance with the Governor's goals.

- Since its inception, CTPH has continued to observe an increase in memberships and attendance at its events and will be partnering with Eversource to launch a comprehensive multi-pronged Passive House training program, modeled after the successful MassSave PH training program<sup>6</sup> to introduce the PH building standard to a wider pool of stakeholders while also building capacity in Connecticut's workplace.

CTPH is committed to a cleaner, healthier, more resilient, carbon-free future and welcomes opportunities to support CHFA and DOH's efforts meet its goals to provide high-quality affordable housing while also addressing Governor Lamont's pledge that *"Connecticut will remain a leader on climate change"*<sup>7</sup>.

Thank you for taking the time to read my concerns. I look forward to hearing your response on these issues.

Sincerely,

Max Ballardo

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<sup>6</sup> [masssave.com/passive-house-training](https://masssave.com/passive-house-training)

<sup>7</sup> [portal.ct.gov/Office-of-the-Governor/2019/09-2019/Governor-Lamont-Signs-Executive-Order--Connecticut To Lead On Climate Change](https://portal.ct.gov/Office-of-the-Governor/2019/09-2019/Governor-Lamont-Signs-Executive-Order--Connecticut-To-Lead-On-Climate-Change)



USGBC  
2101 L STREET, NW  
SUITE 500  
WASHINGTON DC 20037  
202 828-7422  
USGBC.ORG

FOUNDERS

David Gottfried  
Michael Italiano  
S. Richard Fedrizzi

July 6, 2020

Terry Nash Giovannucci  
Community Engagement Manager  
Connecticut Housing Finance Authority  
999 West Street  
Rocky Hill, CT 06067

Dear Ms. Nash Giovannucci:

On behalf of the U.S. Green Building Council, our nearly 9,000 member companies nationwide, and our strong Connecticut community, we are pleased to provide the Connecticut Housing Finance Authority (CHFA) with our comments regarding the *Low-Income Housing Tax Credit Qualified Allocation Plan, 2020 Application Year, Redline Version, May 2020*.

USGBC applauds CHFA in its proposal to include LEED certification as an acceptable option for High Performance Design compliance under Sustainable Design Measures. However, USGBC urges CHFA to retain the current available point total (7 points) for sustainable design, instead of decreasing the total number of points offered for qualifying projects to 5 points.

*USGBC and LEED in Connecticut*

USGBC is a nonprofit organization committed to transforming the way all buildings and communities are designed, built, and operated to support a sustainable, resilient, and prosperous environment that improves the quality of life for all. Our flagship green building system, LEED, continues to grow in Connecticut with more than 200 single-family homes and more than 900 multi-family housing LEED for Homes certified projects. Of this total, more than 73 percent of LEED for Homes certified projects are classified as affordable housing. In addition, there are over 300 LEED certified commercial and high-rise residential projects in Connecticut, amounting to a total of more than 27 million square feet. Representing the full range of the building sector, including builders, product manufacturers, professional firms, and real estate, nearly 80 Connecticut-based organizations are USGBC members, and almost 2,000 individuals in Connecticut hold a LEED professional credential.<sup>1</sup>

LEED takes a comprehensive approach to green housing by considering resident health and comfort as well as objectives such as energy and water efficiency and indoor environmental quality. LEED projects must meet a set of rigorous criteria within prerequisites and flexible credits that, when combined, set building projects on the path

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<sup>1</sup> [State Market Data Briefs](#), USGBC.



to excellence in sustainability and overall resilience. The third-party certification supported by LEED ensures accountability, total value, and building performance outcomes for housing advocates and taxpayers alike, while the energy and water resources saved by building to LEED translates to reduced costs for residents.<sup>2</sup>

Exemplifying how LEED supports high quality and high performing affordable housing in Connecticut is the [Cedarwoods Apartments](#) project in Willimantic, which earned LEED Silver in 2013. This 60-unit development is permanent housing for low-income working adults, 10 percent of which are veterans. Cedarwoods is located on a 19 acre site overlooking protected wetlands in eastern Connecticut. The development also provides bicycle storage and outdoor garden space for residents, which supports a sense of community. Cedarwoods received funding in part through the Low-Income Housing Tax Credit (LIHTC) program, to support low-income residents in the area.

To learn more about how affordable housing projects benefit from LEED, see USGBC's brief [Green For All: Healthy and Efficient Affordable Housing](#).<sup>3</sup>

#### *USGBC Recommendations for Connecticut Qualified Allocation Plan*

On behalf of our member organizations and credentialed professionals in Connecticut, USGBC recommends that the CHFA **retain the proposed addition of LEED certification as an acceptable option for compliance to receive the competitive points under Sustainable Design Measures**, as included in the May 2020 draft plan.

In addition, USGBC urges CHFA to increase the **available point total offered for sustainable design practices**, ideally amounting to eight (8) to ten (10) points, or at a minimum to retain the current available seven (7) points as approved by CHFA in 2019. We strongly recommend CHFA prioritize sustainability in design and construction of affordable housing in Connecticut by increasing, or at a minimum not decreasing, the available point total for sustainable design practices. With higher points, more LIHTC projects will include green certifications – benefitting future residents and increasing the program's contribution to the state's GHG reduction goals.

CHFA plays a critical role in implementing the LIHTC program to provide greater opportunities for high-quality, sustainable, resilient housing for the state's low-income populations. By including LEED certification as an acceptable means for achieving points for Sustainable Design, CHFA has demonstrated its commitment to resident health and wellness, along with its goals for energy and water savings.

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<sup>2</sup> ["U.S. States Increasingly Embrace Green Affordable Housing,"](#) USGBC blog, 2019.

<sup>3</sup> Available at <https://www.usgbc.org/resources/green-all-healthy-and-efficient-affordable-housing>.



If you have any questions regarding these recommendations or seek additional information, please contact me via email at [ablackwelder@usgbc.org](mailto:ablackwelder@usgbc.org). Thank you for your time and your consideration.

Sincerely,

A handwritten signature in black ink that reads "Alysson Blackwelder". The signature is written in a cursive, flowing style.

Alysson Blackwelder  
Project Manager, Advocacy and Policy  
U.S. Green Building Council

## Nash, Terry

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**From:** Kenneth Boroson <kboroson@kbarch.com>  
**Sent:** Monday, July 06, 2020 4:46 PM  
**To:** PublicComment  
**Subject:** passive house

**Categories:** Red Category

**[EXTERNAL EMAIL: If unknown sender, do not click links/attachments. Never give out username or password.]**

To Whom It May Concern,

I am not in support of dropping the incentives for Passive House. The proposed language destroys the incentives for developers to pursue Passive House in Ct. It is needed to meet the 2030 and 2050 sustainability goals and is short sighted to cut the incentives out. Please reconsider and reinstate the incentives in the point scoring for passive house. If anything the points should be increased for developers who pursue developments meeting Passive House requirements.

Thank you for your attention to this matter,  
Ken Boroson

**Kenneth Boroson, AIA, LEED AP BD+C**  
Principal

---

Kenneth Boroson ARCHITECTS  
315 Peck Street, New Haven, CT 06513  
203.624.0662 x101 | cell 203.444.2721  
[kboroson@kbarch.com](mailto:kboroson@kbarch.com) | [kbarch.com](http://kbarch.com)

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July 2, 2020

Ms. Nandini Natarajan, CEO  
Connecticut Housing Finance Authority  
999 West Street  
Rocky Hill, CT 06067

Dear Ms. Natarajan:

I am writing on behalf of Vesta Corporation in response to the call for comments on Connecticut's 2020 Qualified Allocation Plan (QAP) for the State's Low-Income Housing Tax Credit program.

Created in 1998, Vesta is built on the wealth of experience of its principals and founders, Steve Erie and Arthur Greenblatt. Arthur and Steve began together in the affordable housing business in 1981 with a shared passion for "doing well while doing good." They were pioneers in the use of the Low-Income Housing Tax Credit program since its inception in 1986. To date, Vesta has closed over \$1 billion in financings for the development of more than 20,000 apartment homes in 12 states and the District of Columbia. Today, Vesta is a sought-after partner for national lenders, investors, and tax credit syndicators. Vesta currently operates eleven properties in Connecticut totaling 1,512 units.

We recognize that CHFA intends to make more significant changes to the QAP in 2021, and the anticipated scope of modifications to the 2020 QAP is relatively minor.

We are pleased to see the following changes in the draft 2020 QAP:

2a. Cost Effectiveness, Hard Costs We are happy to see this slight reduction in emphasis on minimizing costs. The sections in the QAP that provide tiered points based on reducing both costs and use of 9% credits can create a 'race to the bottom', which could easily lead to low quality construction requiring recapitalization sooner than anticipated. This can create a cycle of projects that have to return to CHFA and other state funding sources for capital for redevelopments earlier in their useful life than reasonably expected.

2e. Building Plans and Specifications The expenditure required for 90% plans is significant and should not be substantially incentivized given that 40% plans provide sufficient information for review.

We recommend making the following changes to the 2020 QAP:

A2. Proposed Credible Financing Plan Implementing a hard cap on projects already underway could potentially make them infeasible. Since the application deadline is only months away, projects size and costs are largely determined. We request that the LIHTC cap revert to 20% of the population component of the State housing credit ceiling.

2f. Sustainable Design As currently presented, we think that option 3 should provide more points than option 2 as the standard (and associated cost) is higher.

3c. Family Developments Age-restricted developments should not be at a disadvantage compared to family developments. There is a significant need for both types of housing in Connecticut, particularly in light of the State's aging demographic trend. We suggest removing the point for family developments.

4b. Development located in an Area of Opportunity The requirement that a development be non-age restricted with more than 50% two-bedroom units seems unnecessary and irrelevant in this section. In line with our comment regarding section 3c, age-restricted developments should not be disincentivized, and should be eligible for the points in section 4b.

We request that CHFA consider the following changes to the 2021 QAP:

1a. Supportive Housing Units Given the lack of funding for supportive housing, it is extremely difficult to maintain project feasibility with a supportive housing component. However, we acknowledge that supportive housing is rightfully a priority for the State. If funding is unavailable, we would request that the number of points for this section be reduced from 6 and 2 to 3 and 1.

1b. Households at or below 30% AMI Similar to our comments regarding 1a., it is challenging to maintain project feasibility with deep income skewing and minimal funding.

2b. Credits per Qualified Bedroom Echoing our comments regarding 2a., the points provided in this section incentivize minimizing the use of 9% credits thereby jeopardizing construction quality. We feel that it makes more sense for CHFA to publish a target and score applications based on conformance with that target.

2g. Cost Effectiveness, Intermediary Costs Similar to our comments to 2b., we would prefer that CHFA publish a goal and score applications based on conformance with that goal.

4a. Municipalities Having Less Assisted and Deed Restricted Housing We propose that CHFA increase the cap from 10% to 12%, consistent with Massachusetts' 2020-2021 QAP.

Overall, we feel that the themes of deep income skewing and minimal utilization of 9% credits are fundamentally in conflict with one another. It is nearly impossible to accomplish both of these goals within one project without compromising the construction quality.

We would welcome the opportunity to meet with CHFA to discuss these proposed changes.

Sincerely,

A handwritten signature in blue ink, appearing to read 'LB', is positioned above the typed name.

Lewis Brown, EVP

Vesta Corporation

Dear Ms. Nash Giovannucci, Commissioner Mosquera-Bruno, CHFA and DOH Officials & Staff, and State of Connecticut Stakeholders.

Thank you for the opportunity to comment on the proposed 2020 Low-Income Housing Tax Credit (LIHTC) procedures and the LIHTC Allocation Plan (QAP).

I am concerned that the major changes in the proposed QAP , to reduce the overall points for sustainable design, sends mixed messages to project owners and these changes overall, are not in step to keep CT on track to meet 80% reduction in green-house gas emissions by 2050 . There needs to clarification of wording on:

- What ASHRAE Standard number and version-year
- What is an “ENERGY STAR HERS Index”

I am also unclear why combining Passive House with standards that are less stringent is even an option; especially since this is likely to be perceived as classic “sustainability washing”.

I encourage CHFA to step up on energy efficiency and commit to leverage Passive House certification as a path to net zero. Forward thinking is necessary to improve resilience and adapt to the climate crisis. Continuing on the path of “business as usual” to fund projects which will produce obsolete buildings is not the answer, moving toward net zero buildings is.

Buildings account for approximately 40% of the energy used in the United States and over one-third of carbon emissions addressing the building sector makes climate action and energy policy goals achievable. California’s Title 24-2019 will be the first state code in the nation to require solar panels and nearly net zero levels of energy consumption in all new homes. The adoption of a Net Zero Energy building code is expected to grow with 49 states looking closely at CA. **Passive House provides a path to glide to net zero.**<sup>1</sup>

The increasing evidence of the negative impacts of global climate change opens opportunity to the building industry to incorporate green, sustainable, and climate resilient design into all housing projects. CHFA must understand that not all green certification standards are equal. The current groupings of the proposed QAP allocates the same amount of points for less stringent green certification standards. I question why developers would go for Passive House when they can choose other options that are “low hanging fruit” for the same amount of points?

Meeting Passive House should be challenging because it is a *higher-performance* building standard and it may take a paradigm shift in the construction industry to see value beyond the bottom line. One of the problems I see with funded projects chosen for Passive House points is that some designs aren’t conducive to meeting PH certification without driving-up cost. Passive House is a great option for points but what the owners who sign up for it must understand is that it requires an air tight envelope and

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<sup>1</sup> <https://zeroenergyproject.org/2019/02/18/2019-is-the-year-of-energy-codes/>

balanced ventilation and an integrative design process, with the intent to meet Passive House certification to ensure a good outcome. A copy-n-paste design approach of current stock building archetypes with Passive House frosted on, rather than baked-in, is what I believe is driving project costs up. I suggest that a Certified Passive House Consult/Designer panel of professionals be required to review projects going for Passive House points to ensure they are designed to meet Passive House criteria from the get-go.

With boots on the ground; I am currently working on two CHFA Passive House funded projects. It will be interesting to see the cost breakdown comparison of both; one was designed by an architect very familiar with Passive House while the other seems to have been an afterthought by a “point grabber”.

An understanding of the following criteria and goals is important in the process of deciding if the project should go for Passive House points.

#### Criteria for PHIUS (Passive House Institute US)

- ENERGY STAR, Indoor airPLUS & DOE Zero Energy Ready Home certification
  - Water-managed building assemblies
  - Equipment sizing, installation and commissioning
  - Whole-house continuous ventilation
  - Insulated & conditioned basements
  - No/low VOC & formaldehyde materials & finishes

#### Goals

- Sustainable homes
- Homes that provide exceptional levels of
  - Comfort
  - Air quality
  - Durability
- While minimizing
  - Energy use
  - Lifecycle cost
  - Carbon footprint

During this time of COVID19, there is an even greater call for buildings to provide occupants with healthy indoor air. The above criteria provide resilience, health and wellness, making a strong case to allocate additional points for Passive House certification. Indoor airPLUS is a requirement as a prerequisite to meet Passive House certification and Zero Energy Ready Home. Indoor airPLUS provides ventilation and filtration strategies for creating a safer home and reducing health risks from poor Indoor Air Quality (IAQ). Indoor airPLUS calls for MERV 8+ filters while ordinary residential filters collect less than 20 percent of particles between 3 and 10 microns. A MERV 8 filter collects more than 70% of the particles in this range.<sup>2</sup> PHIUS requires ventilation supplying fresh air to living spaces and exhausting

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<sup>2</sup> [www.epa.gov/indoorairplus](http://www.epa.gov/indoorairplus)

from bathrooms and kitchen. A filter of minimum MERV 8 is required while a MERV 13 is recommended.

I lost my husband to COVID19 the first week of April and my son fought twenty one days and thankfully made a full recovery. I consider myself somewhat of an expert in building science, health and wellness and indoor air quality. I could not control air and particulate flow in a home built in the late 90's when homes were built to "breathe". My home does not have a designated ventilation system designed to supply and exhaust air. My furnace has a basic filter as it is unable to handle the static pressure drop if a MERV 8+ filter was installed. In hindsight, having a dedicated ventilation system, an airtight building envelope and appropriate filtration, which are three requirements of PHIUS certification, would have minimized if not eliminated random air movement making it easier to compartmentalize an infected person self-isolating in my family home. I feel not being able to dilute the contaminated air and trap the virus particles were two variables that if controlled, may have spared my son from becoming ill.

I urge CHFA and DOH to place more emphasis on sustainability and creating healthier buildings by allocating additional points for the Passive House Standard as a path to Net Zero. The trend is to replace obsolete buildings with buildings that are not a burden in terms of maintenance, health, safety, environment moving toward a sustainable economy for the wellbeing of the planet and future generations. I am not neutral on healthy buildings or climate change and I urge CHFA not to be either.

Nicole Burger

CPHC PHIUS+Verifier HERS Rater Fitwel Ambassador



June 29, 2020

Terry Nash Giovannucci  
CHFA  
999 West Street  
Rocky Hill, CT 06067  
[PublicComment@chfa.org](mailto:PublicComment@chfa.org)

Dear Ms. Nash Giovannucci, CHFA Officials, and State of Connecticut Stakeholders,

Thank you for providing an opportunity to comment on the 2020 Low-Income Housing Tax Credit Qualified Allocation Plan (QAP). I am writing to you as a resident of New London, an area where affordable housing is very much in demand. And as a sustainability director in a 120-person building systems consulting company headquartered in Norwalk, CT. My colleagues at Steven Winter Associates, Inc. are involved in sustainability as researchers, green building consultants, energy analysts, and personal activists.

We care deeply about allocating tax dollars to **combat climate change** and **protect CT from an uncertain energy and water future**. Current events have highlighted the importance of **protecting human health and promoting social equity**, and sustainable housing supports these goals. My firm and I **strongly support the inclusion of both LEED for Homes and Passive House standards into the CHFA QAP**. Not only do these programs incorporate extreme energy efficiency, but they also promote superior occupant comfort, healthy indoor air quality, and ensured building durability. Tenants of these high performing buildings **save money on their utility bills**, enforcing the State's commitment to better housing for Connecticut's workforce and affordable housing occupants. **Third party verification is a critical component to ensure that buildings are verified and tested to perform at best potential**. Occupants of certified LEED and Passive House homes also enjoy quieter, healthier buildings which are linked to reduced missed work and school due to sick days.

Passive House and Sustainability incentives should be increased, not decreased, in the 2020 Qualified Allocation Plan (QAP). Specifically, my firm recommends the maximum points for Sustainable Design (Section 2, Item f) in the 2020 QAP be increased from 7 (allowed in the 2019 QAP) to **8 points**. This can be achieved as follows:

- Retain the additive structure in the 2019 QAP.
- 1 point for solar photovoltaic system at the **increased stringency** as proposed (50% site and common area energy demand, increased from 33% in 2019 QAP).
- **Retain the Passive House Design category**, where third party net zero certification program will earn 3 points. These programs include any certifications through PHI and PHIUS programs, EPA Zero Energy Ready Homes, or Zero Energy certifications.
- Retain 1 point awarded to the two most cost-effective Passive House projects.
- Adjust High Performance Design category to award 3 points for projects qualified for LEED for Homes or LEED Multifamily Midrise v.4 Silver, or National Green Building Standard 2015 Silver.

In summary, please maintain the momentum toward meeting CT's 2030 and 2050 energy, sustainability and resilience goals. Pursuit of these goals generated over \$2 million in business for SWA and employed more than 25 full-time CT-based, high-performance building consultants. CT based Passive House business alone, has resulted in 5 new positions at our firm plus 3 new positions for consultants supporting LEED for Homes. **We are working hard to protect our future through healthy and environmentally responsible buildings, and we need your help to continue.**

Sincerely,

A handwritten signature in black ink that reads 'Karla Butterfield'.

Karla Butterfield  
Sustainability Director



June 29, 2020

Terry Nash Giovannucci  
CHFA  
999 West Street  
Rocky Hill, CT 06067  
[PublicComment@chfa.org](mailto:PublicComment@chfa.org)

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Sincerely,

A handwritten signature in black ink that reads 'Karla Butterfield'.

Karla Butterfield  
Sustainability Director



**AIA**  
**Connecticut**

The American Institute of Architects, Connecticut Chapter  
370 James Street, Suite 402, New Haven, CT 06513  
203-865-2195  
aiainfo@aiact.org, [www.aiact.org](http://www.aiact.org)

**PUBLIC COMMENT REGARDING  
CHFA LOW-INCOME HOUSING TAX CREDITS (LIHTC)  
QUALIFIED ALLOCATION PLAN (QAP)**

Submitted by:

Gina Calabro, Executive Director, AIA Connecticut  
370 James Street, New Haven, CT 06513

The Connecticut Chapter of the American Institute of Architects, a professional association of over 1,500 licensed architects, architectural designers, and allied professional members, wishes to express our concerns on the proposed changes to the Qualified Allocation Plan (QAP).

We strongly recommend maintaining the same number of overall achievable points for Sustainable design and maintaining incentives for Passive House Standards as a separate category, not an alternative option in the CHFA Low-Income Housing Tax Credits (LIHTC).

Greater energy efficiency is the path to Affordable Housing that is more durable, cost effective, very low energy usage, easier to maintain and healthier interior environments. CHFA should not risk making CHFA Low-Income Housing more expensive to maintain and more expensive for the tenants to live in.

**Maintain, at a minimum, the existing number of possible points for Sustainable Design at 7 points in the Qualified Allocation Plan of the CHFA Low-Income Housing Tax Credit program:**

Reducing the overall points for this category simply reduces the likelihood that they will be undertaken at all and encourages a trend towards less energy efficiency. The Sustainable Design Measures and Preserving At-Risk Affordable Housing are the only categories where a substantial decrease in points is proposed. Both of these are counterproductive, and it would be better to consider increasing rather than decreasing their importance with the number of points allocated.

**Maintain Passive House Standards as a separate category:**

The best path to energy efficiency (lower utility bills), durability, resiliency, and healthy interior environments is to continue to encourage designing Low-Income Housing to Passive House Standards.

Allowing the same points for LEED Platinum or National Green Building Emerald Standard is not reasonable as they are not comparable systems. Each has a different set of criteria and different advantages and should be treated as such.

Passive House is a simple, clear building standard, with only three criteria: 1) the total amount of energy a building uses; 2) the amount of energy that goes to heating and cooling, and 3) an air

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# AIA Connecticut

The American Institute of Architects, Connecticut Chapter  
370 James Street, Suite 402, New Haven, CT 06513  
203-865-2195  
aiainfo@aiact.org, [www.aiact.org](http://www.aiact.org)

tightness standard that can be easily tested. Passive House Standards are entirely science-based and can be tested and measured.

This action aligns with Connecticut's adopted benchmarks for reducing greenhouse gas emissions in SB 7: An Act Concerning Climate Change Planning & Resiliency along with the 2018 Comprehensive Energy Strategy and our ambitious State housing goals.

The UN has identified Passive House as the best way to achieve the 2015 Paris Accord targets. This is consistent with many other states (and cities), here and abroad, who are emphasizing Passive House in their energy policies and building codes.

Buildings constructed to Passive House Standards use as little as 1/10th the energy of new construction built to current building & energy codes. They are more durable and therefore longer lasting. Tighter building standards translates to more energy efficient buildings – this allows smaller heating and cooling equipment and less space to accommodate them. The equipment savings offsets the envelope improvements. The result is lower energy bills and maintenance costs.

Now more than ever is the time to strengthen, not weaken, the requirements for sustainable buildings for those who are disadvantaged. Better to safeguard the tenants from rising utility bills and save cost for the State to maintain the housing.

Thank you for the opportunity to express our concerns. Thank you for your consideration.

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Susan Wyeth, AIA

Philippe Campus, AIA  
PHILIPPE CAMPUS, ARCHITECT LLC.

Architect & Certified Passivehouse Designer

202 South Montowese Street, Branford, Ct. 06405. (203) 483-0468

[phcarchitect@phcarchitect.com](mailto:phcarchitect@phcarchitect.com)

TO: CHFA and DOH, and to Governor Ned Lamont

July 5, 2020

(Via e-mail)

Dear CHFA & DOH Board Members, and Dear Governor Lamont,

I am writing as long time resident and as a professional architect practicing in Connecticut to comment on the proposed 2020 Low-Income Housing Tax Credit Procedures and LIHTC Qualified Allocation Plan (QAP), because the proposed changes are undoubtedly significant and because their outcome will be detrimental to both the low income families who will be affected by it, and to CHFA which will bear the brunt of the adverse financial outcome resulting from these important changes.

The proposed changes will have a negative financial impact because the proposed weakening of the current rules, which give greater incentives for higher quality standards, will only benefit developers. Allowing developer to provide a lower quality construction means that CHFA will face more maintenance costs, more repairs and more problems, and tenants will be facing higher living expenses, uncomfortable and even unhealthful conditions, and all of those will result in more expenses. For CHFA and DOH this is a losing proposition, and it a losing proposition for the citizens of Connecticut who will again, sooner or later, have "foot the bill"

The issue stems from the misunderstanding that the Passive House standard is just another energy saving method. The fact is that energy saving is just one of several fundamental benefits of the Passive House standard. Equally important are the unmatched health and related Indoor Air Quality (IAQ) benefits and the much lower impact on the environment (which fall in line with Governor Lamont's Executive Order No 3 and the 2030 Greenhouse gas Emissions Reduction plan), through a 2/3 reduction in CO2 emissions, compared with code complying buildings. Health issues in multi-family dwellings have long been ignored, but the pandemic has changed that forever. Finally the Passive House Standard is also the only standard which provides "Survival in Place" for its occupants which lessens the challenge of evacuations and community sheltering during extreme climate events, freeing critical resources for other emergencies

Than you for taking the time to read my letter. I look forward to hearing your reply to these very important issues which will shape the future of Low Income Housing in Connecticut for many years

Sincerely yours,

Philippe Campus, AIA  
Principal



July 2, 2020

By Email to  
Connecticut Housing Finance Authority  
Attn: Terry Nash [PublicComment@CHFA.org](mailto:PublicComment@CHFA.org)

Re: **Sustainable Design Incentives in Connecticut's 2020 Qualified Allocation Plan**

### **Summary**

New Ecology, Inc. (NEI) appreciates the opportunity to provide comments as part of CHFA's annual Qualified Allocation Plan (QAP) revision process. Our comments are focused on the *Financial Efficiency & Sustainability* Scoring Criteria, particularly Section g. *Sustainable Design*. Our recommendations regarding the proposed 2020 QAP changes are informed by our direct LIHTC project work in Connecticut, our collaboration with many architects in the CT Green Bank Peer-to-Peer Network and the CT Green Building Council.

In order to meet the state's ambitious targets to reduce the levels of greenhouse gas emissions by 45% below 2001 emissions by 2030 (and 80% by 2050), we are recommending a continued emphasis on sustainable design in the 2020 QAP, and no reduction in the 7 sustainable design points. The buildings CHFA finances in 2020 will be in existence in 2050, which is why they must be built to be Net Zero Ready and to high energy performance standards such as Passive House.

We strongly object to the proposed scoring of 4 points for both Option 2 and Option 3. Many owners are already designing their 2020 projects to Passive House standards (Option 3), which is a rigorous certification and requires building plans and specifications at a level of completion of 90% or higher. Since the application deadline is only a few months away, it is important that CHFA either:

- revert to the 2019 QAP Sustainable Design point framework with a total of 7 points; or
- in the 2020 High Performance Design subsection, increase the number of points offered for Option 3 over Option 2.

Please see our additional recommendations later in this letter for improving the High-Performance Design section.

### **New Ecology Background**

NEI is a non-profit organization with over 20 years of experience advancing sustainable community development, including providing technical assistance on over 160,000 units of affordable housing nationwide. NEI has been involved in greening affordable housing in Connecticut since 2014, first with the CHFA – CEFIA Multifamily Energy Efficiency Demonstration Program and then as a technical assistance partner to the Connecticut Green Bank Sherpa Multifamily Predevelopment Loan Program through 2019. We have been the sustainability consultant on project teams for several CT LIHTC projects.

[www.newecology.org](http://www.newecology.org) Boston MA | Baltimore MD | Wilmington DE



NEI has advised housing finance agencies throughout the United States on writing QAP energy efficiency and sustainable building design guidelines and incentive frameworks for green certifications and utility benchmarking. We are currently providing technical assistance on fourteen LIHTC project design teams for multifamily developments that will be certified to Passive House standards, and working on climate resilience planning for statewide public housing portfolios in Massachusetts and Delaware. We have served on many national advisory groups associated with the LEED and Enterprise Green Communities certification systems.

### **Connecticut's Commitment to Affordable Housing as well as Energy Efficiency, Climate Change and Resilience**

CHFA should not step back from its leadership and progress in demonstrating the value of Passive House for new construction and deeply sustainable rehabilitations in the affordable multifamily sector. On a life cycle basis, we know that deeply sustainable housing is healthier for residents, costs less to operate, and is an important component in the critical work to reduce carbon emissions.

We understand that some multifamily developers are pushing back on incentivizing sustainable design due to the perception that Passive House and other certifications add to soft and hard costs. We have seen in other markets, particularly MA and PA, that it can take several years to build the capacity of designers, contractors and suppliers to build high performance buildings. However, states like Pennsylvania are demonstrating that Passive House performance can be achieved within the target budgets for LIHTC projects.

### **Comments on Sustainable Design / Renewables**

We agree with the shift to offering 1 point for Solar PV only, instead of PV or geothermal. We support the new threshold system size based on  $\geq 50\%$  of site and interior common area annual energy load, rather than last year's threshold for 33% of site lighting only. A larger system provides the property more predictable utility costs and helps achieve greenhouse gas emission reductions consistent with the state's climate goals. Over time, if PV is in place and battery technology becomes cost effective, solar plus battery storage will be able to help the properties reduce or eliminate the need to use diesel generators during emergencies.

### **High Performance Building Design**

In Options 1-3, we acknowledge and understand CHFA's desire to give applicants more choices between green certifications and pathways. However, the way that these choices are currently allocated between the Options does not, from our experience, reflect equal but different pathways to achieving the same level of sustainability or performance.

One major consideration is whether a particular rating system or certification is one that holistically addresses **sustainability** in a project (such as Enterprise Green Communities, LEED, or NGBS) or if it is one that focuses specifically and primarily on **energy performance** (such as DOE Zero Energy Ready Homes, Passive House, or PHI).



Another consideration is ensuring that each of the Options includes a pathway that is viable for moderate to substantial rehabilitation projects.

As such, we recommend that Option 1 include a minimum energy performance threshold (as it currently does with the HERS/ASHRAE requirements), as well as a requirement for implementation of a holistic sustainability program (basic levels of certification under LEED, NGBS, or Enterprise Green Communities). In that Option, NGBS and Enterprise Green Communities provide a viable compliance pathway for rehabilitation projects.

Option 2 should increase the rigor associated with both energy performance and overall sustainability. This could include DOE Zero Energy Ready Homes for low rise multifamily, more rigorous ASHRAE performance requirements for high rise buildings, and a higher level of certification in either the LEED, NGBS, or Enterprise Green Communities rating systems. We think that EnerPHit should be shifted to Option 3 to permit a high performance pathway for rehab projects.

In Option 1 and 2, the requirement for “ASHRAE >23%” should be clarified to specify the relevant year of the applicable ASHRAE standard to which the 23% would be applied.

If Option 3 does not have more points than Option 2, it will not be considered a legitimate incentive to higher performance and will not be pursued by multifamily developers. As noted earlier, we strongly recommend that Option 3 be awarded more than 4 points, and recommend 6 points instead of 4, since it involves more rigorous green building certification requirements and requires building plans and specifications at a level of completion of 90% or higher.

In New Ecology’s experience, LEED, PHIUS and PHI provide more field verification requirements that results in increased accountability for high performance construction. In future QAPs, we hope that CHFA will require several years of reporting on actual building performance achieved by developments using the various certifications.

### **Energize CT RNC and Passive House utility incentives**

The Energy Conservation requirements for an Energize CT Letter of Agreement has been a big step forward and other states are now following CT’s lead to identify utility incentives early in the LIHTC application process. The CT Residential New Construction (RNC) program has solid post-construction incentives for Passive House. However, we hope that CHFA and the utilities can take steps in 2020 to further improve the incentives with some of predevelopment incentives for feasibility studies and energy modeling, as is now being done in Massachusetts: <https://www.masssave.com/en/saving/residential-rebates/passive-house-incentives/>

In Massachusetts, these upfront incentives are making it much more feasible for cash-constrained non-profit community development corporations (CDCs) as well as for-profit affordable housing developers to pursue Passive House design.

Passive House Incentive Structure for Multi-Family Mid- and High-Rise			
Incentive Timing	Activity	Incentive Amount	Max. Incentive
Pre-Construction	Feasibility Study	100% Feasibility costs	\$5,000
	Energy Modeling	75% of Energy Modeling costs	\$20,000
	Pre-Certification	\$500/unit	N/A
Post-Construction	Certification	\$2,500/unit	
	Net Performance Bonus	\$0.75/kWh	
		\$7.50/therm	

In summary, at this time of focus on COVID and protecting health outcomes, expanding social and economic equity, and slowing the impacts of climate change, CHFA should not be rolling back any of the 7 points Sustainable Design Measures in the 2020 QAP. It is most important to retain a viable Passive House incentive and award at least 1 additional point for Option 3 than Option 2.

Thank you for this opportunity to comment.

Sincerely,



Edward F. Connelly  
President

[connelly@newecology.org](mailto:connelly@newecology.org)

617-557-1700

cc: Seila Mosquera, DOH

## Nash, Terry

---

**From:** Deb Hall <hall@newecology.org>  
**Sent:** Monday, July 06, 2020 4:13 PM  
**To:** PublicComment  
**Cc:** Seila.Mosquera-Bruno@ct.gov; Edward F. Connelly  
**Subject:** Comments on 2020 Draft QAP  
**Attachments:** Stubbed Attachments.htm

This message's contents have been archived by the Barracuda Message Archiver.  
[New Ecology QAP letter to CHFA July 2020.pdf](#) (563.7K)

**[EXTERNAL EMAIL: If unknown sender, do not click links/attachments. Never give out username or password.]**

Hello Terry

Thank you for the opportunity to submit these comments on behalf of New Ecology.

Best regards  
Debra

Debra Hall  
Connecticut Regional Manager and Director of New Markets | **New Ecology, Inc.**  
[hall@newecology.org](mailto:hall@newecology.org) | 617-557-1700 x7729  
[www.newecology.org](http://www.newecology.org)



185 DARTMOUTH STREET  
BOSTON, MA 02116  
P. 617.695.9595  
TCBINC.ORG

July 6, 2020

Ms. Nandini Natarajan, CEO  
Connecticut Housing Finance Authority  
999 West Street  
Rocky Hill, CT 06067

Dear Ms. Natarajan,

The Community Builders is pleased to submit comments on the 2020 Draft of Connecticut's Qualified Allocation Plan (QAP) for the Low-Income Housing Tax Credit Program.

The Community Builders has developed 13,000 units of housing across 14 states, and each development is unique to the community and population served. We do our best work in partnership with the communities in which we provide housing, by structuring our projects around what the community and residents need. TCB has been building communities in Connecticut for over twenty years, having constructed or preserved close to 900 quality housing units throughout Hartford, Kent, New Haven, Torrington and Vernon. One of our operating properties in New Haven was funded in the 2019 9% round which we are advancing towards a twinned 4%/9% closing. In addition, TCB, through its subsidiary, TCB CDE has allocated \$2.5 million in new market tax credits to construct the headquarters of a New Haven non-profit that serves the needs of low-income people with mental and health disabilities in the surrounding community.

We'd like to start by commending the changes that have been proposed in the recent QAP Draft, as it takes critical steps toward a more nuanced pipeline of housing development that is less prescriptive, and more responsive to community needs. Specifically:

- *Expanded definition of Preservation* - The changes proposed to expand the definition of preservation projects to include a wider definition of substantial rehabilitation, and developments that have rental assistance contracts is an important step towards preserving and renovating the existing affordable housing stock throughout the state. These changes will better support improvements to the affordable housing inventory which otherwise would be at jeopardy of loss due to age and lack of capital. With these changes, CHFA can better ensure that existing housing remains safe and of good quality for the residents who already live there.
- *Additional options to meet Sustainability Measures* – TCB supports the improved clarity and scoring options to introduce sustainability measures into housing developments. The proposed changes further incentivize sustainable development of adaptive reuse and historic preservation projects, as it is difficult to achieve PHIUS standards outside of new construction. We believe this will ultimately do more to preserve and renovate existing buildings already served with infrastructure, and which often have public transportation options and nearby schools, representing in many ways the *greenest* approach to solving the state's housing crisis. We hope

that CHFA will keep the proposed tiers and scoring for sustainability and energy efficiency, and also track outcomes on all of these programs to better evaluate the effectiveness of emerging energy efficiency technology.

- *Financing flexibility* - Adjusting the ELI targets to 30% AMI, reducing the emphasis on construction costs and 90% drawings/specs, and changes to the supportive housing funding definition allow developers to be more efficient in our financing when state resources are scarce, while also allowing greater flexibility in how we direct funds. These changes reduce the emphasis on technical service requirements to allow for greater flexibility and creativity to tailor a project to unique circumstances.

We support CHFA's incremental approach to QAP changes in 2020 to allow time for the housing development pipeline in CT to adjust and respond. The Community Builders has joined with other developers across the state to provide further commentary to CHFA for the upcoming 2020 LIHTC Round. In addition, we encourage CHFA in the coming months and for future QAPs to explore changes to the following areas:

- 1) *Implement a Set-Aside for High Opportunity Areas* -We recommend considering a 'set-aside' or a cap on high opportunity projects, similar to the way that Public Housing projects are managed in the competitive 9% LIHTC process. CT's urban communities offer significant potential for revitalization in the state, and affordable housing is a key opportunity for investment in many of these communities. While affordable housing is greatly needed in the higher opportunity suburbs and rural communities of CT, and certainly the State's 8-30g statute is a necessary tool to begin to address exclusionary zoning throughout the state, we ask that CHFA consider a two-tract approach: one that prioritizes affordable housing in high opportunity areas as an active step toward desegregating and deconcentrating poverty in the state; and another that utilizes affordable housing development to revitalize struggling working class communities and urban downtowns that already have significant infrastructure, public transit, and support systems in place to benefit residents of affordable housing.
- 2) *Partner with the Department of Housing to offer additional rental or operating subsidies* – It has historically been challenging for developers to secure operating subsidy and supportive service funding necessary to serve CT's lowest-income households, and particularly so now with the increased needs of residents due to COVID. Therefore, we encourage CHFA to integrate the administering of rental or operating subsidies into the QAP process. Without sufficient state resources to support extremely low-income households, this population will be left behind as new housing is developed. Currently developers must secure 20-year rental subsidy commitments prior to underwriting under CHFA's programs, but these commitments are scarce. There are models in other states where there is a coordinated effort through tax credit applications to ensure that funded developments receive the subsidies needed to target deeply affordable units, which ensures that these subsidies are going to viable projects. Organizing now to achieve this in future QAP's is an important step, particularly during COVID-19, where many of our lowest-income households are being disproportionately impacted by job loss and health risks.
- 3) *Improvements to the 4%/9% Hybrid Financing Structure* – CHFA's draft requirements for this type of structuring create some inefficiencies that we recommend be revisited. Specifically: a) The

requirement of single or contiguous sites would preclude using this approach for scattered site developments, while the requirements for delineated space and systems undermine the efficiency of contiguous or single site hybrid projects. This approach limits the flexible financing that is the core benefit of the hybrid approach. b) The proposed requirement that the Connecticut Housing Finance Authority must be the construction lender, permanent loan lender and bond issuer is likely to impede the bidding of LIHTC equity for these projects, as LIHTC investors are often able to offer higher pricing if they are also able to consider a role as debt provider. In some cases, investors will only bid on a project if the construction debt is available. Finally, c) Points in this category are proposed to be calculated based on the total number of qualified bedrooms in the Proposed Hybrid Development and the sum of the Proposed Hybrid Development's 9% Credits and 4% Credits. This will favor hybrid developments in this scoring category over other 9% projects, and we believe the mechanism for financing should not influence the scoring merits of any one project.

- 4) *Provide Clarity on Senior Housing Priorities* – Senior Housing remains a critical housing need both within the State of Connecticut, and nationally, yet CHFA's point system only advantages the development of family housing, which has an unintended consequence of hindering senior housing and other types of projects geared to individuals with great needs. The QAP does not offer clear guidance on whether the state will fund Senior Housing only developments. We would request this clarification in the QAP and encourage CHFA to consider the funding of Senior Housing only developments as part of a comprehensive affordable housing strategy for the state.

We are grateful for CHFA's responsiveness to the comments and concerns expressed by The Community Builders and others in the affordable housing industry. The draft QAP makes a number of improvements that will benefit our communities and the residents we serve. The Connecticut Housing Finance Authority continues to be a tremendous organization addressing the housing crisis in the state, and we look forward to learning more about the future policy directions that will guide housing development in the years to come.

Thank you for this opportunity to provide comment.

Sincerely,



Rachana Crowley  
Director of Real Estate Development  
The Community Builders, Inc.



July 6, 2020

Connecticut Housing Finance Authority  
Attn: Terry Nash Giovannucci  
999 West Street  
Rocky Hill, CT 06067

Submitted electronically: [PublicComments@chfa.org](mailto:PublicComments@chfa.org)

Dear Ms. Giovannucci,

On behalf of Building Efficiency Resources, I respectfully submit comments on the proposed 2020 Connecticut Qualified Allocation Plan.

We commend the Connecticut Housing Finance Authority (CHFA) for expanding the Sustainable Design Measures to recognize green building certification programs such as LEED and Enterprise Green Communities. These green building programs not only address energy efficiency, but the health and wellbeing of occupants by considering issues such as the location of the project, accessibility to community resources and physical activity, and indoor air quality. They also bring different perspectives to the concept of green building and we are happy to see the CHFA allow multiple green building certification options.

We also appreciate the inclusion of a target HERS Index but would caution against setting that maximum at 50 for all projects. Due to variations in dwelling unit configurations and how they are scored in the software, it can be difficult for some dwelling unit types, such as interior and/or mid-level units, to achieve the same Index as other dwelling units in the same project. As such, we would recommend that CHFA allow a weighted HERS Index for the entire project as an acceptable compliance option.

In addition, rehabilitation projects that qualify for Enterprise Green Communities certification are granted an allowance for a higher HERS Index in recognition of the fact that while these buildings are seeking to address energy efficiency and indoor air quality, they may not be able to achieve the same low Indexes as high performance new construction. Setting a HERS Index maximum may have the unintended effect of discouraging these projects from seeking these valuable financial resources.

We appreciate your consideration.

Sincerely,

Sara DeVico  
Green Building Services Manager  
Building Efficiency Resources



# BRYANT DIESO, LLC

58 Comstock Avenue · Ivoryton, Connecticut 06442  
(860) 575-3730 · sheridieso@yahoo.com

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July 6, 2020

via Email

Connecticut Housing Finance Authority (CHFA)  
999 West Street  
Rocky Hill, CT 06067

RE: LIHTC QAP 2020 – Sustainability Points

Dear Ms. Nash Giovannucci, Commissioner Mosquera-Bruno, CHFA and DOH Officials, Commissioner Mosquera-Bruno, and State of Connecticut Stakeholders,

Thank you for the opportunity to comment on the proposed LIHTC Qualified Allocation Plan (QAP) and 2020 Low-Income Housing Tax Credit procedures – it is appreciated. As a business owner and volunteer advocate focused on green building and addressing the climate crisis, I find CHFA's proposed reduction to critical QAP sustainability points baffling, and more importantly, counter to Connecticut's climate goals passed into law. I do not support the proposed revisions.

In recent years I've written several letters to CHFA regarding this issue and thought last year's increase to sustainability points, and Passive House (PH) points in particular, was a move in the right direction. What I do not understand is why this issue continues to be revisited annually. At this point, any change needs to raise the bar, not lower it. Time is running out to significantly reduce greenhouse gas emissions before the damage to our climate is truly irreparable.

The proposed reduction to QAP sustainability points:

- is not in alignment with the State of Connecticut's Act Concerning Climate Change Planning & Resiliency.
- is detrimental to our most vulnerable citizens who have a right to live in housing that is healthy, comfortable, and designed / built to provide 'energy security' to occupants.
- is not in alignment with the goals of CT citizens fighting the climate crisis.
- does not help CT keep up with the goals of other states – we must act regionally, nationally, and globally.
- does not align with the Triple Bottom line (People, Planet, Profit) that drives most of the numerous sustainable and resilient projects in CT and elsewhere. Informed designers, contractors and owners are building to Passive House and other standards because it is a win-win-win.
- unfortunately appears to satisfy the push back from developers, who are not interested in learning about high performance design and construction or believe it to be more difficult or cost prohibitive. If CT required continuing education for contractors and developers, as is required for AIA members, LEED APs, CPHCs and most other professionals, the number of nay-sayers would decline, and environmentally responsible construction would increase. While we wait for that, we must resist those who insist we cannot or should not do what makes sense and is readily possible.

Maintaining or increasing QAP points, especially for Passive House:

- will benefit those who are otherwise susceptible to fuel poverty (which can negatively impact one's health).
- can dramatically reduce emissions as compared with lesser buildings.
- will provide buildings that are more durable and require less maintenance.
- will allow for healthier buildings, benefitting those with Asthma, or other ailments.
- will also allow people to shelter-in-place during power outages.

Note that I am an Architect, Green Building Consultant, Certified Passive House Consultant (CPHC), LEED AP BD+C, Board Member of both CT Passive House (CTPH) and CT Green Building Council (CTGBC), member of AIACT's Committee on the Environment (COTE), and a concerned citizen. I am involved in organizing educational programs for CTPH, CTGBC and COTE and can tell you that there is a great deal of interest in any Passive House program we offer. Whether the event is a Passive House 101 seminar, Case Study, Panel Discussion (Owner, Architect, Contractor), How to Build PH Affordably, PH and Multifamily, Ventilation systems, etc., the turnout is always extraordinarily strong. Passive House is the future; it is the path to Net Zero, can drastically reduce energy bills and emissions, result in healthier and more comfortable buildings, and can be built affordably. Also, please note that the Passive House Standard is far more effective than LEED Silver when considering reduced emissions and energy consumption. Passive House and affordable housing are a perfect match.

The Nay-sayers need to become yay-sayers. Knowledge is power; knowledge is essential. Why not offer a point in the QAP for training of the contractor's team? The educational offerings for Passive House seem limitless, but to start, there are many opportunities noted on the CT Passive House website and in the CTPH Newsletter. Just sign up at CTPassiveHouse.org. You can also find learning opportunities at:

- CTGBC.org
- AIACT.org
- Phius.org (there's a Certified Passive House Builder Training starting July 20<sup>th</sup>)
- Passivehouseaccelerator.com
- Buildings and Beyond podcast (by Steven Winter Assoc).

Also check out the Virtual New Gravity Housing Conference, August 5-7

- <https://greenbuildingunited.org/events/2020-new-gravity-housing-conference>

With the continued refusal of the current Administration to acknowledge and ACT to mitigate the climate crisis, rather roll back/target 100 Environmental Acts, it is even more incumbent upon the rest of us to design, construct, incentivize, and regulate high performing, low-emitting buildings. The clock is ticking.

In a way, how we address the climate crisis is akin to how we should respond to the Coronavirus pandemic. I'm a firm believer in the "I protect you, You protect me" approach to wearing a mask: those who choose not to wear a mask are uninformed or do not care about the well-being of others as they do themselves. Passive House, high performance and resilient design & construction is the mask to climate change. What we do now as stewards of this earth is what we leave to our children, and those who follow. The concept is the same, just at a different scale.

To summarize, the increased point structure in the last QAP round was a necessary affirmation of the Passive House Standard, and other high-performance strategies, which I found refreshing, and in alignment with the design and construction trends in the northeast and throughout the US.

Please remain leaders that support the future of our built environment and maintain or increase the PH points in the QAP. Be a mask wearer. Thank you.

Sincerely,



Sheri Dieso, AIA, LEED AP BD+C, CPHC  
Bryant Dieso LLC

Cc: Governor Lamont  
Senator Blumenthal  
Senator Murphy



July 06, 2020

Terry Nash Giovannucci  
CHFA  
999 West Street  
Rocky Hill, CT 06067  
[PublicComment@chfa.org](mailto:PublicComment@chfa.org)

Dear Ms. Nash Giovannucci, CHFA Officials, and State of Connecticut Stakeholders,

Thank you for providing this opportunity to comment on the 2020 Low-Income Housing Tax Credit Qualified Allocation Plan (QAP). I am writing to you both as a **resident of Norwalk** and a Building Systems Analyst in a 120-person building systems consulting company headquartered in Norwalk, CT. My colleagues at Steven Winter Associates, Inc. are involved in sustainability as researchers, green building consultants, energy analysts, and personal activists.

We care deeply about allocating tax dollars to **combat climate change** and **protect CT from an uncertain energy and water future**. Current events have highlighted the importance of **protecting human health and promoting social equity**, and sustainable housing supports these goals. My firm and I **strongly support the inclusion of both LEED for Homes and Passive House standards into the CHFA QAP**. Not only do these programs incorporate extreme energy efficiency, but they also promote superior occupant comfort, healthy indoor air quality, and ensured building durability. Tenants of these high performing buildings **save money on their utility bills**, enforcing the State's commitment to better housing for Connecticut's workforce and affordable housing occupants. **Third party verification is a critical component to ensure that buildings are verified and tested to perform at best potential**. Occupants of certified LEED and Passive House homes also enjoy quieter, healthier buildings which are linked to reduced missed work and school due to sick days.

Passive House and Sustainability incentives should be increased, not decreased, in the 2020 Qualified Allocation Plan (QAP). Specifically, my firm recommends the maximum points for Sustainable Design (Section 2, Item f) in the 2020 QAP be increased from 7 (allowed in the 2019 QAP) to **8 points**. This can be achieved as follows:

- Retain the additive structure in the 2019 QAP.
- 1 point for solar photovoltaic system at the **increased stringency** as proposed (50% site and common area energy demand, increased from 33% in 2019 QAP).
- **Retain the Passive House Design category**, where third party net zero certification program will earn 3 points. These programs include any certifications through PHI and PHIUS programs, EPA Zero Energy Ready Homes, or Zero Energy certifications.
- Retain 1 point awarded to the two most cost-effective Passive House projects.
- Adjust High Performance Design category to award 3 points for projects qualified for LEED for Homes or LEED Multifamily Midrise v.4 Silver, or National Green Building Standard 2015 Silver.

In summary, please maintain the momentum toward meeting CT's 2030 and 2050 energy, sustainability and resilience goals. Pursuit of these goals generated over \$2 million in business for SWA and employed more than 25 full-time CT-based, high-performance building consultants. CT based Passive House business alone, has resulted in 5 new positions at our firm plus 3 new positions for consultants supporting LEED for Homes. **We are working hard to protect our future through healthy and environmentally responsible buildings, and we need your help to continue.**

Sincerely,

A handwritten signature in black ink that reads 'Kate Doherty'.

Kate Doherty  
Building Systems Analyst, Passive House Consultant, and Norwalk, CT Resident



July 2, 2020

Dear Ms. Nash Giovannucci, Commissioner Mosquera-Bruno, CHFA and DOH Officials & Staff, and State of Connecticut Stakeholders:

Thank you for providing this opportunity for CTPH to comment on the proposed 2020 Low-Income Housing Tax Credit procedures and LIHTC Qualified Allocation Plan (QAP). Connecticut Passive House (CTPH), [www.ctpassivehouse.org](http://www.ctpassivehouse.org), is an organization dedicated to offering education, training and resources on the Passive House design and building standard.

As one of the earliest state financing agencies to incorporate Passive House into the QAP, CHFA demonstrated leadership commensurate with Connecticut's climate goals to reduce greenhouse gas emissions to 45% below 2001 emissions by 2030 and 80% below 2001 emissions by 2050. Since this target became law, the state has continued to emphasize the importance of achieving these targets, as recently as Sept. 2019, with Governor Lamont's Executive Order No. 3 aimed to strengthen Connecticut's efforts to mitigate, or lessen the impacts, of climate change.

- Since buildings represent 40% of greenhouse gas emissions, they play a vital role in Connecticut's ability to mitigate climate change.
- Because buildings being built today will be in existence in 2050, they must be constructed to be as energy-efficient as possible and targeted to achieve Zero Energy status.
- **As the most rigorous energy-efficient high-performance building standard, Passive-House (PH) is a pathway for buildings to achieve Zero Energy** which is why PH has been adopted as a tool by other states, municipalities and now over 30 state financing housing agencies in their respective Qualified Allocation Plans.

Why is Passive House a pathway for Zero Energy? By emphasizing elements such as an airtight building enclosure, super-efficient insulation, high-performance windows, etc., PH ensures that any energy in the building -- heating or cooling -- stays in the building. It is often said that Passive house buildings sip energy compared to conventionally built buildings that gulp. Because the demand for energy to heat and cool in a PH is substantially lower, buildings can more readily achieve zero energy once renewables are added (note: Some type of renewable energy is essential in order for any building to achieve zero energy status ).

Furthermore, because HVAC systems use the most energy, by far -- 40% -- compared to any other system, it is vital to reduce the heating and cooling loads in a building. To raise the stakes even higher, recent analyses have revealed that it is steadily becoming warmer in Connecticut. Specifically, the state's average temperatures have already increased 1.8°C<sup>1</sup> and are forecasted to continue to rise due to global warming which means the demand to cool our buildings will only increase.

**Given the state's increased emphasis on sustainability and mitigation strategies, CTPH is strongly opposed to the proposed reductions in overall points for the sustainable design section, and instead, would like to see CHFA consider additional points for both Passive House and Zero Energy.**

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<sup>1</sup> Washington Post, 8/13/19: "2°C: Beyond the Limit"

While CTPH acknowledges the intention to include more standards in the QAP, especially if/when PH is deemed to not be the best “fit”, **the groupings, as configured in Options #2 & #3 – for the same amount of points -- represent major changes to the QAP.**

Including Passive House, with other standards that do not deliver the same level of positive impact, will dramatically impact the quality of the buildings to be constructed.

**CTPH is opposed to both the proposed point allocation and the groupings of the various green/high performance standards in the 2020 QAP and instead, urges CHFA:**

- **To retain the additive structure of the 2019 QAP which allocated more points to those higher performing standards, specifically Passive House.** A recent survey of other QAPs, especially in Pennsylvania, Massachusetts, and Wash. D.C. revealed noticeably higher allocation of points for PH and/or a combination of standards that work in conjunction with more stringent building state codes, than CT, to achieve Zero Energy.
- **To continue to offer an additional point for renewable energy, a “must” to achieve Zero Energy.**

Note that one of the two PH building standards, PHIUS<sup>2</sup>, contains prerequisites for achieving other levels of high-performance: Energy Star, Indoor airPLUS and DOE’s Zero Energy Ready Home Program in order to achieve PHIUS certification.

- Third-party RESNET approved quality assurance/quality control
- Earns U.S DOE’s Zero Energy Ready Home status
- Includes HERS rating
- Earns U.S. Environmental Protection Agency (EPA) Indoor airPLUS label

The emphasis on superior indoor quality in the PH building standard is another benefit that cannot be overstated, in light of the burden from air pollution that is disproportionately experienced by the most vulnerable residents. According to the American Lung Association, there is a documented difference in harm from air pollution to racial or ethnic groups and people who are in a low socioeconomic position, have less education, or live nearer to major sources of pollution.<sup>3</sup> Specifically,

- Moisture is a leading cause of health, comfort and durability concerns in homes.
- 19% of U.S. households have at least one person with asthma and there is a 20-50% increased risk of asthma in damp houses
- The economic cost of asthma amounts to more than \$56 billion annually

Finally, there are additional important benefits to utilize Passive House for affordable housing. Notably:

- Energy security for Connecticut residents who are burdened with living in the state with the highest rate for electricity in the continental U.S., according to the federal Dept. of Energy.
- Ability for occupants to safely and comfortably shelter-in-place for sustained periods of time in the advance of energy black-outs and extreme weather events.<sup>4</sup>

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<sup>2</sup> [www.phius.org](http://www.phius.org)

<sup>3</sup> [American Lung Association/Disparities in the Impact of Air Pollution](http://AmericanLungAssociation.org/Disparities%20in%20the%20Impact%20of%20Air%20Pollution)

<sup>4</sup> [be-exchange.org/insight/designing-for-resiliency](http://be-exchange.org/insight/designing-for-resiliency)

- Buildings that are more durable and require less maintenance/ associated “2nd costs” for developers.

Finally, since achieving cost-effectiveness in construction is also a key factor for CHFA and DOH, CTPH is also urging a heightened focus of achieving comparable/lower per unit construction costs for Passive House projects. Now that the learning curve on Passive House has advanced, there is “proof of concept” of affordable PH projects being built for comparable costs to non-PH projects, especially in regions such as Pennsylvania which has the longest track-record of incorporating PH into their QAP.

- CTPH is aware that the Peer to Peer Multifamily network is poised to share data with CHFA and DOH from CT passive affordable housing projects to provide real-time, in-house information.
- Additionally, it is common knowledge in the high-performance design community that pursuing PH later in the design process inevitably leads to higher cost premiums. With this in mind, CTPH is offering to participate in a review of the application process to identify “Best Practices” such as integrated project design, plan review, etc. in order to identify those project designs, in general, that are most suitable for PH and/or identify specific opportunities to realize cost-savings upfront, prior to construction.

In closing, the QAP serves as an important lever that drives market adoption. In light of the scale of the proposed changes in the 2020 QAP, CTPH’s primary concern is that CHFA is inadvertently sending the wrong signal to the market, at a time when the state is seeking to escalate efforts on climate mitigation

**By offering additional points for Passive House in prior QAPs, CHFA has played a major role as a catalyst fueling Connecticut’s green energy economy in accordance with the Governor’s goals.**

- Since its inception, CTPH has continued to observe an increase in memberships and attendance at its events and will be partnering with Eversource to launch a comprehensive multi-pronged Passive House training program, modeled after the successful MassSave PH training program<sup>5</sup> to introduce the PH building standard to a wider pool of stakeholders while also building capacity in Connecticut’s workplace.

CTPH is committed to a cleaner, healthier, more resilient, carbon-free future and welcomes opportunities to support CHFA and DOH’s efforts to meet its goals to provide high-quality affordable housing while also addressing Governor Lamont’s pledge that *“Connecticut will remain a leader on climate change”<sup>6</sup>*.

Thank you for this opportunity to submit comments,



Alicia J. Dolge,  
Outreach & Advocacy Committee Chair, CTPH board

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<sup>5</sup> [masssave.com/passive-house-training](https://masssave.com/passive-house-training)

<sup>6</sup> [portal.ct.gov/Office-of-the-Governor/2019/09-2019/Governor-Lamont-Signs-Executive-Order--Connecticut To Lead On Climate Change](https://portal.ct.gov/Office-of-the-Governor/2019/09-2019/Governor-Lamont-Signs-Executive-Order--Connecticut-To-Lead-On-Climate-Change)

7/6/20

## **PHFA Cost Comparison: Passive House vs. Conventionally Built Projects**

Explanation provided by Stan Salwocki  
Manager of Architecture & Engineering  
Pennsylvania Housing Finance Agency

“For years we have tracked the square foot costs of our developments at the time of application. The PDFs are spreadsheets of this data for the years 2015 – 2019. They are broken down by development type: single family homes and townhouses; multistory walk-ups & elevator buildings; and adaptive reuse buildings (substantial rehabs). They are arranged in order of construction cost per square foot, from lowest to highest. (Developments that are preserving existing affordable housing are not included in these lists)

When we first included building to Passive House standards in our 2015 QAP, the biggest reaction we received was that it would substantially increase construction costs. So every year since then I used these spreadsheets (which we were already creating annually) to compare the cost/square foot of Passive House developments to that of conventionally built developments. The projects highlighted in yellow and orange are Passive House applications. The orange ones received an allocation of tax credits; the yellow ones did not. You will see that the passive house developments are not all at the high end of these lists.

The last attachment tracks the construction costs of 2015 projects from application to closing to cost certification. The developments in orange are built to Passive House standards, those in green are adaptive reuse projects, and the white are conventionally built developments. The Passive House development with the largest percentage change in costs (2015-449) was the new construction of a 4-story, 61 unit, elderly housing project. The site was occupied by older homes, scheduled for demolition. The demolition was part of the scope of work and couldn't be started until after closing. It also meant that soils tests could not be performed until the buildings were removed. It turned out the soil was terrible and wasn't capable of supporting the proposed building. Just over 50% of the construction change orders were for excavation of existing soil and replacement and compaction of new fill material. Without these costs, the cost increase would have been 3.2%

**Even at construction completion, the Passive House costs were no different than the non-Passive House costs.”**

*Verbatim comments sent via email (December 2019) to Alicia Dolce, founding board member: CT Passive House (CTPH).*

## PHFA 2015 COST COMPARISONS: APPLICATION - CLOSING - CERTIFICATION

White = Conventionally Built

Green = Adaptive Reuse

Orange = Passive House Projects

Project No.	Total Units	Residential Building Area	\$/SF @ Application	\$/SF @ Closing	\$/SF at Cost Cert	% Change from Closing
2015-614	45	53,021	\$116	\$128	\$128	0.0%
2015-612	31	43,868	\$161	\$160	\$162	1.2%
2015-836	23	28,205	\$197	\$190	\$190	1.6%
2015-608	40	40,959	\$158	\$153	\$157	2.5%
2015-467	45	63,548	\$139	\$150	\$154	2.6%
2015-445	50	55,099	\$220	\$220	\$226	2.7%
2015-810	35	61,504	\$149	\$145	\$149	2.7%
2015-610	54	70,218	\$100	\$108	\$111	2.7%
2015-619	37	39,447	\$141	\$141	\$145	2.8%
2015-466	40	53,652	\$140	\$140	\$144	2.8%
2015-440	52	50,275	\$213	\$226	\$233	3.0%
2015-416	66	70,689	\$153	\$150	\$155	3.2%
2015-804	88	79,650	\$226	\$220	\$228	3.5%
2015-620	53	82,070	\$119	\$124	\$129	3.9%
2015-806	49	54,287	\$148	\$145	\$151	4.0%
2015-616	24	36,064	\$150	\$153	\$160	4.4%
2015-459	12	16,796	\$160	\$173	\$181	4.4%
2015-448	44	49,406	\$169	\$169	\$177	4.5%
2015-809	37	48,768	\$198	\$190	\$199	4.5%
2015-431	52	43,868	\$296	\$273	\$287	4.9%
2015-419	28	45,424	\$178	\$169	\$178	5.1%
2015-443	51	62,509	\$218	\$176	\$186	5.4%
*** 2015-449	61	63949	\$149	\$147	\$157	6.4%
2015-415	56	56,250	\$\$159	\$164	\$176	6.8%
2015-439	53	51,690	\$155	\$149	\$163	8.6%
2015-807	43	55,832	\$170	\$166	\$185	10.3%

\*\*\* Cost premiums primarily due to required soil remediation. Without these additional costs, % change from closing (cost increase) would have been 3.2%



**G L E N D O W E R**

360 Orange St, 2<sup>nd</sup> Floor  
New Haven, CT 06511

(p) 203.498.8800  
(f) 203.497.9259

July 8, 2020

Ms. Nandini Natarajan, CEO  
Connecticut Housing Finance Authority  
999 West Street  
Rocky Hill, CT 06067

Dear Ms. Natarajan:

We are writing to provide comments on the Connecticut's 2020 Qualified Allocation Plan (QAP) for the State's Low-Income Housing Tax Credit program. We applaud the amendments and clarifications that support the ongoing need for quality affordable housing in the State. We hereby have the following recommendations:

**Family Developments**

We recommend an increase from 1 point to 2 points for family developments. Rationale: family developments are in demand and the cost to rehabilitate or construct far exceeds the non-family units. There should be an extra value/incentive for supplying family developments.

**Municipalities Having Less Assisted and Deed Restriction Housing**

We recommend amending this section to include urban municipalities where there's considerable public and private investment. Rationale: HUD's Federal Regulation 24 CFR Part 983 speaks to Neighborhood Site Standards in "impacted areas" and provide exemptions for areas where there is public and private investment. These areas are being designed to attract higher income families and without investment in affordable housing, there's a potential to flip the demographic. This approach will prioritize resources for locations with low affordable inventories without completely excluding locations with higher inventories but equally impacting housing policy.

We support decreasing the points for 90% drawings and the Sustainable Design measure changes as this allows for rehabilitation units to remain competitive.

Thank you for your consideration.

Sincerely,

Shenae Draughn  
Senior Vice President



**Connecticut Chapter**  
**P.O. Box 270595**  
**West Hartford, Connecticut 06127**  
connecticut.sierraclub.org

July 6, 2020

VIA ELECTRONIC FILING PublicComment@chfa.org

Terry Nash Giovannucci  
CHFA  
999 West Street  
Rocky Hill, CT 06067

Re: 2020 Proposed Qualified Allocation Plan

Dear Ms. Giovannucci:

On behalf of Sierra Club's more than 40,000 members and supporters in Connecticut, thank you for providing this opportunity to comment on CHFA's 2020 proposed Qualified Allocation Plan. CHFA's Qualified Allocation Plan (QAP) plays a vital role in setting guidelines for the allocation of Low-Income Housing Tax Credits and ensuring better-built homes for low-income Connecticut residents. Homes and infrastructure built now will last many decades, well into 2030 and 2050 when Connecticut's Global Warming Solutions Act mandates greenhouse gas emission reductions of 45% and 80% respectively.

That's why we are disappointed to see a decrease in points for sustainable design measures. The QAP is an important lever to ensure that low-income housing meets high sustainability standards providing healthy, comfortable, and energy efficient homes. Reducing points for sustainable design measures places low-income housing at greater risk for costly retrofits later to comply with the greenhouse gas emission reductions of the Global Warming Solutions Act. We urge you to increase points for sustainable design measures, as well as set a requirement for tax credits to go only to energy efficient, net-zero, all-electric, zero embodied carbon designs. Energy efficient and net-zero, all-electric, zero embodied carbon designs, the most cost effective and healthy choice for new buildings, should be available to all Connecticut residents, regardless of income.

Utility and health-related costs are the next highest costs for low-income individuals after rent/mortgage payments, and controlling these costs is essential to maintaining affordability in Connecticut. New construction is expected to last for decades, so building to this standard now will also avoid retrofit costs to meet the state's robust greenhouse gas reduction mandates. The incentive points in the QAP are an excellent mechanism for providing these benefits.



**Connecticut Chapter**  
**P.O. Box 270595**  
**West Hartford, Connecticut 06127**  
connecticut.sierraclub.org

Because of advances in technology - solar, LEDs, battery storage, heat pumps, and other equipment and design techniques, the initial cost of a net-zero building need not be higher than that of a conventional energy building. Net-zero buildings also have lower lifetime costs, using significantly less energy than conventionally constructed buildings and by supplying their own renewable energy.

Net-zero all-electric, zero carbon profile buildings are also better for human health. The combustion of gas in buildings produces a range of air pollutants with both acute and chronic health effects. UCLA researchers found that after an hour of cooking on a gas stove, 98 percent of smaller apartments had peak levels of NO<sub>2</sub> that exceeded state and national air-quality standards. In other words, the air quality inside nearly every apartment was so bad that it would be illegal if measured outside.

We **urge you to increase, not decrease**, the points for sustainable design and require net-zero, all-electric, zero embodied carbon construction to make the buildings you support healthier and more affordable for the people living in them.

Sincerely,

Samantha Dynowski, State Director  
Sierra Club Connecticut



July 3, 2020

Dear Commissioner Mosquera-Bruno, Ms. Nash Giovannucci, CHFA and DOH Officials, CHFA Staff, and State of Connecticut Stakeholders

Thank you for providing this opportunity to comment on the proposed 2020 Low-Income Housing Tax Credit (LIHTC) procedures and the LIHTC Allocation Plan (QAP).

I was very dismayed to see dramatic changes in the proposed 2020 QAP:

- It appears that the overall points for sustainable design have been reduced from a max of 7 to 6 (the max of points given for the options don't seem to add up). This is the opposite of what CHFA should be doing, in order to align Connecticut's affordable housing with the state's adopted benchmarks for reducing greenhouse gas emissions in S.B. 7: an Act Concerning Climate Change Planning & Resiliency along with the 2018 Comprehensive Energy Strategy and the Governor's latest Executive Order No. 3 to mitigate the impacts of climate change.
- Also, the Passive House building standard should not be combined with other standards as an a-la carte option, especially with the ones it is now grouped with because these are not comparable. Why would a developer consider pursuing PH if the same amount of points could be earned for pursuing standards that are easier to achieve?

For the past 30 years I have operated as a Connecticut-based developer and design/builder who specializes in high-performance construction. In 2014, I incorporated the Passive House standard and the Dept. of Energy's Zero Ready program into all of the homes my firm builds. As the proud winner of the 2016 CT Zero Energy Challenge for a zero energy passive home built for clients in North Guilford, my firm has seen firsthand the impact of energy efficient building practices in both the health, comfort and greatly reduced utility costs for the homeowner and the long term resiliency of the buildings.

I am such a firm believer in the benefits of Passive House, I designed and built my own Zero Energy Passive House in Guilford. Living in the home for the past 1.5 years, I can now attest to its "proof of concept" as an occupant.

- My latest energy bill from Eversource is \$9.62 and last month's bill was \$38.37. Since my home is all-electric, fossil-fuel free, these are my only energy bills, despite the fact that as a Connecticut resident, I pay the highest rates for electricity in the contiguous United States.

In addition to peace-of-mind for energy security, an equally important benefit is the healthy indoor air quality in my home that results from continuous filtered air from mechanical ventilation.

- Passive House is the only building standard that requires mechanical ventilation. The standard requires a minimum of MERV 13 filtration which traps the larger particulates associated with smog/air pollution and also microscopic particles, such as mold and pollen, that trigger respiratory conditions such as asthma.
- I live in downtown Guilford in very close proximity (443 ft.) to the train station and when I change the air filter, it is very dirty and black. I have attached a photo of what my filter looks like when it needs



replacing. The first time I saw it, I was pretty shocked to see visual proof of what the air I would be breathing would be like -- if I didn't live in a PH with continuously filtered air.

Recently, residents in my town had the opportunity to hear about plans for the Woodruff property, an affordable housing project to be built on town property, located in my neighborhood (.1 mile from my home – also, abutting the train station) by developer NeighborWorks New Horizons. I attended several informational meetings which included presentations from NeighborWorks along with the designated general contractor, LaRosa Building Group, and Patriquin Architects.

I was thrilled to learn that Passive House was being incorporated into the plans for the Woodruff project and even more impressed to see that integrated project design was being embraced from the start. As an experienced Passive House design/builder, I can vouch that the optimal way to achieve Passive House most cost-effectively is thru integrated project design – where members of the project team work together from the beginning. Unfortunately, I have also witnessed the alternative where I have been hired to advise on the possibility of pursuing Passive House in the late “11<sup>th</sup> hour” of plans development. At that point, it is very challenging to incorporate either PH design or system elements into the project, let-alone do it cost-effectively.

If CHFA and DOH are seeing PH projects to date that have been substantially (double-digits) more expensive, it's not the PH building standard, it's the process. I am also aware that some developers perceive PH to be substantially more expensive and difficult to achieve. That is simply not true.

**I am writing to strongly urge CHFA to “stay the course” and continue to allocate more points for the sustainable design section of the QAP and for Passive House, as done in the 2019 QAP.**

Net net: Guilford town residents voted overwhelmingly to approve conveyance of the town's property for the Woodruff housing project and I am very concerned that if the proposed 2020 QAP is adopted and sufficient additional points for PH are no longer available, the pursuit of PH will be abandoned. That would truly be a shame and a lost opportunity to build healthy affordable housing that will help meet the state's targets to reduce greenhouse gas and provide energy-security to our most vulnerable residents.

In closing, buildings last a long time. New construction being built today will be standing in 2050. As a Connecticut resident, I don't feel we have the luxury to build any new construction to a lower standard than Passive House/Zero-Energy ready.

Respectively,

A handwritten signature in black ink, appearing to read 'William Freeman', with a long horizontal stroke extending to the right.

William Freeman  
Celebration Development Group, LLC  
Celebration Green Design & Build

845 Brook Street, Rocky Hill, CT 06067  
T 860.563.0015  
ctgreenbank.com



July 6, 2020

Connecticut Housing Finance Authority  
999 West Street  
Rocky Hill, CT 06067

Attention Terry Nash Giovannucci

**RE: Connecticut Green Bank Comments in response to CHFA's current public input period to receive comments on the proposed draft 2020 QAP**

Dear Commissioner Mosquera-Bruno, Ms. Nataranjan, CHFA Board, and CHFA Staff:

Thank you for inviting comments on the proposed revisions to the 2020 LIHTC Qualified Allocation Plan (QAP).

- **The Connecticut Green Bank (CGB) urges CHFA to stay the course by maintaining the 2019 QAP point structure for Sustainability, defer implementation of major changes to the QAP until 2021 and, as appropriate, continue to incrementally increase incentives for passive house, sustainable and high-performance buildings for at least 5 years.** This measured approach will provide the transparency and certainty needed by the development community and broader market to continue investing in and building the capacity necessary to sustainably and successfully adopt these more impactful approaches to building, measure and analyze performance, bring down costs, deliver at scale, and support economic development and job growth in this emerging sector. Further, the approach aligns CHFA and DOH policies/incentives with Governor Lamont's climate goals for Connecticut, including through Executive Orders 1<sup>1</sup> and 3<sup>2</sup>.
- **The CT Green Bank welcomes the opportunity to provide energy related technical assistance to CHFA and DOH as you develop the QAP points related to sustainability and high-performance buildings.** This will build on our longstanding partnership which began back in 2013 with our Multifamily Energy-Efficiency Demonstration Program and the installation of solar PV across a number CHFA and DOH funded properties, reducing

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<sup>1</sup> <https://portal.ct.gov/-/media/Office-of-the-Governor/Executive-Orders/Lamont-Executive-Orders/Executive-Order-No-1.pdf>

<sup>2</sup> <https://portal.ct.gov/-/media/Office-of-the-Governor/Executive-Orders/Lamont-Executive-Orders/Executive-Order-No-3.pdf>

energy costs significantly<sup>3</sup>. CGB understands there are questions and concerns by CHFA, DOH and others in the development community regarding the first costs and operating complexity of high-performance building, which is to be expected when implementing new approaches. As we have seen from solar PV installations, these investments can lead to long-term cost savings by reducing the burden of energy costs, and they can be funded and installed with no upfront costs or money down by property owners. CGB welcomes the opportunity to collaborate with CHFA and DOH, as well as any task forces you may designate, in developing high-performance building standards and targets, using a data driven approach, to achieve multiple goals related to: production of high quality affordable housing, cost effectiveness, durability, health, safety and comfort for residents, economic development, resiliency and climate.

CGB would like to use this opportunity to thank CHFA for its ongoing role as a national leader in setting high building standards for climate change resilience, as well as the production of high-quality affordable housing. CHFA's existing standards are contributing substantially to developing the capacity of the high-performance building sector in Connecticut. This is critical to Connecticut's goals for growing our green economy and, in turn, meeting Governor Lamont's Climate Change goals. Together we can provide property owners and residents with access to low-cost and long-term capital to finance clean energy improvements and reduce energy costs. The current 2019 QAP Sustainability point allocation, including points for Passive House certification, has incented, and has led to the first round of publicly funded high-performance affordable housing reaching completion in Connecticut. Further, these incentives have compelled Connecticut's community of design and construction professionals to build the skills necessary to successfully compete for work in surrounding states with similarly high standards, expanding employment within their firms.

In addition to energy-efficiency and renewable energy, the existing QAP scoring supports construction that is durable and healthy for the residents. This approach is in contrast to the state's historical construction standards that have resulted in properties deteriorating quickly, often requiring demolition rather than remaining as a community resource. CHFA's leadership in establishing high performance standards that result in legacy buildings has been a crucial contribution to Connecticut's affordable housing sector. This leadership will only grow in importance as we confront more extreme weather events resulting from climate change, requiring durable and resilient buildings to house and protect the state's most vulnerable residents. High standards to support high performing buildings is both a necessity for the future and a smart economic development strategy.

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<sup>3</sup> Data on energy performance savings available at CHFA's request.

As stated above, CGB urges CHFA to stay the course by maintaining the 2019 QAP point structure for Sustainability, defer implementation of major changes to the QAP until 2021 and, as appropriate, continue to incrementally increase incentives for passive house, sustainable and high-performance buildings for at least 5 years. The 2020 QAP draft proposal reduces the total competitive points for sustainability from seven to five. In addition, it appears to remove the base requirement for ENERGY-STAR compliant construction and awards equivalent sustainability points to rating systems that are magnitudes less rigorous than the existing recognized Passive House standards. This will have the cumulative impact of substantially reducing both the construction quality and the climate resilience of proposed projects. For example, based on the draft 2020 QAP we are already seeing prospective applicants removing energy-efficient and healthy ventilation systems from drawings in progress for the 2020 competitive round. This is very troubling given the current COVID-19 crisis. This is not the time to propose standards that will result in lower-quality, less healthy construction for our most vulnerable residents as less energy efficient design will only serve to increase costs over the long-term putting these communities at risk during cold snaps and heat waves.

Further, LIHTC projects often require several years of work before they are ready to submit into a competitive round for funding. This is particularly true for projects in communities of opportunity that undergo long zoning processes. Current projects in the pipeline are already designed to the 2019 standards. Making significant shifts to the sustainability standards at this time will significantly raise predevelopment costs for projects that will need to reduce their sustainability standards to be competitive.

The Green Bank would like to offer our assistance and continue our long-standing collaboration with CHFA, continuing to advance our collective capacity to achieve cost-effective high-performance buildings that best serve the needs of low- and moderate-income families, contribute to their neighborhoods and meet Connecticut's climate resilience goals. We strongly believe this will require net-zero construction going forward for all new construction and recommend beginning to explore even higher performance standards.

During consultation on the QAP changes with our constituents we learned from some developers that they do not have the financial capacity to fund pre-development costs needed to hire qualified professionals experienced in designing high-performance building envelopes and mechanical systems. This is very concerning especially when it impacts our critically important not-for-profit community development partners. We would like to collaborate in addressing this deficit by ensuring adequate technical assistance and pre-development resources are in place. Further, we believe that examining and reducing the incentive to submit 90% complete drawings would be useful.

In addition, the Green Bank has a solution for implementation of onsite solar that does not require predevelopment or other upfront costs and provides an immediate reduction in energy costs. It reduces operating costs by providing lower cost electricity at a guaranteed price for up to 20 years. We further recommend solar systems be highly encouraged/ required if they will save substantial operating costs over a building's lifetime.

Please let me know if I and my team can provide any additional information. I look forward to continuing our work together in our joint mission to provide high quality affordable housing to Connecticut's low-income residents.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Bryan Garcia', with a long horizontal flourish extending to the right.

Bryan Garcia  
President and CEO



COMMENTS REGARDING DRAFT 2020 QUALIFIED ALLOCATION PLAN  
SUBMITTED BY CHARTER OAK COMMUNITIES AND RIPPOWAM COPORATION  
JUNE 23, 2020

The draft QAP contains a revision which we support: The broadening of the definition of Preservation of At-Risk Housing. The previous definition eliminated almost every potential applicant, while the proposed definition gives SSHP properties and other existing developments a chance to compete for these valuable ranking points. We also appreciate and agree with the reduction in ranking points available for Cost Effectiveness, 90% Plans, and Sustainable Design. We note, however, that the reduction in total points from 106 to 100 results in potential points for High Opportunity Area proposals being a larger percentage of total points than previously, further disadvantaging urban areas and rehab proposals.

Other aspects of the QAP which, in our opinion, unfairly favor proposals in “high opportunity areas” have not been modified, and we hope those may be addressed in the more in-depth revision planned for next year. These include favoring new construction over rehab and favoring projects outside of traditional urban areas, for which significant ranking points are available. Rehab of SSHP developments and other existing housing in urban or disadvantaged areas is an important way to stabilize and increase confidence in older neighborhoods. Encouraging the most mobile households in urban communities to relocate to the suburbs simply exacerbates the decline of urban areas.

A major revision has been made to the QAP section on 4% credits and tax-exempt bonds. Language has been added: “All tax-exempt bond financed projects shall include proposed financing terms that deploy credits effectively and minimally relative to other proposed sources of funds in a proposed development as determined by CHFA in its sole discretion”. We believe the only reason for this language is to effectively force applicants to use CHFA as the bond issuer and lender.

In our opinion, it is inappropriate and unfair for CHFA to use its position as State administrator of the LIHTC program to attempt to influence an applicant’s choice of lender. The stated reasoning, to ensure the efficient deployment of 4% credits, seems questionable given that no limit exists on the amount of 4% credits that can be awarded. If the goal is to ensure the efficient use of scarce resources, it would make more sense to consider the overall financing package when allocating State funds through DOH. We agree that public funds should not be used to subsidize project debt with terms that do not reflect market conditions, but the proposed QAP revision does not appear to have been crafted with that purpose, and represents an unfair constraint on the selection of a project lender.

Please do not hesitate to contact Jonathan Gottlieb, Vice President, Rippowam Corporation, with any questions or comments. [Jgottlieb@charteroakcommunities.org](mailto:Jgottlieb@charteroakcommunities.org)



June 17, 2020

Terry Nash Giovannucci  
CHFA  
999 West Street  
Rocky Hill, CT 06067  
[PublicComment@chfa.org](mailto:PublicComment@chfa.org)

Dear Ms. Nash Giovannucci, CHFA Officials, and State of Connecticut Stakeholders,

Thank you for providing this opportunity to comment on the 2020 Low-Income Housing Tax Credit Qualified Allocation Plan (QAP). I am writing to you both as a **native of Tolland** and a Senior Sustainability Consultant in a 120-person building systems consulting company headquartered in Norwalk, CT. My colleagues at Steven Winter Associates, Inc. are involved in sustainability as researchers, green building consultants, energy analysts, and personal activists.

We care deeply about allocating tax dollars to **combat climate change** and **protect CT from an uncertain energy and water future**. Current events have highlighted the importance of **protecting human health and promoting social equity**, and sustainable housing supports these goals. My firm and I **strongly support the inclusion of both LEED for Homes and Passive House standards into the CHFA QAP**. Not only do these programs incorporate extreme energy efficiency, but they also promote superior occupant comfort, healthy indoor air quality, and ensured building durability. Tenants of these high performing buildings **save money on their utility bills**, enforcing the State's commitment to better housing for Connecticut's workforce and affordable housing occupants. **Third party verification is a critical component to ensure that buildings are verified and tested to perform at best potential**. Occupants of certified LEED and Passive House homes also enjoy quieter, healthier buildings which are linked to reduced missed work and school due to sick days.

Passive House and Sustainability incentives should be increased, not decreased, in the 2020 Qualified Allocation Plan (QAP). Specifically, my firm recommends the maximum points for Sustainable Design (Section 2, Item f) in the 2020 QAP be increased from 7 (allowed in the 2019 QAP) to **8 points**. This can be achieved as follows:

- Retain the additive structure in the 2019 QAP.
- 1 point for solar photovoltaic system at the **increased stringency** as proposed (50% site and common area energy demand, increased from 33% in 2019 QAP).
- **Retain the Passive House Design category**, where third party net zero certification program will earn 3 points. These programs include any certifications through PHI and PHIUS programs, EPA Zero Energy Ready Homes, or Zero Energy certifications.
- Retain 1 point awarded to the two most cost-effective Passive House projects.
- Adjust High Performance Design category to award 3 points for projects qualified for LEED for Homes or LEED Multifamily Midrise v.4 Silver, or National Green Building Standard 2015 Silver.

In summary, please maintain the momentum toward meeting CT's 2030 and 2050 energy, sustainability and resilience goals. Pursuit of these goals generated over \$2 million in business for SWA and employed more than 25 full-time CT-based, high-performance building consultants. CT based Passive House business alone, has resulted in 5 new positions at our firm plus 3 new positions for consultants supporting LEED for Homes. **We are working hard to protect our future through healthy and environmentally responsible buildings, and we need your help to continue.**

Sincerely,

A handwritten signature in black ink that reads 'Joanna Grab'.

Joanna Grab  
Senior Sustainability Consultant and Tolland, CT native

July 6, 2020

Ms. Nandini Natarajan, CEO  
Connecticut Housing Finance Authority  
999 West Street  
Rocky Hill, CT 06067

Dear Ms. Natarajan:

We appreciate the hard work that you and your staff have done to refine the QAP for this upcoming round. We recognize that this is no easy task and you are trying to satisfy many different voices and constituencies.

While many of the undersigned organizations will send in their own comments, we thought it would be most useful to you as you sort through this comment period and process to provide some collective comments from a broad base of developers, owners, and property managers that we all agree on and speak with one voice. *By doing this – we hope to convey what a large majority of the users of your credits believes would be most beneficial in revising the QAP to enhance the effective and efficient delivery of high quality affordable and mixed income housing in Connecticut.*

Collectively, the signers below represent 25,000 completed units or units in development in the State. Furthermore, this group is comprised of for profit, not-for-profit organizations and housing authorities that believe in and develop all types of housing – housing for seniors, families, people with special needs – in all sort of locations – cities big and small as well as suburbs. We share this fact because we believe that the QAP should support many types of projects without trying to make every project accomplish every possible outcome. A significant characteristic of this group is that we represent companies doing affordable and mixed income housing projects in about half of the states in the U.S. Because of that, we are able to share with you some of the best practices we see in other state's LIHTC programs. We are eager to work with CHFA in continuing to improve and refine the allocation of this essential program.

As noted in our letter from December 2019 and on the subject of timing, many projects are well into the development process as these changes are being contemplated. We appreciate the effort to keep the proposed changes small. That being said, changes of just a few points here and there may dramatically change the competitiveness of a project or site when it is impossible to change courses. We understand that more substantial changes are anticipated for 2021 and we request that changes contemplated be shared this fall so we can select sites and develop project concepts accordingly.

For clean ups and smaller adjustments, we would recommend the following modifications to the QAP:

Forward Allocation. We recommend that the State consider forward allocating 2021 credits this year to a greater degree than has been done in past years. The COVID 19 pandemic resulting economic slowdown has caused substantial damage to the State's economy and local business and labor. Affordable housing represents a key solution to creating economic development in recessionary times. Building affordable housing has the double benefit of creating jobs while providing a greatly needed resource, particularly in times when Connecticut households are

struggling. Making these additional investments early in the down cycle can help mitigate economic losses. We therefore recommend CHFA consider forward allocating at least an additional 50% of next year's cap. Other states are taking measures such as this to bolster the economy and / or have historically forward allocated credits to get the greatest benefit of the federal program delivered as early to their jurisdictions as possible.

\$1,500,000 Cap on LIHTC Allocation (Page 14, Section A(2)). Implementing a hard cap on projects already underway could potentially make them infeasible. With the Department of Housing's reduced commitment from \$6M to \$4M, there is already added pressure on deals to be smaller. Smaller deals are less efficient to build and therefore a less efficient use of public resource. Further, they are less efficient to operate, presenting long term management and staffing challenges. Since the application deadline is only months away, projects size and costs are largely determined. In addition, other pressures to project sources include more conservative underwriting from banks and lower equity prices from investors in the context of COVID 19. Given these considerations, we strongly suggest that the LIHTC cap revert to 20% of the population component of the State housing credit ceiling for this upcoming round. The cap could be revisited in the future for deals that have not yet been planned.

Balancing Urban Redevelopment and High Opportunity Areas. Based on conversations with both CHFA and DOH, we know you are committed to developing housing in a wide variety of locations and want to achieve such a balance in your awards. However, we continue to remain very concerned that urban development and reinvestment including Transit Oriented Development is broadly disadvantaged by the current QAP as highlighted in our December letter. While we appreciate the need to build housing in many communities where there is less housing, discouraging investment in communities where low income people and people of color already live is not good policy. These communities have jobs and public transportation. Urban areas need affordable and mixed income housing and should not be left behind, particularly in this COVID 19 environment where we see the biggest clusters of the virus in overcrowded and substandard housing which is happening in urban areas.

Accordingly, we would recommend that CHFA consider a more balanced approach to these two types of projects. One way to achieve balance without making major changes to the point system would be to limit the total number of nonurban projects which get the substantial point advantage. To alleviate this imbalance, we propose that after the first 2 highest scoring high opportunity communities are identified, the scoring gets rebalanced by eliminating the excess points in the "Municipalities Having Less Assisted and Deed Restricted Housing." This approach would appropriately prioritize resources for locations with low affordable inventories without completely excluding locations with higher inventories but equally pressing local housing needs. Another means to achieve balance would be to give great recognition to projects that meet urban redevelopment policy priorities such as proximity to transit and services.

One additional footnote to the balancing comment. We recognize the critical changes in points made to cost effectiveness, 90% drawings, and Passive House categories were very important to a number of stakeholders and constituencies, many of which are signers to this letter. However, those changes (a total deduction of 6 points) has an unintended consequence on the balancing issue - that is, any deal not in a high opportunity area has 6 less points it could receive to compete against a high opportunity site. Changes in the QAP reducing points for 90% drawings and sustainability measure as well as cost effective, will make the difference between high

opportunity areas and urban areas that much greater since there will be fewer ways to increase points for urban projects. If those changes remain – it is even more important to address the points disparity between these two categories if the state wishes to support developments in a wide variety of locations.

TEB Lending. A new subsection (d) has been added to Section IV of the QAP, which covers projects financed with tax-exempt bonds: “D. Debt Sizing: All tax-exempt bond financed projects shall include proposed financing terms that deploy 4% Credits effectively and minimally relative to other proposed sources of funds in a Proposed Development as determined by the Authority in its discretion.” The intent of this language is unclear and would be helpful to understand. Absent clarity of how this assessment will happen, we believe that the new language could effectively force borrowers to select CHFA as project lender, both by giving CHFA the opportunity to under-bid any lender proposal included in a 4% credit application, and by having a chilling effect on other lender’s willingness to even offer the soft commitment letter required for the tax credit application.

The stated reason for the new policy is to ensure the “efficient and minimal” use of 4% credits. There is no limit on the availability of 4% credits and no competing application is harmed when another applicant receives an allocation of credits. In addition, CHFA’s requirement to be the lender on 4% deals substantially reduces tax credit investor interest in these projects and reduces the price they are willing to pay for credits, having the opposite impact stated as the changes intent. To the extent that a competition exists, it is for tax-exempt bond volume cap, not for 4% tax credits which continue to be undersubscribed in Connecticut. We suggest that it makes more sense to maximize the 4% credit allocation for qualifying projects since those credits are an unlimited resource. This would help reduce demand for DOH capital funding, which is a genuinely scarce resource.

20% at 50% AMI: We again request a clean-up in the QAP language around affordability thresholds. In the QAP, there is conflicting language about the threshold of how many units must be restricted at 50% AMI that negatively impacts projects that are truly mixed income. Fundamentally, the 20% calculation should be based on qualified units (ie. tax credit eligible) not all units. The current wording of the QAP results in more onerous requirements for those that want to create larger mixed income communities and is inconsistent with the other rent level calculations. On a policy basis, mixed income is often an important way to garner support for affordability in areas of opportunity and to diversify a property’s resident mix.

9%/4% Twinning. We thank you for the improvement to the 9% and 4% twinning concept. We believe there are even further simplifications that can be made to this section to model the source combination on Massachusetts version of the structure that will make the benefit of this structure even more efficient and effective. We are happy to share more information on this if it is helpful.

As an addendum to this letter, we reiterate and offer some of our ideas for the upcoming redraft of the QAP for your consideration. We hope this letter is helpful in sharing some collective feedback from many of the active developers in the state. If at any time we can be of assistance in sitting down to discuss these ideas further, please let us know.

Sincerely,

Dara Kovel, Beacon Communities  
Helen Muniz, The Carabetta Companies  
Jonathan Gottlieb, Charter Oak Communities  
Steve Kominski, Dakota Partners  
Karen Dubois Walton, Elm City Communities  
John McClutchy, JHM Group  
Lou Trajcevski, Newcastle Housing Ventures  
Bart Mitchell, The Community Builders  
Charlie Adams, Pennrose  
Aaron Gornstein, POAH  
Kenan Bigby, Trinity Financial  
George Howell, West Hartford Housing Authority  
Carol Martin, Westport Housing Authority  
Adam Stein, Winn Companies  
Lewis Brown, Vesta Corporation  
Andrea Ketchmer, Xenolith Partner

## Addendum

- More encouragement for transit-oriented development (pursuant to a more level playing field mentioned above)
- Discussion of the benefits of the Cost Effectiveness and Credits per Bedroom points and other potential changes that focus on cost that lead to a “race to the bottom” which only creates deals that are financially infeasible or of poor quality
- Revisiting the overall discouragement for age restricted housing in the QAP
- Deep income targeting, ie. 25% AMI units, should be accompanied by rental assistance (as it is in MA). Units at this level of affordability hinder projects feasibility, often creating negative debt coverage trending, requiring more State subsidy and boding poorly for a project financial health over time.
- Director’s pick (one high priority project that fails to achieve the points necessary to be awarded in the round, but meets other State priorities in the opinion of the CEO or Board of CHFA)



# OPEN COMMUNITIES ALLIANCE

June 10, 2016

Terry Nash, Policy and Program Development  
Connecticut Housing Finance Authority  
999 West Street, Rocky Hill, CT 06067

Thank you for this opportunity to comment on the Connecticut Housing Finance Authority's (CHFA) 2016 Draft Qualified Allocation Plan (QAP) for the federal Low Income Housing Tax Credit (LIHTC) program. We truly appreciate CHFA's effort to address the geographic imbalance within this program by creating an "Opportunity Characteristics" points category, unfortunately, under close analysis, the Draft 2016 QAP still fails to affirmatively further fair housing for the two primary reasons summarized below and discussed in more detail later in this letter. We welcome the opportunity to discuss our concerns with you directly.

- (1) Unfair Competition.** An application system that compels higher opportunity proposals to compete against moderate and lower opportunity proposals will not yield balanced development in a way that both permits the state to make up for its past 29 years running the LIHTC program in violation of federal and state civil rights protections and contribute to positive revitalization in struggling communities.

We recommend as a more effective and less discriminatory alternative the creation of "buckets" for higher opportunity and lower/moderate opportunity areas, as was proposed in SB 155 from the 2016 legislative session. Our proposal is that, in order to make up for the current LIHTC – and legally problematic – program imbalance in lower and moderate opportunity areas, 60% of the credits be placed in a bucket for "first dibs" for higher opportunity proposed developments, 25% be allocated for first dibs for catalytic projects in lower and moderate opportunity areas, and the remaining 15% be undesignated. This point structure will send the message to developers that should they take the time and effort to identify, purchase, and obtain zoning approval for a suitable higher opportunity proposal, it is more likely that credits will be available. It also makes clear that lower and moderate opportunity proposals that simply add additional low income housing to a low income area without being part of some broader effort to contribute to economic development in that area will not be competitive. If an insufficient number of applications meeting a threshold standard are received for any "bucket" the credits are returned to the general Connecticut pool and distributed without regard to geographic location, so no credits are lost for the state.

**(2) Contrived Definition of “Opportunity.”** The new “Opportunity Characteristics” category, which is ostensibly worth a maximum of 18 points, represents a loss of points fostering LIHTC development in genuine higher opportunity areas (as defined by the CT Department of Housing) as compared to the 2015 QAP. Because this is a contrived definition of opportunity not accompanied by mapping or analysis, it is impossible to assess how out of sync it is from accepted opportunity definitions used here in Connecticut, elsewhere in the country, and by the U.S. Department of Housing and Urban Development. What is clear, however, is that several of the factors included in Connecticut’s formulation would drive LIHTC development away from areas that have high performing schools, low levels of crime, access to entry level jobs – and are primarily non-minority populated.

### **CHFA Has Been On Notice of Its Fair Housing Violations**

Testifying before the Housing Committee this past spring, Chairperson, and DOH Commissioner, Evonne M. Klein stated that while she could not support a legislative attempt to bring the LIHTC program into federal compliance, “Let me be clear, no one disagrees with the intent behind this bill, which is to build more affordable housing in areas of higher opportunity, but we must make sure we are achieving that goal in a realistic and feasible manner.”<sup>1</sup>

While we were heartened by the Chairperson’s public commitment to the *intent* of distributing LIHTC credits in a more equitable manner, we are disappointed that the actual administration of the program under her watch has produced such segregating results and the 2016 Draft Qualified Allocation Plan does not attempt to substantively reform the program in order to act on this intent. Instead, the 2016 plan, if adopted without serious revision, would continue to strongly incentivize construction of affordable housing in high poverty disproportionately minority pockets of Connecticut, thus harming the life chances of many of our children of color from low-income backgrounds and reinforcing segregation in violation of federal and state law.<sup>2</sup>

As you know, legislative proposals to bring the administration of the Connecticut LIHTC program into compliance with its federal and state fair housing obligations, and modeled on successful QAP formulations in New Jersey, Pennsylvania, and Ohio, were brought forth in 2015 and 2016.<sup>3</sup> In fact, for the past fifteen years, since 2002, and in various capacities, our leadership has worked to ensure that CHFA is fully aware of the deep conflict between the way it administers the LIHTC program and its fair housing obligations. This has included participation as counsel in the litigation of the *Asylum Hill NRZ v. King* case.

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<sup>1</sup> Housing Committee of the Connecticut Legislature, *Hearing on Session Year 2016 raised bills*, March 1, 2016, Testimony of Evonne M. Klein, Chairperson, Connecticut Housing Finance Authority, 4 available at <https://www.cga.ct.gov/2016/HSGdata/Tmy/2016SB-00155-R000301-Commissioner%20Evonne%20Klein-TMY.PDF>.

<sup>2</sup> See 42 USC § 3608(e); CGS § 8-37ee.

<sup>3</sup> Housing Committee of the Connecticut Legislature, *Hearing on Session Year 2016 raised bills*, March 1, 2016, Testimony of Erin Boggs in Support of Raised Bill 155, available at <https://www.cga.ct.gov/2016/HSGdata/Tmy/2016SB-00155-R000301-Erin%20Boggs-TMY.PDF>.

Throughout this period, the obligations to affirmatively further fair housing and avoid having a disparate impact on protected classes have only been further clarified. The U.S. Department of Housing and Urban Development's Disparate Impact rule, issued in February 2013, and Affirmatively Furthering Fair Housing rule, set forth in July 2015, in addition to the decision by the Supreme Court, in June 2015, in *Texas Department of Housing and Community Affairs v. Inclusive Communities Project*, which specifically addressed the LIHTC program, have clarified and confirmed that the Fair Housing Act established federal obligations for the LIHTC program.<sup>4</sup> The applicability of these obligations to CHFA is clearly spelled out in the legal memorandum of May 27, 2015.<sup>5</sup>

## Program Performance

The Connecticut LIHTC program maintains a policy for distributing LIHTC credits that results in the vast majority of LIHTC units—88%, in fact—being placed *outside* of higher opportunity areas, as defined by the Department of Housing.<sup>6</sup> Based on Open Communities Alliance's analysis, **this year, 0% of the credits in the program were allocated to higher opportunity areas.** While one development is in a lower opportunity area near newly developed transit and within West Hartford, a town with high performing schools, the overall program record is deeply concerning and the failure to make drastic program improvements this year is a strong indication that a new approach is long past due.

To frame this slightly differently, in the aforementioned U.S. Supreme Court cases of *TDHCA v. Inclusive Communities Project*, the court determined that because 92% of LIHTC allocations in the Dallas area were in areas where 50% minority or greater, claims of disparate impact were legitimately raised. By comparison, by OCA's analysis, 88% of the LIHTC developments in Fairfield County are located in such areas. In both Texas and Connecticut these areas are also predominately poverty concentrated. As a result, Connecticut's LIHTC program should raise significant fair housing red flags.

These practices perpetuate the deleterious effects of residential segregation by concentrating the construction of affordable housing for low-income residents into under-resourced pockets of Connecticut. Consequently, patterns of residential segregation historically produced by intentionally discriminatory policies endure, and are reinforced with state support, to this day.

Connecticut's housing policies, like those in many other parts of this nation, have often spelt out with brutal clarity that some of our children are worth less than others. It should not, and does not, have to be this way.

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<sup>4</sup> U.S. Department of Housing and Urban Development, *Affirmatively Furthering Fair Housing Rule Guidebook*, (2015), available at <https://hudexchange.info/resources/documents/AFFH-Rule-Guidebook.pdf>; *Texas Department of Housing and Community Affairs v. Inclusive Communities Project, Inc.* 135 S. Ct. 2507, 2526 (2015).

<sup>5</sup> See note 7.

<sup>6</sup> Open Communities Alliance, *Fact Sheet: LIHTC Developments in Connecticut*, available at [http://ctoca.org/policy\\_priorities](http://ctoca.org/policy_priorities).

## Concerns Regarding the 2016 Draft QAP

In QAP comments over the last several years and in legislative testimony in 2015 and 2016 Open Communities Alliance has clearly outlined a proposal for meaningful changes to the QAP process—our proposal draws on reforms that have worked successfully in other states. Our position has been supported by LIHTC, poverty, and civil rights legal experts from across the country.<sup>7</sup> While in other states many reforms have only come about after litigation was brought or threatened, we have strongly strived to encourage reform to Connecticut’s LIHTC program using non-litigation strategies.

OCA’s primary concerns with the 2016 draft QAP are as follows:

### **(1) Using Higher Opportunity and Moderate/Lower Opportunity “Buckets” is More Effective.**

***The Gazebo Effect.*** Prior to the litigation in *TDHCA v. ICP*, the Texas QAP allocated one point if a development had a gazebo. The danger in failing to set priorities geographically and then judging applications from different areas separately is Connecticut will be at risk of succumbing to the “Gazebo Effect”; that is, points tending to benefit lower opportunity areas will negate points likely to benefit higher opportunity areas and the proposals that win will not necessarily achieve either policy end. Instead, the proposals that are ultimately successful will have a gazebo – or an equivalent low-point scoring item.

***Adopt Higher Opportunity-Lower/Moderate Opportunity “Bucket” Approach.*** As already discussed above, distributing LIHTC developments in balanced way across the state is critically important, so the state must set the appropriate targets to incentivize this equitable LIHTC distribution. To do so requires being cognizant of the program’s history and its fair housing obligations, and designing a program with the explicit aim of achieving geographic balance. As proposed in S.B. 155 and exemplified in New Jersey, Ohio,<sup>8</sup> and Pennsylvania, this can be accomplished without the loss of credits by setting

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<sup>7</sup> Legal Memorandum from Michael Allen, Myron Orfield, and Florence Roisman, May 27, 2015, [https://d3n8a8pro7vhmx.cloudfront.net/opencommunitiesalliance/pages/204/attachments/original/1449634444/OCA\\_response\\_memo\\_to\\_CHFA\\_re\\_QCT\\_and\\_6640\\_Final.docx?1449634444](https://d3n8a8pro7vhmx.cloudfront.net/opencommunitiesalliance/pages/204/attachments/original/1449634444/OCA_response_memo_to_CHFA_re_QCT_and_6640_Final.docx?1449634444).

<sup>8</sup> Recognizing its historic failure to incentive the construction of family developments in opportunity areas, the Ohio Housing Finance Agency, in 2015, won plaudits from fair housing advocates for modifying its LIHTC program to reward development proposals targeted in opportunity areas. It accomplished this goal by dividing its annual per capita LIHTC credit allocation into different policy-based pools, and it then specifically set aside monies for high opportunity family development proposals. Developments sited in eligible high opportunity census tracts compete only against like applications for the extent of the set aside, thus ensuring that high opportunity proposals will not have to unfairly compete against lower opportunity proposals—as they currently do in Connecticut. Center for Equal Justice, *Letter to Ohio Finance Agency on 2016 Draft QAP*, March 17, 2015, [http://www.prrac.org/pdf/Comments\\_on\\_2016-2017\\_QAP\\_First\\_Draft\\_March\\_17\\_2015.pdf](http://www.prrac.org/pdf/Comments_on_2016-2017_QAP_First_Draft_March_17_2015.pdf); Legal Aid Society of Southwest Ohio, LLC, *Letter to Ohio Finance Agency on 2015 Draft QAP*, December 5, 2014, available at [http://www.prrac.org/pdf/Legal\\_Aid\\_Comments\\_2016\\_QAP.pdf](http://www.prrac.org/pdf/Legal_Aid_Comments_2016_QAP.pdf); Ohio Housing Finance Agency, *2016-17 Qualified Allocation*

threshold levels for successful applications and putting unused credits back into the general pool in any given allocation year.

Such a change will create an incentive for developers to pursue higher opportunity development projects, work with towns to gain approval for them or challenge a zoning rejection through the Affordable Housing Appeals Act. Developers will become the state's partner in affirmatively furthering fair housing. In one of the most segregated states in the country with unconscionable racial disparities across issue areas, from health to unemployment to education to incarceration, we need every partner we can recruit.

Such an approach will also function to bring truly revitalizing developments to lower opportunity and moderate opportunity areas. Developments that do not increase poverty concentration and work in tandem with other community development efforts.

***Unfair Competition by Geography.*** One example of the inequity of squaring proposals for different geographies against each other is the role of the current point scheme for proposals with proximity to transit. Transit access in a suburban community should not be measured in the same way as transit access in a city – a mile might be acceptable in a suburb, but a few blocks is more appropriate in a city. Regardless, the projects with the most convenient access to transit in both types of locations should benefit under QAP scoring for each “bucket” (higher opportunity or lower/moderate opportunity) if there are substantial differences in access to other types of opportunities. This is what S.B. 155 proposed in this past session and what is already in practice in other states such as New Jersey, without the loss of any credits.

Another example of the problem with “lumping” together proposals for different geographic areas is that it does not create the opportunity to plan for development income mixes that are best suited to a neighborhood. Research on neighborhood poverty concentration indicates that when poverty reaches higher levels upwards of 10-20% depending on various factors) it creates negative externalities, such as crime, the devaluation of properties, and decreased municipal tax revenue. It is therefore very important from a planning perspective to design subsidized housing allocations to avoid generating or entrenching poverty concentration.

Furthermore, as the Poverty & Race Research Action Council noted in 2013, “LIHTC developments should provide housing in situations where vouchers are difficult to use, in particular in high-opportunity neighborhoods where few housing units can be reached within voucher payment standards, and where landlords may prefer unsubsidized tenants.”<sup>9,10</sup>

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Plan, 30 June 17, 2015, available at [https://ohiohome.org/ppd/documents/2016-2017\\_QAP-Final.pdf](https://ohiohome.org/ppd/documents/2016-2017_QAP-Final.pdf).

<sup>9</sup> Poverty & Race Research Action Council, *Creating Balance in the Locations of LIHTC Developments*, 2 (February 2013), available at [http://www.prrac.org/pdf/Balance\\_in\\_the\\_Locations\\_of\\_LIHTC\\_Developments.pdf](http://www.prrac.org/pdf/Balance_in_the_Locations_of_LIHTC_Developments.pdf).

Still, we should not abandon the placement of LIHTC developments in struggling communities. Instead, within the QAP the point allocations should incentivize developments with different targeted unit percentages in different neighborhoods. For example, a development in a higher opportunity area might appropriately have 40% targeted affordable units whereas a development in a lower opportunity area should have a much lower percentage. An approach using higher opportunity and lower/moderate opportunity buckets permits this kind of neighborhood nuance to enter into the LIHTC program.

***Overall QAP Points Create Disincentives for Proposals Promoting Integration.*** Apart from the “Opportunity Characteristics” category, which is functionally a loss of one point that would benefit proposals in truly higher opportunity areas, the other scoring categories of the QAP disadvantage higher opportunity proposals. For example, the following points would tend to disadvantage a higher opportunity proposal.

Point category	Maximum Points	Explanation
Supportive Housing	6	More difficult to get through exclusionary zoning
Family Supportive Housing Priority	1	Same
Combined points for 65% of households at either below 25% AMI or 50% AMI	13	Same
Preserves At-Risk Housing	5	Most existing subsidized housing is in lower opportunity areas
Cost Effectiveness	6	Does not properly consider potentially higher land costs in higher opportunity areas
Priority Locations	5	All benefit lower opportunity proposals
Transit Oriented Development	4	Public transit has been developed in a racialized manner
Historic place/Brown field	2	More likely to be in lower opportunity area

<sup>10</sup> We also encourage CHFA to be cautious of studies indicating that LIHTC developments are beneficial to struggling communities. Such studies must be read carefully and frequently raise methodology concerns that undermine their conclusion, see e.g. Daniel Hertz, Where Should Low Income Housing Go, September 5, 2016 <http://cityobservatory.org/where-should-low-income-housing-go/>, or fail to take into account that community benefits realized might have been the same or greater with non-housing investments.

Qualified Census Tract	1	All but 2 out of over 100 QCTs are in lower opportunity areas in Connecticut
Municipal Resources	1	Higher opportunity areas less likely to be supportive of affordable housing proposals
<b>Total Anti-Opportunity Points (out of 102)</b>	<b>44</b>	

Thus, overall, developer's in higher opportunity areas are at a distinct, 44 point, disadvantage.

The bottom line is that we need LIHTC housing developments built in a balanced manner across the entire state. To accomplish this, the state must set appropriate goals for where LIHTC program resources are allocated – taking into account the program's past imbalance – and prioritize points within its administration of the LIHTC program accordingly.

**(2) Insufficient definition of opportunity.**

In the 2016 Draft QAP, CHFA develops new "Opportunity Characteristics" category worth 18 points out of the QAP's total of 102. While the intent in creating this new category is laudable, this category functionally represents an overall loss of total points as compared to last year's QAP.

***CT has Already Adopted Opportunity Mapping.*** There is no need to create a second opportunity definition when the state has already invested significant material resources to hire the Kirwan Institute, one of the most respected poverty and race data analysis centers in the country, to develop opportunity mapping. That mapping is already in use by the Department of Housing.

***The Draft QAP "Opportunity Characteristics" Category Represents a Loss of Points for Opportunity.*** A close examination of the QAP definition of Opportunity reveals that it actually creates one fewer "pro-opportunity" point than the 2015 QAP. In the QAP new "Opportunity Characteristics" category, six points in the scheme come from the "Municipalities Having Less Assisted and Deed Restricted Housing" indicator, which existed in the 2015 QAP, although in last year's QAP that category was worth seven points – so one "pro-opportunity" point is already deducted as compared to last year's scoring.

The remaining possible 12 points come from a combination of factors, including:

Indicator	Points
Below average poverty rate:	3 points
Above average performing school (as defined by scoring 8 to 10 on a designated index):	3 points
Average performing schools (as defined by scoring 4 to 7 on a designated index):	2 points
Employment in community:	2 points
Access to higher education:	2 points

We will take these indicators one at a time.

- Below average poverty rate:** While this is a promising category, it will likely generate LIHTC proposals in areas with poverty rates that are just on the cusp of exceeding the state average (which would tend to be moderate or even low opportunity areas using the DOH definition of opportunity). Using genuine opportunity mapping and setting the goal of a significant percentage of LIHTC developments in higher opportunity areas helps avoid a government policy that functionally increases poverty in areas that are just shy of becoming poverty-concentrated to a level that generates negative externalities. Such areas need deep non-housing developments, not an increase in poverty. Still, for the sake of providing as friendly an assessment of the 2016 QAP as possible, we will assume that these points incentivize proposals in higher opportunity areas, so + 3 pro-opportunity points.
- Above average performing schools:** Again, the goal should be to open access to the highest performing schools, not those that are just above average. We are concerned that the same kind of “low hanging fruit” phenomenon described above would manifest with this category. Once more, considering the points in the best light, we will assume they support higher opportunity development. +3 pro-opportunity points.
- Average performing schools:** Increasing poverty concentration in areas where the schools are failing to excel does not make policy sense. If the state wants to invest in these areas, it should consider other investment strategies, such as deep educational investments or economic and community development support. -2 pro-opportunity points.

- **Employment in community:** A jobs-to-population ratio is a blunt instrument to determine if available jobs exist in a community. According to the Hartford Foundation for Public Giving, 65% of people living in Hartford and earning \$40,000 or less leave the city every day to travel for work. Conversely, 83% of Hartford’s jobs are filled by people from Hartford’s suburbs.<sup>11</sup> While there are jobs for people of lower incomes, and generally less education, in Hartford, clearly there are many more outside of Hartford. At the same time, Hartford has many jobs that require higher levels of education more common among the suburban population. The point is that just because there are jobs in a given town does not mean that the people living there occupy those jobs — and an enlightened approach would take into account spatial mismatches.

Another problem with this measure is that it does not account for job proximity. For a person living in the West End of Hartford the many jobs in West Hartford may be closer than employment opportunities in southeastern Hartford. These realities are not captured in this employment measure, but they are captured in the Department of Housing’s opportunity mapping. *-2 pro-opportunity points.*

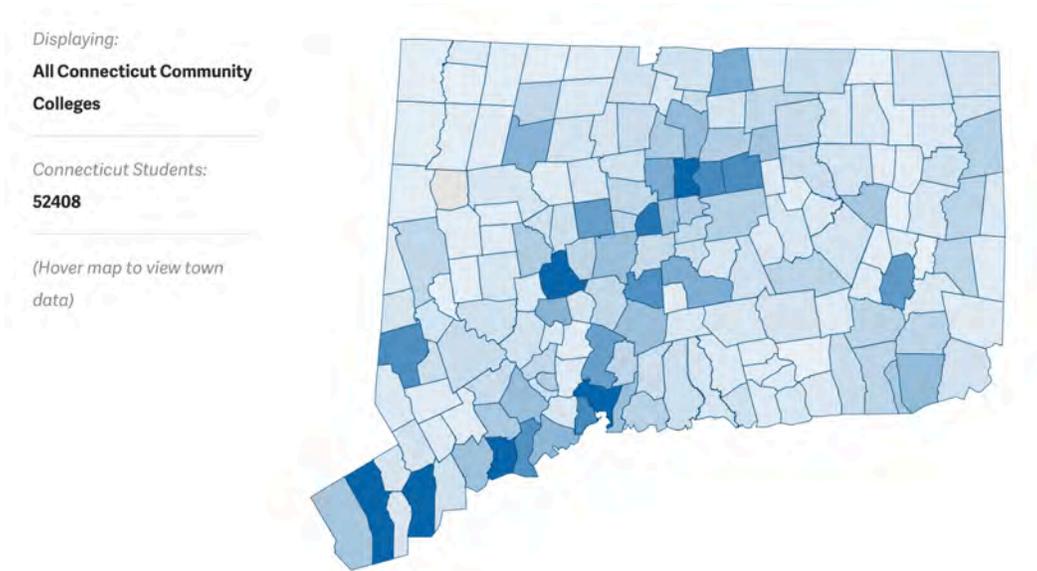
- **Access to higher education:** While Open Communities Alliance appreciates the laudable goal of this indicator, it is totally divorced from the social science research on the nexus between neighborhood characteristics and future success in life. For example, there is mounting social science research—nearing a uniform consensus—indicating that living in a high crime area leads to measurably lower life outcomes for children, and yet crime rates are not part of the QAP “opportunity” assessment.

Contrary to these researched-based findings about healthy outcomes for children, as shown in the map below from the Connecticut State Colleges and Universities website, Connecticut community colleges tend to be located in municipalities where crime rates are higher and school performance is low.<sup>12</sup> These are the same municipalities that have the overwhelming majority of LIHTC units, are higher poverty and have a greater population of color. This indicator would incentivize less access to opportunity and maintain the unequal status quo. *-2 pro-opportunity points.*

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<sup>11</sup> See Metro Hartford Progress Points Report, 2014, [http://www.metrohartfordprogresspoints.org/downloads/Metro\\_Hartford\\_Progress\\_Points\\_2014.pdf](http://www.metrohartfordprogresspoints.org/downloads/Metro_Hartford_Progress_Points_2014.pdf).

<sup>12</sup> Map available at <http://www.ct.edu/about/map>.



Thus, the 2016 Draft QAP actually has fewer pro-opportunity points than 2015. One point was taken was from the “Municipalities Having Less Assisted and Deed Restricted Housing” category, as compared to last year’s QAP, and the remaining points are a mix of “pro-opportunity” and “anti-opportunity” points that cancel each other out.

## Conclusion

The 2016 Draft QAP in no way meaningfully brings fairness to the Connecticut LIHTC program. It will take more than the rearranging of points and the invention of new definitions to ensure that the program makes up for past wrongs and supports projects with legitimate revitalizing potential in struggling communities. What is required is thoughtful goal-setting that is cognizant of fair housing obligations and a complete overhaul in the structure of the QAP to meet these goals.

CHFA has considerable power to change how the LIHTC program is administered. It must be willing, though, to commit to a new approach to an old, obstinate problem. We encourage CHFA and Connecticut to live up to its legal obligations and to act now.

Thank you for this opportunity to comment.

Sincerely,

Erin Boggs, Esq.  
Executive Director





July 1, 2019<sup>1</sup>

Terry Nash, Policy and Program Development  
 Connecticut Housing Finance Authority  
 999 West Street  
 Rocky Hill, CT 06067

Thank you for this opportunity to comment on the Connecticut Housing Finance Authority’s (CHFA) 2019 Draft Qualified Allocation Plan (QAP) for the federal Low Income Housing Tax Credit (LIHTC) program. As you may know, Open Communities Alliance is a non-profit civil rights organization dedicated to eradicating racial segregation and opportunity isolation through a particular focus on housing policy. Because the 2019 Draft QAP is unchanged from 2018, we will take this opportunity to share some recent program data we have analyzed and reiterate the key recommendations we made in our letter last year, which is attached.

In brief, we understand the Connecticut Housing Finance Authority is striving to employ a prudent policy of leaving the QAP unchanged over multiple years to permit a level of certainty and reliability for housing developers working on projects that take several years to line up. However, as OCA has assessed whether more LIHTC developments are located in thriving “High” and “Very High” opportunity areas we find the program outcomes grossly insufficient considering the history of segregating LIHTC development placements in Connecticut. To address this, we suggest CHFA immediately adopt the recommendations put forth in this letter. Short of that, we suggest that if the number of higher opportunity applications and awards in 2019 does not substantially improve – doubling or tripling – CHFA adopt OCA recommended measures in 2020.

**Opportunity Access Through the LIHTC Program**

Since the CT LIHTC began in 1987 through of the end of 2018, 76% of LIHTC developments in CT have been located in Low or Very Low Opportunity areas as defined by the Department of Housing. Only 12% have been place in High and Very High opportunity areas.

Connecticut LIHTC Investments through Spring 2019					
DOH Opportunity Level	Very High	High	Moderate	Low	Very Low
Percentage of LIHTC Units	8%	4%	12%	26%	50%

<sup>1</sup> This version of this letter has been updated to correct a handful of data errors.

The changes to the 2017 QAP were made in the hopes of generating more higher opportunity applications and actual awards, but we are very concerned that these changes did not go far enough to support higher opportunity development.

### Application Performance

Connecticut LIHTC Units Applied for by Opportunity 2014-2019 ("Improved" QAP issued in 2017)						
	2014	2015	2016	2017	2018	2019
<b>Very High</b>	0%	0%	6%	0%	0%	0%
<b>High</b>	14%	5%	0%	0%	6%	5%
<b>Moderate</b>	14%	46%	17%	8%	7%	0%
<b>Low</b>	22%	11%	28%	31%	38%	13%
<b>Very Low</b>	50%	39%	48%	62%	50%	81%

In terms of applications, the total percentage of units applied for each of the last six years by opportunity are listed above, but perhaps a more helpful way to consider whether the 2017 QAP changes generated the desired results is to look at the three years preceding the changes as compared to the three years after the changes were instituted. By this measure, the new policy is failing. There was a small drop in the overall number of units applied for in High and Very High opportunity areas, from 8% to 4% and, more significantly, a notable increase in the percentage of units applied for in Low and Very Low Opportunity areas, from 67% to 92%. A well-structured application should be increasing not decreasing applications for units in higher opportunity areas.

Connecticut LIHTC Units Applied for the Three Years Pre- and Post-2017 QAP Changes					
2014-2016			2017-2019		
<b>Very High</b>	2%	<i>High &amp; Very High Combined</i>	<b>Very High</b>	0%	<i>High &amp; Very High Combined</i>
<b>High</b>	5%	8%	<b>High</b>	4%	4%
<b>Moderate</b>	26%		<b>Moderate</b>	5%	
<b>Low</b>	21%	<i>Low &amp; Very Low Combined</i>	<b>Low</b>	27%	<i>Low &amp; Very Low Combined</i>
<b>Very Low</b>	46%	67%	<b>Very Low</b>	65%	92%

### Award Performance

Upon preliminary inspection, it appears that perhaps the changes instituted in 2017 are finally starting to take hold with a 13% increase in the number of units in higher opportunity areas receiving LIHTC support. This success comes as the result of credits awarded to a single 56-unit development in East Lyme, CT, which should be celebrated, but is nowhere close to the significant percentage of higher opportunity placements needed to counteract decades of segregating allocations.

Connecticut LIHTC Credits Awarded by Percentage of Units 2014-2019						
	2014	2015	2016	2017	2018	2019
<b>Very High</b>	0%	0%	0%	0%	0%	0%
<b>High</b>	0%	0%	0%	0%	0%	13%
<b>Moderate</b>	14%	48%	23%	0%	0%	0%
<b>Low</b>	11%	17%	14%	28%	38%	31%
<b>Very Low</b>	75%	36%	63%	72%	62%	56%

Furthermore, looking at the six-year comparison analysis is also informative. During the 2014-2016 period 0% of the awarded units were in High and Very High Opportunity areas whereas 4% were in such areas in the 2017-2019 period. However, that was offset by the fact that under the new QAP regime the percentage of awarded units in Low and Very Opportunity areas increased drastically from 71% in 2014-2016 to 95% in the 2017-2019 period.

Connecticut LIHTC Units Awarded for the Three Years Pre- and Post-2017 QAP Changes					
2014-2016			2017-2019		
<b>Very High</b>	0%	<i>High &amp; Very High Combined</i>	<b>Very High</b>	0%	<i>High &amp; Very High Combined</i>
<b>High</b>	0%	0%	<b>High</b>	4%	4%
<b>Moderate</b>	29%		<b>Moderate</b>	0%	
<b>Low</b>	14%	<i>Low &amp; Very Low Combined</i>	<b>Low</b>	31%	<i>Low &amp; Very Low Combined</i>
<b>Very Low</b>	57%	71%	<b>Very Low</b>	64%	95%

We encourage CHFA to consider the reasons for these trends and adjust agency policy to counteract disincentives to higher opportunity applications and awards.

## Recommendations

OCA recommends several changes to the QAP that will foster greater geographical balance in the applications received which will lead to an increased number of awards to higher opportunity developments. Our recommendations are summarized here and described in more detail in our 2018 comment letter (attached).

- (1) Sixty/Forty Buckets.** As we have suggested for the past several years, CHFA should adopt “buckets” by opportunity category, as defined by the Department of Housing, with 60% of LIHTCs dedicated to proposals in High and Very High opportunity areas and

40% allocated to Very Low, Low, and moderate opportunity projects with an emphasis in such areas on projects that revitalize while decreasing poverty concentration. Threshold requirements can be established to ensure that only high quality proposals are considered and if an insufficient number of acceptable proposals are received within any bucket, the credits should be used, within the same year, on other high scoring proposals, regardless of location.

- (2) Adopt Department of Housing Opportunity Definitions.** There are significant and concerning differences between CHFA's opportunity definitions and opportunity as defined by the Department of Housing (DOH). We strongly recommend that CHFA adopt DOH's opportunity mapping structure.
- (3) Forward Allocation to Support Zoning Challenges.** We recommend that CHFA establish a policy of forward allocating credits in the event that a promising higher opportunity proposal encounters zoning challenges.
- (4) Increased Scrutiny of Concerted Community Revitalization Plans.** We recommend that CHFA implement a more defined policy for assessing whether a LIHTC proposal planned for a Qualified Census Tract is truly part of a concerted community revitalization plan.

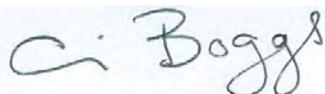
## Conclusion

While there is still a possibility that the 2017 QAP changes will create an incentive for higher opportunity LIHTC proposals in 2020, OCA remains concerned that without the deeper QAP adjustments we recommend this is unlikely or, in any event, will not occur at meaningful levels. We are also deeply concerned that the percentage of both proposals and credit awards in Low and Very Low Opportunity areas has increased substantially over the last three years.

The LIHTC program is the foundational source of funding for many Connecticut developments employing layered subsidies and thus the policies CHFA adopts drive the use of other housing subsidies throughout the state. We encourage CHFA and the state of Connecticut to adopt the recommendations set forth here as a means of ensuring that the LIHTC program complies with state and federal fair housing mandates.

Thank you for this opportunity to comment.

Sincerely,

A handwritten signature in blue ink that reads "Erin Boggs". The signature is written in a cursive, flowing style.

Erin Boggs, Esq.  
Executive Director





June 7, 2018

Terry Nash, Policy and Program Development  
Connecticut Housing Finance Authority  
999 West Street  
Rocky Hill, CT 06067

Thank you for this opportunity to comment on the Connecticut Housing Finance Authority's (CHFA) 2018 Draft Qualified Allocation Plan (QAP) for the federal Low Income Housing Tax Credit (LIHTC) program. We truly appreciate elements in this draft designed to address the extreme geographic concentration of LIHTC developments in high poverty neighborhoods of color. We would like to note particularly that removing the point previously awarded for projects garnering local support is an important adjustment that supports the creation of LIHTC developments in high opportunity towns with a dearth of affordable option.

That said, considering this program's highly problematic fair housing history and the current dearth of proposals that would generate access to opportunities for low-income families of color, we recommend that CHFA take four additional steps to ensure that the 2018 QAP affirmatively furthers fair housing and avoids creating a disparate impact on people of color. We welcome the opportunity to discuss our concerns with you directly.

In QAP comments over the last several years and in legislative testimony in 2015 and 2016, Open Communities Alliance has clearly outlined a proposal for meaningful changes to the QAP process. Our recommendations draw on reforms that have worked successfully in other states and are supported by LIHTC, poverty, and civil rights legal experts across the country.<sup>1</sup> While in other states many reforms have only come about after litigation was brought or threatened, we have focused on seeking reforms to Connecticut's LIHTC program using non-litigation strategies.

In short, we recommend four major changes to the program:

- (1) Sixty/Forty Buckets.** As we have suggested for the past several years, CHFA should adopt "buckets" by opportunity category, as defined by the Department of Housing, with 60% of LIHTCs dedicated to proposals in high and very high opportunity areas and 40% allocated to very low, low, and moderate opportunity projects with an emphasis in such areas on projects that revitalize while decreasing poverty concentration. Threshold requirements can be established to ensure that only high quality proposals are

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<sup>1</sup> Legal Memorandum from Michael Allen, Myron Orfield, and Florence Roisman, May 27, 2015, [https://d3n8a8pro7vhmx.cloudfront.net/opencommunitiesalliance/pages/204/attachments/original/1449634444/OCA\\_respons](https://d3n8a8pro7vhmx.cloudfront.net/opencommunitiesalliance/pages/204/attachments/original/1449634444/OCA_respons)

considered and if an insufficient number of acceptable proposals are received within any bucket, the credits should be used, within the same year, on other high scoring proposals, regardless of location.

- (2) Adopt Department of Housing Opportunity Definitions.** There are significant and concerning differences between CHFA’s opportunity definitions and opportunity as defined by the Department of Housing (DOH). We strongly recommend that CHFA adopt DOH’s opportunity mapping structure.
- (3) Forward Allocation to Support Zoning Challenges.** We recommend that CHFA establish a policy of forward allocating credits in the event that a promising higher opportunity proposal encounters zoning challenges.
- (4) Increased Scrutiny of Concerted Community Revitalization Plans.** We recommend that CHFA implement a more defined policy for assessing whether a LIHTC proposal planned for a Qualified Census Tract is truly part of a concerted community revitalization plan.

### **The Current State of the Connecticut LIHTC Program**

Over the life of the LIHTC program in Connecticut, 51% of units have been placed in very low opportunity areas – that is, the 2% of the land area of the state with the fewest resources and opportunities for low-income families. Unfortunately, this has only gotten worse in recent years, with 62% of units being placed in very low opportunity areas since 2011. Similarly, 63% of units have been placed in qualified census tracts, which are overwhelmingly very low opportunity. In fact, no higher opportunity projects have been funded since 2014 and no higher opportunity applications were even received in either 2016 or 2017. It is difficult to tell whether that suggests that the changes to the QAP in recent years have discouraged developers from even applying for funding or, as we have anticipated, it takes two to three years for developers to adjust to a new QAP regime. What we do know is that the structure of the QAP can, and has in other states, reversed these trends.

In order to administer the LIHTC program in accordance with state and federal fair housing mandates, Connecticut must promote the placement of developments such that families of color who are disproportionately lower income have genuine geographic choices, including in thriving neighborhoods that are disproportionately White.

### **Open Communities Alliance’s Recommendations**

OCA’s primary recommendations for the 2018 draft QAP are as follows:

- (1) Use Higher Opportunity and Moderate/Lower Opportunity “Buckets”**

**Adopt Higher Opportunity-Lower/Moderate Opportunity “Bucket” Approach.** As already discussed above, distributing LIHTC developments in a balanced way across the state is critically

important to complying with federal and state fair housing obligations, so the state must set the appropriate targets to incentivize an equitable LIHTC distribution. To do so requires being cognizant of the program's history and the state's own fair housing obligations, and designing a program with the explicit aim of achieving geographic balance. As exemplified in New Jersey, Ohio,<sup>2</sup> Pennsylvania, and Virginia, this can be accomplished without the loss of credits by setting threshold levels for successful applications and putting unused credits back into the general pool in any given allocation year.

Such a change will create an incentive for developers to pursue higher opportunity development projects, work with towns to gain approval for them or challenge a zoning rejection through the Affordable Housing Appeals Act or other laws. Developers will become the state's partner in affirmatively furthering fair housing. In one of the most segregated states in the country with unconscionable racial disparities across issue areas, from health to unemployment to education to incarceration, we need to engage every partner.

Such an approach will also function to bring truly revitalizing developments to lower opportunity and moderate opportunity areas - developments that do not increase poverty concentration and work in tandem with other community development efforts. In order to avoid increased poverty concentration, developments should have larger percentages of true market-rate and above market rate units. Potential community development efforts could include projects such as park rehabilitation, the creation of community gardens, formal relationships with integrated magnet schools, and the formation of after-school or continuing education programs for the community.

OCA recommends that, considering the history of government-sponsored segregation and the current imbalance of the state program, 60% of LIHTCs be allocated to a "bucket" for high and very high opportunity areas. The remaining 40% of credits should be targeted to lower and moderate opportunity areas and prioritized for projects that do not increase – and ideally decrease – poverty concentration, inspire other neighborhood investment, and are genuinely part of a concerted community revitalization plan.

***Unfair Competition by Geography.*** The current approach compelling higher opportunity and lower opportunity proposals to compete against each other typically puts applications slated for higher opportunity communities at a disadvantage and does not allow points to be tailored

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<sup>2</sup> Recognizing its historic failure to incentive the construction of family developments in opportunity areas, the Ohio Housing Finance Agency, in 2015, won plaudits from fair housing advocates for modifying its LIHTC program to reward development proposals targeted in opportunity areas. It accomplished this goal by dividing its annual per capita LIHTC credit allocation into different policy-based pools, and it then specifically set aside monies for high opportunity family development proposals. Developments sited in eligible high opportunity census tracts compete only against like applications for the extent of the set aside, thus ensuring that high opportunity proposals will not have to unfairly compete against lower opportunity proposals—as they currently do in Connecticut. Center for Equal Justice, *Letter to Ohio Finance Agency on 2016 Draft QAP*, March 17, 2015, [http://www.prrac.org/pdf/Comments\\_on\\_2016-2017\\_QAP\\_First\\_Draft\\_March\\_17\\_2015.pdf](http://www.prrac.org/pdf/Comments_on_2016-2017_QAP_First_Draft_March_17_2015.pdf); Legal Aid Society of Southwest Ohio, LLC, *Letter to Ohio Finance Agency on 2015 Draft QAP*, December 5, 2014, available at [http://www.prrac.org/pdf/Legal\\_Aid\\_Comments\\_2016\\_QAP.pdf](http://www.prrac.org/pdf/Legal_Aid_Comments_2016_QAP.pdf); Ohio Housing Finance Agency, *2016-17 Qualified Allocation Plan*, 30 June 17, 2015, available at [https://ohiohome.org/ppd/documents/2016-2017\\_QAP-Final.pdf](https://ohiohome.org/ppd/documents/2016-2017_QAP-Final.pdf).

to geography. One example of the inequity of pitting proposals for different geographies against each other is the priority within the current point scheme for proposals with proximity to transit. Transit access in a suburban community should not be measured in the same way as transit access in a city – a mile might be acceptable in a suburb, but a few blocks is more appropriate in a city. Because transportation systems developed in a racialized manner, over-prioritizing transit will almost always disadvantage higher opportunity projects that promote integration. Regardless, the projects with the most convenient access to transit in both types of locations should benefit under QAP scoring for each “bucket” (higher opportunity or lower/moderate opportunity). This is what is already in practice in other states such as New Jersey, without the loss of any credits.

Another example of the problem with “lumping” together scoring for proposals in different geographic areas is that it does not create the opportunity to plan for development income mixes that are best suited to a neighborhood. Research on neighborhood poverty concentration indicates that when poverty reaches higher levels upwards of 10-20% (depending on various local factors) it creates negative externalities, such as crime, the devaluation of properties, and decreased municipal tax revenue. A smaller development of 30 units, 40% of which are targeted as affordable, would make better planning sense in a higher opportunity neighborhood than in a lower opportunity neighborhood for which a development with a lower percentage of targeted units would be better suited. It is therefore very important from a planning perspective to design subsidized housing allocations to avoid generating or further entrenching poverty concentration.

The use of LIHTCs in higher opportunity areas also serve other important purposes. As the Poverty & Race Research Action Council noted in 2013, “LIHTC developments should provide housing in situations where vouchers are difficult to use, in particular in high-opportunity neighborhoods where few housing units can be reached within voucher payment standards, and where landlords may prefer unsubsidized tenants.”<sup>3,4</sup>

That said, we should not abandon the placement of LIHTC developments in struggling communities. Instead, as alluded to above, within the QAP, the point allocations should incentivize developments with different targeted unit percentages in different neighborhoods. For example, a development in a higher opportunity area might appropriately have 40% targeted affordable units whereas a development in a lower opportunity area should have a much lower percentage. An approach using higher opportunity and lower/moderate opportunity buckets permits this kind of neighborhood nuance within the LIHTC program.

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<sup>3</sup> Poverty & Race Research Action Council, *Creating Balance in the Locations of LIHTC Developments*, 2 (February 2013), available at [http://www.prrac.org/pdf/Balance\\_in\\_the\\_Locations\\_of\\_LIHTC\\_Developments.pdf](http://www.prrac.org/pdf/Balance_in_the_Locations_of_LIHTC_Developments.pdf).

<sup>4</sup> We also encourage CHFA to be cautious of studies indicating that LIHTC developments are beneficial to struggling communities. Such studies must be read carefully and frequently raise methodology concerns that undermine their conclusion, see e.g. Daniel Hertz, *Where Should Low Income Housing Go*, September 5, 2016 <http://cityobservatory.org/where-should-low-income-housing-go/>, or fail to take into account that community benefits realized might have been the same or greater with non-housing investments.

**The Gazebo Effect.** Prior to the litigation in *TDHCA v. ICP*, the Texas QAP allocated one point for developments with gazebos. The danger in failing to set priorities geographically and then judging applications from different types of areas separately is Connecticut will be at risk of succumbing to the “Gazebo Effect”; that is, points tending to benefit lower opportunity areas will negate points likely to benefit higher opportunity areas and the proposals that win will not necessarily achieve either policy end. Instead, the proposals that are ultimately successful will have a gazebo – or an equivalent low-point scoring item.

## **(2) Insufficient Definitions of Opportunity.**

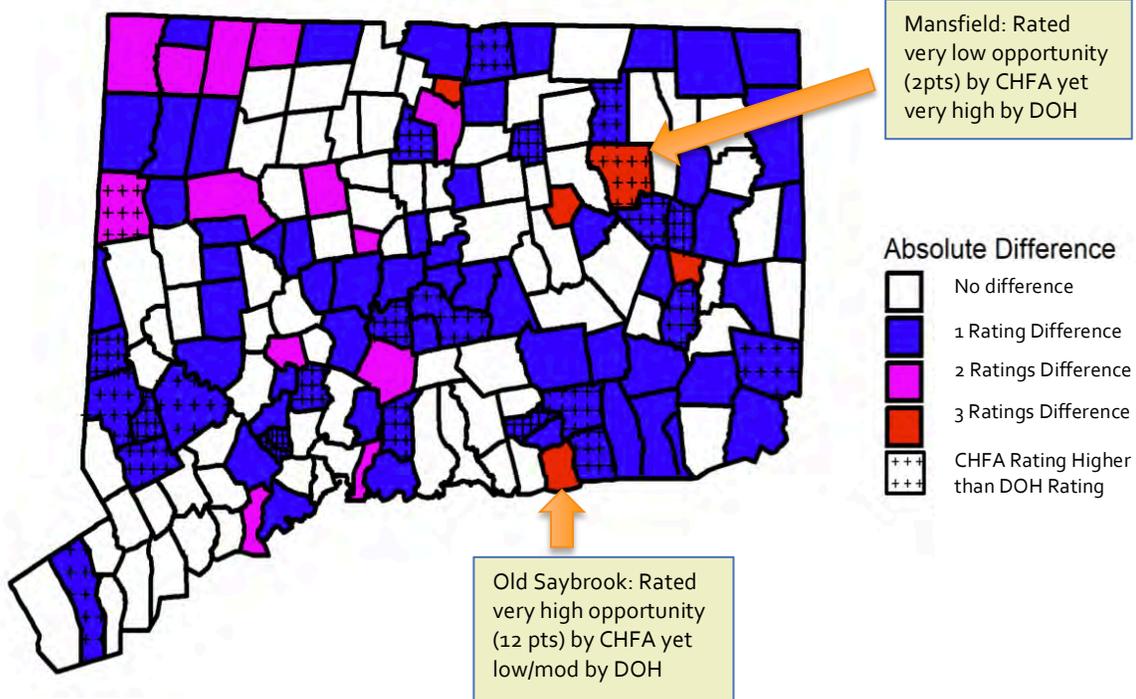
In the 2018 Draft QAP, CHFA utilizes an “Opportunity Characteristics” category worth 15 points out of the QAP’s total of 104. While the intent in creating this category is commendable, these opportunity characteristics create confusion because the Department of Housing has already adopted Opportunity Mapping and, in some instances, generate significantly different results from DOH’s assessment tool.

**CT has Already Adopted Opportunity Mapping.** There is no need to employ a second opportunity definition when the state has already invested significant material resources to hire the Kirwan Institute, one of the most respected poverty and race data analysis centers in the country, to develop opportunity mapping. That mapping is already in use by the Department of Housing.

**The Draft QAP “Opportunity Characteristics” Category Fails, in Some Instances, to Reach High Opportunity Areas.** A close examination of the QAP definition of Opportunity reveals that the criteria fails to reach some high opportunity areas, as defined by the State of Connecticut, and in some cases rewards towns that are considered lower opportunity by the state.

OCA conducted an analysis of the state’s and CHFA’s opportunity ranking system using the 2017 QAP, where the municipalities were divided by CHFA opportunity score into 5 categories (Very Low (0-2), Low (3-6), Moderate (7-9), High (10-11), and Very High (12-14)) and then compared the ratings to DOH’s Opportunity Mapping. As evidenced in the map below, while there were many towns that were evaluated at the same opportunity level (white shaded towns) there were also many that were different by at least one opportunity level (blue towns) and several that were off by at least two opportunity levels (pink and red towns). The cross-hatching represents towns where CHFA’s ranking is higher than DOH’s. Shaded towns with no cross-hatching received a higher ranking from DOH.

## Difference Between CHFA's Opportunity Ratings and DOH's Opportunity Mapping Levels



Overall, the CHFA and DOH opportunity rankings are off by no more than one opportunity level for 89% of towns. While this is generally encouraging, it raises concerns when towns that struggle for sustainability are prioritized for additional new units of affordable housing. There is greater disagreement between the assessments for 11% of the towns, where the ratings differ by at least two degrees of opportunity or greater. That is, where one rating indicates very low opportunity the other is moderate, high or very high, for example. The largest instance of this is where the CHFA mapping assesses towns as lower opportunity than the DOH assessment.

We are concerned that several indicators used by CHFA yield these problematic results.

- Municipalities Having Less Assisted and Deed Restricted Housing:** While we do find that higher opportunity tracts are in towns with less than 10% affordable housing according to 8-30g standards, there are also low and very low opportunity towns that have limited affordable housing stock and thus fall below the 8-30g 10% threshold. These are generally rural towns that do not have the resources to support more lower-income families, and may even already be above the state average poverty rate, so there is not a sufficient correlation between towns under the 8-30g threshold and towns with genuine access to opportunity to justify this element of the CHFA opportunity characteristics.
- Below average poverty rate:** While this is a promising category, it will likely generate LIHTC proposals in areas with poverty rates that are just on the cusp of exceeding the

state average (which would tend to be moderate or even low opportunity areas using the DOH definition of opportunity). Using genuine opportunity mapping and setting the goal of a significant percentage of LIHTC developments in higher opportunity areas helps avoid a government policy that functionally increases poverty in areas that are just shy of becoming poverty-concentrated to a level that generates negative externalities. Such areas need deep non-housing developments, not an increase in poverty.

- **Above average performing schools:** Again, the goal should be to open access to the highest performing schools, not those that are just above average. We are concerned that the same kind of “low hanging fruit” phenomenon described above would manifest with this category.
- **Average performing schools:** Increasing poverty concentration in areas where the schools are failing to excel does not make policy sense. If the state wants to invest in these areas, it should consider other investment strategies, such as deep educational investments or economic and community development support.
- **Employment in community:** A jobs-to-population ratio within a specific town is a blunt instrument to determine if available jobs are accessible to a given area. According to the Hartford Foundation for Public Giving, 65% of people living in Hartford leave the city every day to travel for work; 75% of those make less than \$40,000 per year. Conversely, 83% of Hartford’s jobs are filled by people from Hartford’s suburbs.<sup>5</sup> While there are jobs for people of lower incomes, and generally less education, in Hartford, clearly there are many more outside of Hartford. At the same time, Hartford has many jobs that require higher levels of education more common among the suburban population. The point is that just because there are jobs in a given town does not mean that the people living there occupy those jobs — and an enlightened approach would take into account spatial mismatches.

Another problem with this measure is that it does not account for job proximity. For a person living in the West End of Hartford, the many jobs in West Hartford may be closer than employment opportunities in southeastern Hartford. These realities are not captured in this employment measure, but they are captured in the Department of Housing’s opportunity mapping.

- **Access to higher education:** While Open Communities Alliance appreciates the laudable goal of this indicator, it is totally divorced from the social science research on the nexus between neighborhood characteristics and future success in life. For example, there is mounting social science research—nearing a uniform consensus—indicating that living in a high crime area leads to measurably lower life outcomes for children, and yet crime rates are not part of the QAP “opportunity” assessment.

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<sup>5</sup> See Metro Hartford Progress Points Report, 2014, [http://www.hfpg.org/files/1314/8580/2191/Metro\\_Hartford\\_Progress\\_Points\\_2014.pdf](http://www.hfpg.org/files/1314/8580/2191/Metro_Hartford_Progress_Points_2014.pdf).

Contrary to these researched-based findings about healthy outcomes for children, Connecticut community colleges tend to be located in municipalities where crime rates are higher and school performance is low.<sup>6</sup> In fact, of the seventeen schools in the Connecticut University system, three are in higher opportunity areas, two are in moderate opportunity areas and the remaining 12 are in low opportunity areas. These are the same municipalities that have the overwhelming majority of LIHTC units, are higher poverty and have a greater population of color. This indicator would incentivize less access to opportunity and maintain the unequal status quo.

These points are a mix of “pro-opportunity” and “anti-opportunity” points that not only cancel each other out, but actually provide more points to lower opportunity areas than to higher opportunity areas. This dynamic becomes of even greater concern when considering that 12 points within the “Local Impact” category will tend to benefit developments slated for lower opportunity areas.

By contrast, DOH’s opportunity mapping more appropriately accounts for the full range of school performance, employment access and growth, crime rates, and poverty concentration. It is a much better and more widely accepted assessment of access to opportunity intentionally reflective of the great body of social science research identifying neighborhood factors that lead to positive life outcomes for children and families.

### **(3) LIHTC Support to Counter Zoning Opposition**

We further recommend that CHFA develop an additional policy of forward allocating credits to higher opportunity proposals that meet threshold criteria for quality but are encountering zoning opposition. If zoning barriers continue past a certain deadline, credits in a given year can be allocated to other promising projects, but with a pledge that the necessary credits for the following year will be allocated if zoning is obtained by a set time. If that deadline is missed, the same practice should be followed for the next year. This way, developers will receive the clear message that should it become necessary to litigate a case, LIHTCs will be available to them at the end of the process should they be successful.

Such a policy would also necessarily change the QAP requirements and points awarded for site control and zoning approval, etc.

### **(4) Evaluation Criteria for a Concerted Community Revitalization Plan**

Considering the fact that, since 2011, 63% of LIHTC units have been placed in Qualified Census Tracts, CHFA needs to incorporate concrete standards for evaluating concerted community revitalization plans (CCRPs) to ensure that the affordable units being funded by CHFA are in fact contributing to, rather than burdening, the local community. The plan should include

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<sup>6</sup> Listing of locations available at <http://www.ct.edu/cscu>.

meaningful goals for the neighborhood, identify barriers to revitalization, describe concrete measures that will be taken to revitalize the neighborhood, and development beyond just housing. These plans should also engage community partners and individuals in the planning process.<sup>7</sup>

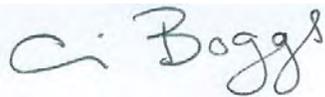
## Conclusion

Despite much appreciated efforts made to date, the 2018 Draft QAP still requires a substantial reorientation to produce a geographic balance in the location of LIHTC developments. We urge CHFA to adopt DOH's opportunity mapping, generate buckets of LIHTCs allocated by geography, develop a policy of forward allocating credits to support developers facing zoning opposition in higher opportunity areas, and articulate specific standards for concerted community revitalization plans.

CHFA has considerable power to change how the LIHTC program is administered. It must be willing, though, to commit to a new approach to address a long-entrenched problem. We encourage CHFA and the state of Connecticut to adopt the recommendations set forth here as a means of ensuring that the LIHTC program complies with state and federal fair housing mandates.

Thank you for this opportunity to comment.

Sincerely,



Erin Boggs, Esq.  
Executive Director



Lisa Dabrowski, Esq.  
Policy Analyst

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<sup>7</sup> Assessment Criteria for "Concerted Community Revitalization Plans": A Recommended Framework, Poverty & Race Research Action Council, March 14, 2017, [http://www.prrac.org/pdf/PRRAC\\_CCRP\\_recommendations\\_3\\_14\\_17.pdf](http://www.prrac.org/pdf/PRRAC_CCRP_recommendations_3_14_17.pdf).



December 27, 2019

**BY E-MAIL**

Connecticut Housing Finance Authority  
999 West Street  
Rocky Hill, CT 06067  
Attn: Terry Nash, Policy and Program Development  
[PublicComment@chfa.org](mailto:PublicComment@chfa.org)

**Re: Comments in Response to “Notice of Public Input Period - LIHTC”**

Open Communities Alliance (OCA) thanks you for this opportunity to submit comments with respect to the Connecticut Housing Finance Authority’s (CHFA) Low Income Housing Tax Credit (LIHTC) program, its Qualified Allocation Plan (QAP) and its priorities and policy goals.

OCA is a Connecticut-based non-profit civil rights organization dedicated to eradicating racial segregation and opportunity isolation through a particular focus on housing policy. Based on the Notice of Public Input Period published by CHFA,<sup>1</sup> OCA understands that CHFA will be considering comments submitted during this input period in developing the 2020 QAP. OCA has previously submitted extensive written comments concerning implementation of the LIHTC program in Connecticut, including design of the QAP, in view of the State of Connecticut’s obligations to undo racial segregation and de-concentrate poverty under fair housing laws. See Letters from OCA to CHFA dated July 1, 2019, June 7, 2018 and June 10, 2016, attached hereto. In lieu of re-stating the content of its prior letters here, OCA hereby re-submits these prior letters, along with this letter, as its comments for the current input period.

As OCA has argued in its prior comments, the most critical issues with the QAP and the distribution of LIHTC in Connecticut are not merely matters of drafting but of fundamental program design. OCA thus applauds CHFA for seeking input prior to developing a new QAP and urges CHFA to take this opportunity to tackle the major issues we have identified in prior comments. (Since the current notice did not mention or include a draft QAP, OCA assumes there will be an opportunity to provide comments again after a draft QAP is released.)

To supplement and reinforce OCA’s prior comments being re-submitted herewith, this letter first briefly discusses the foundational issue of CHFA’s fair housing duties as the State’s LIHTC administrator, next highlights OCA’s major recommendations set forth in prior comment letters and closes by summarizing key concerns regarding CHFA’s opportunity designations.

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<sup>1</sup> Available at <https://www.chfa.org/events/notice-of-public-input-period---lihtc/> (last accessed Dec. 27, 2019).

## The State and CHFA Must Administer LIHTC in a Manner that Affirmatively Furthers Fair Housing by Un-Doing Racial Segregation and De-Concentrating Poverty

Our prior comments concerning the LIHTC program in Connecticut and various iterations of the State's QAP are founded in large part on a fundamental legal truth: the State of Connecticut, and CHFA as its designee, have an obligation under federal (and state) law to administer LIHTC in a manner that does not perpetuate racial segregation and affirmatively furthers fair housing (AFFH).<sup>2</sup> These obligations require the State to design and carry out its LIHTC program so as to un-do racial segregation and de-concentrate poverty – not as the only goal of the program, to be sure, but certainly as a central and significant component, in order to meaningfully counter the effects of decades of housing developments – including LIHTC-supported developments – that have perpetuated or even increased racial segregation and poverty concentrations in Connecticut.<sup>3</sup>

The AFFH duty has been described in landmark court decisions as the obligation “to act affirmatively to achieve integration in housing,”<sup>4</sup> and to use “[housing] programs to assist in ending discrimination and segregation, to the point where the supply of genuinely open housing increases.”<sup>5</sup> In a case soon after the enactment of the Fair Housing Act, the Second Circuit set forth the rationale behind the government's AFFH obligation in a passage that bears quoting here for its prescience and relevance to issues raised by LIHTC administration:

“Action must be taken to fulfill, as much as possible, the goal of open, integrated residential housing patterns and to prevent the increase of segregation, in ghettos, of racial groups whose lack of opportunities the Act was designed to combat. See, in accord, *Shannon v. HUD*, 436 F.2d 809 at 820-821 (3d Cir. 1970), noted in 85 Harv.L. Rev. 870 (1972); *Banks v. Perk*, 341 F. Supp. 1175, 1182 (N.D. Ohio 1972); *Blackshear Residents Organization v. Housing Authority of City of Austin*, 347 F.Supp. 1138 (W.D. Tex. 1971). Senator Mondale, who drafted § 810(a) of the Act, 42 U.S.C. § 3610, pointed out that the proposed

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<sup>2</sup> For several reasons – including because the administration of the LIHTC program is a state governmental function affecting housing, 26 U.S.C. § 42(m)(1), and because the State and CHFA receive millions of dollars in federal housing and community development funding every year – the requirements of longstanding federal civil rights laws, including Title VI of the Civil Rights Act of 1964 and the federal Fair Housing Act of 1968 (including the duty to affirmatively further fair housing) govern the State's administration of LIHTC. See, e.g., *Texas Dep't of Hous. & Cmty. Affairs v. Inclusive Communities Project*, 135 S. Ct. 2507 (U.S. 2015) (applying FHA to state's administration of LIHTC program); *Otero v. N.Y. Hous. Auth.*, 484 F.2d 1122, 1133-34 (2d Cir. 1973) (in case concerning a local housing authority's obligations to further desegregated housing, noting that the AFFH duty applies to HUD as well as other agencies administering federally assisted housing programs); *U.S. v. Massachusetts Indus. Finance Agency*, 910 F. Supp. 21, 27 (D. Mass. 1996) (applying FHA to state agency involved in bond financing); see also Internal Revenue Service, Revenue Ruling 2016-29 (noting that LIHTC is subject to the FHA and the AFFH duty in ruling that LIHTC statute does not require housing credit agencies to condition awards on local approval). CHFA also has a parallel AFFH duty under state law. See Conn. Gen. Stat. § 8-37cc(b).

<sup>3</sup> See 2019 OCA Letter at 1-3; 2016 OCA Letter at 3; 2018 OCA Letter at 2 (discussing history of LIHTC program in Connecticut and geographic imbalance of LIHTC-supported developments).

<sup>4</sup> *Otero v. N.Y. Hous. Auth.*, 484 F.2d 1122, 1133 (2d Cir. 1973).

<sup>5</sup> *NAACP, Boston Chapter v. HUD*, 817 F.2d 149, 155 (1<sup>st</sup> Cir. 1987) (Breyer, J.).

law was designed to replace the ghettos “by truly integrated and balanced living patterns.” 114 Cong.Rec. 3422.”<sup>6</sup>

In its prior comment letters and legislative testimony, OCA has noted that certain of its recommendations for Connecticut’s LIHTC program have been implemented to some degree or another in other States.<sup>7</sup> The practices in these states presumably are due in part to the states’ recognition of the longstanding obligations of federal law summarized here, and not simply policy considerations; whatever their motivation, however, these approaches illustrate that it is possible to administer LIHTC programs with greater attention to fair housing obligations.

In assessing its LIHTC program and designing the 2020 QAP, CHFA must be mindful of the central importance of its fair housing obligations. As we have explained exhaustively in our prior comment letters, these obligations cannot be reconciled with continuation of the status quo in regard to administering LIHTC in Connecticut. Furthermore, the QAP should include an explicit affirmation of the commitment to affirmatively further fair housing on the part of the State and CHFA and, as applicable, the developers who receive credits under this program.

### **Summary of OCA’s Major Recommendations**

As more fully set forth in the attached prior comment letters, OCA recommends several major changes to the QAP that will foster greater geographical balance in applications submitted to CHFA, which will in turn result in more awards to developments in higher opportunity areas.

**(1) Sixty/Forty Buckets.** As we have suggested for the past several years, CHFA should adopt “buckets” by opportunity category, as defined by the Department of Housing, with 60% of LIHTCs dedicated to proposals in high and very high opportunity areas and 40% allocated to very low, low, and moderate opportunity projects with an emphasis in such areas on projects that revitalize while decreasing poverty concentration. Threshold requirements can be established to ensure that only high quality proposals are considered and if an insufficient number of acceptable proposals are received within any bucket, the credits should be used, within the same year, on other high scoring proposals, regardless of location.

**(2) Adopt Department of Housing Opportunity Definitions.** There are significant and concerning differences between CHFA’s opportunity definitions and opportunity as defined by the Department of Housing (DOH). We strongly recommend that CHFA adopt DOH’s opportunity mapping structure.

**(3) Forward Allocation to Support Zoning Challenges.** We recommend that CHFA establish a policy of forward allocating credits in the event that a promising higher opportunity proposal encounters zoning challenges.

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<sup>6</sup> *Otero*, 484 F.2d at 1134.

<sup>7</sup> *See, e.g.*, OCA 2016 Letter at 2 and note 3.

**(4) Increased Scrutiny of Concerted Community Revitalization Plans.** We recommend that CHFA implement a more defined policy for assessing whether a LIHTC proposal planned for a Qualified Census Tract is truly part of a concerted community revitalization plan.

### **Concerns Regarding CHFA Opportunity Designations**

OCA's prior comment letters noted our concerns with how CHFA defines "opportunity" and thus how it determines opportunity designations for different towns. We continue to urge CHFA to adopt the Department of Housing's Opportunity definitions and mapping structure and we offer the following additional comments regarding these important issues.

Opportunity is a complex phenomenon and determining opportunity areas must take a holistic approach, rewarding points only to areas with a high overall opportunity level. Providing partial points for each opportunity metric in the QAP does a disservice to the determination, by reducing the difference in scores of high and low opportunity areas. For example, the metric captioned "Proximity to a State Community College" provides 2 points to nearly the entire area of the state, virtually eliminating the factor's usefulness in the relative measure of opportunity. The threshold of 10 miles – as the crow flies – is an arbitrary and limited determination of access to higher education.

We believe that an accurate approach assigns each area an overall opportunity level. Each factor should have a logical pathway to opportunity, tied to empirical research, and be weighted based on its relative impact on overall opportunity. In its current form, the CHFA determination is insufficient to capture the impact of an affordable housing development's location on its residents' opportunities for success, for the following reasons.

- School district performance has a great impact on opportunity, but the GreatSchools rating relies solely on student performance on subject tests; the Connecticut Department of Education utilizes the Next Generation Accountability System, which employs 12 factors including student scores, absenteeism, graduation rates, college entrance, arts access and high needs students' performance.
- High poverty rate is just one of many factors in the "neighborhoods effects" literature that has been shown to have a negative impact on resident outcomes; crime rate, homeownership and vacancy should also be considered.
- Employment opportunity cannot completely be described by a town's number of jobs per capita; a thorough determination of employment opportunity should include jobs within a reasonable commute, existing unemployed job-seekers, job-growth and job diversity.

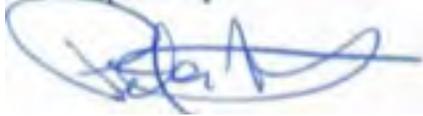
### **Conclusion**

CHFA has the opportunity to re-design how the LIHTC program is administered in Connecticut in a manner that gives due weight to its fair housing obligations and the relevant facts

concerning the administration of LIHTC historically in our State. We applaud CHFA for seeking input on these issues as it develops the 2020 QAP and urge it to make the changes summarized above and more fully set forth in the attached prior comment letters.

Thank you for this opportunity to comment.

Sincerely,

A handwritten signature in blue ink, appearing to read "Peter M. Haberlandt", is written over a light blue horizontal line.

Peter M. Haberlandt  
Senior Legal Counsel

Attachments (OCA's prior comment letters, 2019, 2018 and 2016)



July 6, 2020

**BY E-MAIL**

Connecticut Housing Finance Authority  
999 West Street  
Rocky Hill, CT 06067  
Attn: Terry Nash, Policy and Program Development  
[PublicComment@chfa.org](mailto:PublicComment@chfa.org)

**Re: Comments on Proposed 2020 Qualified Allocation Plan**

Open Communities Alliance (OCA) thanks you for this opportunity to submit comments with respect to the Connecticut Housing Finance Authority's (CHFA) proposed Qualified Allocation Plan (QAP) for the 2020 Application Year.

OCA is a Connecticut-based non-profit civil rights organization dedicated to eradicating racial segregation and opportunity isolation through a particular focus on housing policy. As you know, OCA has submitted extensive written comments concerning CHFA's implementation of the Low Income Housing Tax Credit (LIHTC) program, including the QAP, for several years, and most recently in December 2019. OCA provided its December 2019 comments in response to a Notice of Public Input inviting comments for CHFA to consider in developing the 2020 QAP.<sup>1</sup>

As OCA has argued in its prior comments from December 2019 and before, the most critical issues with the QAP and the distribution of LIHTC in Connecticut are not merely matters of drafting but of fundamental program design in view of the State of Connecticut's obligations to undo racial segregation and de-concentrate poverty under fair housing laws. See Letters from OCA to CHFA dated December 27, 2019, July 1, 2019, June 7, 2018 and June 10, 2016, attached hereto. Among other things, we have provided a set of major recommendations for program re-design to make meaningful progress toward distributing LIHTC in a manner that meets the State's duties to affirmatively further fair housing and counteract the effects of a long history of policies perpetuating segregation. See, e.g., OCA Letter dated December 27, 2019 at 3-4 (summarizing major recommendations).

When assessed in the context of these longstanding legal duties, the proposed 2020 QAP again falls short. Although the proposed 2020 QAP includes several changes from prior QAPs, it appears that the major issues that we have identified, and for which we have proposed concrete solutions, in our prior letters regrettably remain.

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<sup>1</sup> Available at <https://www.chfa.org/events/notice-of-public-input-period---lihtc/> (last accessed Dec. 27, 2019).

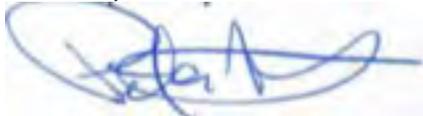
In lieu of re-stating the content of its prior letters here, OCA hereby re-submits these letters now as its comments for the current input period.

Finally, we want to be unequivocally clear that because CHFA can determine when changes to a QAP will take effect, and can thus set major changes to become effective in the next application year or another appropriate time in the future, the lead time needed by developers for designing and planning LIHTC projects should not, and need not, be an obstacle to making the kinds of changes for which we have advocated for years.

CHFA should reconsider its proposed 2020 QAP and, as set forth in our prior comment letters attached hereto, it should take this opportunity to re-design how the LIHTC program is administered in Connecticut in a manner that gives due weight to its fair housing obligations and the relevant facts concerning the administration of LIHTC historically in our State.

Thank you for this opportunity to comment.

Sincerely,



Peter M. Haberlandt  
Senior Legal Counsel

Attachments (OCA's prior comment letters, 2019, 2018 and 2016)



PO Box 364 Chester CT 06412  
Ph: (877) 800-6440

July 6, 2020

Connecticut Housing Finance Authority  
Attn: Terry Nash Giovannucci  
999 West Street  
Rocky Hill, CT 06067

Submitted electronically: [PublicComment@CHFA.org](mailto:PublicComment@CHFA.org)

Subject: Comments on Draft 2020 LIHTC Qualified Application Plan

Dear CHFA Board of Directors,

I would like to comment on three points in the Sustainable Design Section 2.f of the Draft 2020 LIHTC Qualified Allocation Plan: one is a technical point on wording, the second concerns equity in scoring points, and the third concerns the timing of the release of the QAP

### 1. Clarification of Wording for Options 1 & 2 in 2.f Sustainable Design

#### Issue:

Options 1 & 2 currently begin as follows: *“Proposed design provides for an ENERGY STAR HERS Index ranges  $\leq 50$  (low-rise) or ASHRAE  $\geq 23\%$  (high-rise), and qualifies .....”*

- The reference to an “ENERGY STAR HERS Index” is inaccurate. ENERGY STAR certification is a separate label and certification from the HERS score.
- The ENERGY STAR MultiFamily New Construction certification applies to dwelling units in both high-rise as well as low-rise buildings
- There are multiple versions of ASHRAE standards; therefore “ASHRAE  $\geq 23\%$ ” is not specific enough without including the standard number and version specification (year).

#### Recommendation:

Revise the beginning of the Option 1 & 2 statements as follows: *“Proposed high-performance design provides for either (a) all dwelling units have projected HERS Indexes  $\leq 50$ , or (b) whole building energy performance  $\geq 23\%$  better than ASHRAE 90.1-2013, and qualifies .....”*



## 2. Inequity of Scoring Points in 2.f Sustainable Design

### Issue:

Options 2 & 3 both qualify for four (4) points yet experienced practitioners in High-Performance and Sustainable Design will agree that Option 3 is a much higher bar to achieve than Option 2

- Option 2 requires high-performance design (HERS or ASHRAE threshold) plus LEED Silver, NGBS Silver, or Zero Energy Ready Home certification
- Option 3 requires Passive House (PHIUS or PHI), LEED Platinum or NGBS Emerald certification

Absent other funding-source considerations, as currently proposed, it is highly unlikely that any developer will choose Option 3 over Option 2. If CHFA seriously wishes to promote the highest standards in building performance and sustainable design, as demonstrated by Passive House or the highest level of the LEED and NGBS certifications, it is strongly suggested that the additional time and costs required be recognized by awarding additional points to projects qualifying under Option 3.

### Recommendation:

Increase the points awarded under Option 3 to 6, or at least a minimum of 5.

## 3. Revise Timing of QAP Issuance

### Issue:

The design cycle for buildings is typically 6-9 months, yet the final 2020 QAP will not be issued until 3-4 months before applications are due

- To be cost effective, the decision to design a building to meet Passive House or the highest levels of LEED or NGBS certification must be made before any design work begins. Eligibility for these programs is greatly impacted by fundamental decisions on site layout, site development, programming, building form, building size, orientation and by pre-development activities such as environmental assessments.
- In recent years, many LIHTC projects have been submitted as Passive House designs by adding costly energy-conservation measures to preexisting building designs that were not optimized for Passive House design. This has given Passive House design an undeserved reputation as a costly design standard. This situation will be further exacerbated if adequate design lead time is not allowed for projects that will seek the highest levels of LEED or NGBS certification.

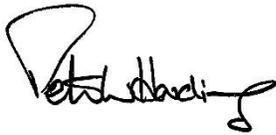


**Recommendation:**

1. CHFA announce that the Sustainable Design scoring points in the final 2020 QAP will also apply to the 2021 QAP.
2. For 2022 and beyond, publish the Sustainable Design scoring points at the same time as the CHFA Design Standards for the current year, i.e. the points for the 2022 QAP should be published in January 2022.

We appreciate the opportunity to comment on the draft QAP and applaud the leadership role that CHFA has taken in ensuring Connecticut's affordable housing stock will meet the goals established in Public Act 18-82.

Sincerely,



Peter W. Harding, CPHC CGR

Vice President

Mark MaGrann Associates, Inc.





WYETH  
ARCHITECTS

94 West Main Street  
Chester, CT 06412  
860 526 5111

[wyetharchitects.com](http://wyetharchitects.com)

July 6, 2020

Re: Public input on CHFA's proposed changes to the 2020 Low-Income Housing Tax Credit Program (LIHTC) Qualified Allocation Plan (QAP)

Dear Chair Mosquera-Bruno, Vice Chair DeWynngaert, Members of the Connecticut Housing Finance Authority Board of Directors and Staff, Senior Director Tepper-Bates, and Governor Lamont,

I am *strongly* in favor of increasing the incentive points for Passive House in the upcoming 2020 QAP to encourage high quality buildings for the sector of the population who would most benefit from affordable utilities and healthy buildings.

Affordable housing needs to be:

- **Energy efficient** - essential for those needing a low utility cost burden.
- **Durable** - the longer the housing lasts, the more cost effective it is.
- **A healthy environment** – enabling healthy living.

BENEFITS OF PASSIVE HOUSE STANDARDS FOR CHFA INCENTIVES IN CONNECTICUT:

- **Low Energy:** Passive House Standards assure efficiency and low utility costs because it is the lowest energy-use standard for the construction industry. It is science-based, with measurable results during and following construction.
- **Durability:** Buildings built to Passive House Standards control moisture and air – they last longer. Smaller & simpler mechanical systems are lower initial cost and easier to maintain.
- **Indoor Air Quality:** Passive House buildings manage fresh air. They filter smoke, dust & allergens. The air is always fresh throughout. They are, therefore, healthier environments. They can contribute to a lower healthcare cost burden and a higher quality of life.

The proposed changes pose a major disruption to the goals of low-energy, high-performance affordable housing. *All green building standards are not created equal.* Awarding fewer points to Passive House, and grouping it with other green building standards, does not fairly reflect that Passive House has a higher level of positive impact than what the other standards deliver. Passive House is superior to other green building standards because it is the most rigorous for low energy; it yields a higher quality building stock and supplies lower-income families with housing that is less of a burden.

Furthermore, Passive House buildings can facilitate the state's adopted benchmarks for reducing greenhouse gas emissions in S. B. 7: An Act Concerning Climate Change Planning and Resiliency, the 2018 Comprehensive Energy Strategy and our ambitious state housing goals. The UN has identified Passive House as the best way to achieve a sustainable low carbon future as outlined in the 2015 Paris Accord target.

Passive House most aligns with the State's goal to provide fair, equitable, and affordable housing. *Elevating Passive House*, with more points and separating it from other green building standards, is in the best interest of the State and those who most benefit from what Passive House buildings offer. This level of high-performance building should be encouraged and rewarded.

Thank you for the opportunity to share my views with you today. And thank you for the work you do on behalf of Connecticut's residents.

Sincerely,

Sara Dodson Holmes AIA, LEED BD+C, Certified Passive House Designer  
Connecticut Passive House founding Board Member, Secretary



Two Center Plaza, Suite 700 Boston, MA 02108  
P: 617.574.1100  
BeaconCommunitiesLLC.com

July 6, 2020

Nandini Natarajan  
Chief Executive Officer  
Connecticut Housing Finance Agency  
999 West St #3019  
Rocky Hill, CT 06067

Re: Comments to Proposed 2020 QAP Changes

Dear Ms. Natarajan,

We appreciate CHFA's commitment and leadership to address affordable housing solutions across the State of Connecticut. Our recent completion of Montgomery Mill and ongoing rehabilitation of Ninth Square reflect what is possible in the partnership that Beacon and CHFA have developed in both new production and preservation across the State. We remain committed to our Connecticut pipeline and look forward to pursuing developments that align with the housing needs and goals of the communities in which we work.

The Qualified Allocation Plan directs the preservation and production of affordable housing statewide. We appreciate the challenge of balancing the many competing policy goals across the state along with the objective of funding projects that will be realized in a timely fashion. In reviewing the proposed changes to the 2020 QAP, we see certain negative, substantial impacts caused by proposed changes to the draft that will disadvantage projects that are already progressing towards an application in the upcoming round. We offer the following comments for your consideration as you finalize the 2020 Plan:

- \$1,500,000 Cap on LIHTC Allocation (Page 14, Section A(2)).
  - It is too late in the deal cycle to make this major change. Developers who intend to apply for the upcoming round have already conceptualized and advanced development proposals based on last year's funding framework. Implementing a hard cap on projects already underway could make them infeasible. With the Department of Housing's reduced commitment of soft financing from \$6M to \$4M, there is already added pressure on deals to be smaller, and many deals already underway will have to shrink or will no longer be financially feasible.
  - Smaller deals are less efficient to develop, build, and operate. They are therefore a less efficient use of public resources. Many of the costs to develop a 60-unit deal are the same as a 50-unit deal (same roof, same site infrastructure, basically the same design and consulting costs, and so on), but the smaller deal can support fewer dedicated full-time staff people, impacting our ability to provide services and other programming to our residents. **Given these considerations, we propose the LIHTC cap revert to 20% of the population component of the State housing credit ceiling.** (We note that many deals that applied requested less than the 20% cap, so the State is already receiving a variety of requests already – developers can always propose smaller deals for smaller sites.)

- SSHP LIHTC Cap required for points (Page 27, Section 6).
  - Tying the SSHP points to the \$1.2M LIHTC cap is detrimental to a portfolio that, due to its age and size, requires large investment. While this limit has been in the QAP for some time, it prevents bigger deals from being redeveloped. The State-Sponsored Housing Portfolio is Connecticut’s safety net housing, serving some of the most vulnerable populations. It does not make sense to limit which of these properties can be redeveloped by imposing this funding cap.
  - As noted above, projects of scale offer the most efficient and sizable impact in their ability to improve housing for the most households, and the State’s obligation to address the needs of these projects will only become more expensive without an influx of capital to address their dilapidated conditions and aged systems. **We propose that the SSHP points not be tied to a LIHTC cap and instead allow the SSHP projects to be evaluated on their merit in other categories.**
- 90% Plans (Page 22, Section E). The reduction in points to this category is dramatic in cases where projects have already invested to get to this threshold. We understand – and generally agree with – the desire to require less expenditure to get to an application; however, without balancing other aspects of the QAP to offset this change, the projects which have made the effort to hit this benchmark are now at a competitive disadvantage. **We support the change for the 2021 round. If CHFA chooses to make this change, it should be confirmed in the immediate future so that projects for next year can plan accordingly.**
- Sustainable Design Measures (Page 22, Section F). Like the 90% plans change, the modifications to this category would disadvantage projects that have already spent the money to pursue Passive House. We appreciate the intention of providing sustainable design options and potentially lower upfront, one-time costs. However, from a policy standpoint, Passive House is widely recognized as the gold standard in sustainable design and is a substantially higher threshold than the other proposed options. The points system needs to be tailored so features that require more time, money, or effort receive commensurate point recognition. These projects will save money over time that can be passed on in rent benefit as well as having a less detrimental effect on the planet. We would like to see points in this category reflect both the investment and environmental impact associated with Passive House and therefore remain a distinguishing factor in a project’s evaluation. **Accordingly, we propose Passive House be worth 6 points in this category and that the costs associated with the work are considered “extraordinary costs” under the Technical Services cost review.**
- Hybrid Developments (CHFA 2020 Hybrid Structure Guidelines, Page 2). We appreciate the work that CHFA has done to progress this financing tool. The hybrid financing structure is a good (though complicated and expensive) way to support larger deals, as the twinned 4% project utilizes the so-called “excess basis” created by the cap on 9% credits. Beacon has successfully implemented this structure in Massachusetts. The hybrid structure as proposed includes several unnecessary complexities that would adversely impact the achievable scale of the project, including separate physical features (entrances, signage, stairs, etc.). Other states (including Massachusetts) have successfully implemented 9%/4% hybrid financing and addressed concerns about keeping federal resources separate without requiring any of these artificial distinctions. **We propose that hybrid financing deals demonstrate a plan for independent financing and ownership and provide a letter from tax counsel corroborating that the proposed structure will comply with IRS regulations.**

The above comments represent those changes that we feel present the biggest challenges in the current draft, especially to projects which have been advanced around the current QAP. We offer the following comments as clarifications and notes for adjustments to policy:

- Rental Affordability Fix. The threshold for the percentage of 50% units continues to be of 'total units' rather than qualified units. We would like to see this updated to reflect the same threshold as is noted for 30% AMI units. This conflict in the definitions discourages mixed income projects.
- Areas of Opportunity: We support the State utilizing a single mapping tool to determine areas of opportunity. This tool should be a clear and transparent way of identifying the cities and towns in Connecticut with great schools and good access to employment. Those locations are the ones that provide low-income households access to opportunity.
- Mixed-Use points: Mixed-use buildings are a popular paradigm when thinking about ideal urban neighborhoods, but they do not make economic sense except in the best retail markets in the densest neighborhoods. In the vast majority affordable and mixed-income housing developments funded by CHFA, ground-floor commercial spaces are a tenuous proposition at best. By granting points for mixed-use proposals, CHFA is promoting (and in effect subsidizing) unprofitable and suboptimal commercial real estate spaces.

As a final note, we are all mindful of the significant adverse impact caused to the State's economy as a direct result of the COVID-19 pandemic. Affordable housing represents an opportunity to foster economic development in times of recession. It serves to creates jobs while providing for a resource when individuals and families have realized and will continue to experience financial hardship. **Given the economically challenged environment we find ourselves in, we recommend that CHFA forward allocate at least 50% of 2021 credits in order to mitigate these economic losses.** Early investment is a key solution to bolstering the economy as we move forward from this crisis.

Thank you for the opportunity to share our thoughts. We appreciate your review and consideration of these comments which we hope provide context for the practical implications on projects in progress. We look forward to working with CHFA as we expand on our important work together in the State of Connecticut.

Sincerely,

A handwritten signature in black ink, appearing to read "D. K. P.", is positioned below the text "Sincerely,".



July 6, 2020

Ms. Nandini Natarajan, CEO  
Connecticut Housing Finance Authority  
999 West Street  
Rocky Hill, CT 06067

Dear Ms. Natarajan:

First, we wish to offer our sincere thanks to you and your staff for the detailed work in refining the Qualified Allocation Plan (QAP). Xenolith Partners is a woman-owned affordable housing developer active in Connecticut and New York, with our most recent project – Columbus Commons in New Britain – completing a successful lease-up of 80 mixed-income units this month. The QAP plays a critical role in how developers like Xenolith identify and pursue sites for affordable housing development. We are particularly happy to see that 90% drawings are not being so heavily incentivized, as that is an expensive hurdle to overcome for a small developer.

We certainly understand the fiscal effects of COVID-19 will have a substantial impact on State budgets, so it's important to stretch each dollar as far as possible. However, we believe the \$1,500,000 LIHTC Allocation cap (Page 14, Section A(2)) will be extremely detrimental to projects in communities that can reasonably accommodate a higher level of density than in smaller towns, and especially to projects that are already well underway in predevelopment. Since the application deadline is only months away, projects size and costs are largely determined.

With the Department of Housing's reduced commitment from \$6M to \$4M, there is already added pressure on deals to be smaller, which makes them less efficient to build and operate. This means that the State's capital sources cannot be most effectively utilized during construction while also presenting long-term management and staffing challenges. Furthermore, there are other major pressures on project sources including more conservative underwriting from banks and lower equity prices from investors in the context of COVID-19.

Given these considerations, we strongly suggest that the LIHTC cap revert to 20% of the population component of the State housing credit ceiling for this upcoming round. The cap could be revisited in the future for deals that have not yet been planned.

Again, we appreciate CHFA's commitment to fair and equitable housing in Connecticut.

Sincerely,

A handwritten signature in black ink that reads "Andrea Kretchmer". The signature is fluid and cursive, with the first name being the most prominent.

Andrea Kretchmer

390 Capitol Avenue  
Hartford, CT 06106

917-747-8396  
[andrea@xenolithpartners.com](mailto:andrea@xenolithpartners.com)



## Nash, Terry

---

**From:** jl@sealtightes.com  
**Sent:** Thursday, July 02, 2020 3:44 PM  
**To:** PublicComment  
**Subject:** Proposed 2020 QAP Comment

**[EXTERNAL EMAIL: If unknown sender, do not click links/attachments. Never give out username or password.]**

July 2<sup>nd</sup>, 2020

Jake Littman  
Manager  
79 Aquidnek Drive, Tiverton RI

Dear CHFA board members and Governor Lamont:

I am a resident of \_\_\_\_\_ Jamestown RI \_\_\_\_\_ and am involved in my community as a \_\_\_\_\_ contractor \_\_\_\_\_ (environmental steward, business owner, developer, contractor, parent, teacher, health care professional etc.). My position regarding the proposed 2020 QAP changes are in agreement with the statement made by Connecticut Passive House provided below. I care about this issue because \_\_\_\_\_ it is important for the present and future of sustainability and efficiency in our building \_\_\_\_\_.

Thank you for providing this opportunity for public comment on the proposed 2020 Low-Income Housing Tax Credit procedures and LIHTC Qualified Allocation Plan (QAP). Connecticut Passive House (CTPH), [www.ctpassivehouse.org](http://www.ctpassivehouse.org), is an organization dedicated to offering education, training and resources on the Passive House design and building standard.

As one of the earliest state financing agencies to incorporate Passive House into the QAP, CHFA demonstrated leadership commensurate with Connecticut's climate goals to reduce greenhouse gas emissions to 45% below 2001 emissions by 2030 and 80% below 2001 emissions by 2050. Since this target became law, the state has continued to emphasize the importance of achieving these targets, as recently as Sept. 2019, with Governor Lamont's Executive Order No. 3 aimed to strengthen Connecticut's efforts to mitigate, or lessen the impacts, of climate change.

- Since buildings represent 40% of greenhouse gas emissions, they play a vital role in Connecticut's ability to meet these mandated targets.
- Because buildings being built today will be in existence in 2050, they must be constructed to be as energy-efficient as possible and targeted to achieve Zero Energy status.
- **As the most rigorous energy-efficient high-performance building standard, Passive-House (PH) is a pathway for buildings to achieve Zero Energy** which is why PH has been adopted as a tool by other states, municipalities and now over 30 state financing housing agencies in their respective Qualified Allocation Plans.

Why is Passive House a pathway for Zero Energy? By emphasizing elements such as an airtight building enclosure, super-efficient insulation, high-performance windows, etc., PH ensures that any energy in the building -- heating or cooling -- stays in the building. It is often said that Passive house buildings sip energy compared to conventionally built buildings that gulp. Because the demand for energy to heat and cool in a PH is substantially lower, buildings can more readily achieve zero energy once renewables are added (note: Some type of renewable energy is essential in order for any building to achieve zero energy status).

Furthermore, because HVAC systems use the most energy, by far -- 40% -- compared to any other system, it is vital to reduce the heating and cooling loads in a building. To raise the stakes even higher, recent analyses have revealed that it is steadily becoming warmer in Connecticut. Specifically, the state's average temperatures have already increased 1.8°C [\[1\]](#) and are forecasted to continue to rise due to global warming which means the demand to cool our buildings will only increase.

**Given the state's increased emphasis on sustainability and focus on mitigation strategies, CTPH is strongly opposed to the proposed reductions in overall points for the sustainable design section, and instead, would like to see CHFA consider additional points for both Passive House and Zero Energy.**

While CTPH appreciates the intent to include more standards in the QAP, especially if/when PH is not the best "fit" for a project, **the groupings themselves and the comparable amount of points represent major changes to the QAP.** CTPH strongly believes that the impact of the proposed organization/allocation will inadvertently impact the quality of the buildings on a number of levels, including those already mentioned plus additional factors mentioned below because the point structure is not commensurate with the levels of positive impact that these standards deliver.

**Therefore, CTPH is opposed to both the proposed point allocation and the groupings of the various green/high performance standards in the 2020 QAP and instead, urges CHFA to consider:**

- **Retaining the additive structure of the 2019 QAP which allocated more points to those higher performing standards, specifically Passive House.** A recent survey of other QAPs, especially in Pennsylvania, Massachusetts, and Wash. D.C. revealed noticeably higher allocation of points for PH and/or a combination of standards that work in conjunction with more stringent building state codes, than CT, to achieve Zero Energy.
- **To continue to offer an additional point for renewable energy, a "must" to achieve Zero Energy.**

Note that one of the two PH building standards, PHIUS [\[2\]](#), contains prerequisites for achieving other levels of high-performance: Energy Star, Indoor airPLUS and DOE's Zero Energy Ready Home Program in order to achieve PHIUS certification.

- Third-party RESNET approved quality assurance/quality control
- Earns U.S DOE's Zero Energy Ready Home status
- Includes HERS rating
- Earns U.S. Environmental Protection Agency (EPA) Indoor airPLUS label

The emphasis on superior indoor quality in the PH building standard is another benefit that cannot be overstated, in light of the burden from air pollution that is disproportionately experienced by the most vulnerable residents. According to the American Lung Association, there is a documented difference in harm from air

pollution to racial or ethnic groups and people who are in a low socioeconomic position, have less education, or live nearer to major sources of pollution. <sup>[3]</sup> Specifically,

- Moisture is a leading cause of health, comfort and durability concerns in homes.
- 19% of U.S. households have at least one person with asthma and there is a 20-50% increased risk of asthma in damp houses
- The economic cost of asthma amounts to more than \$56 billion annually

**Additionally, since achieving cost-effectiveness in construction is also a key factor for CHFA and DOH, CTPH is also urging a heightened focus of achieving comparable/lower per unit construction costs for Passive House projects.** Now that the learning curve on Passive House has advanced, there is “proof of concept” of affordable PH projects being built for comparable costs to non-PH projects, especially in regions such as Pennsylvania which has the longest track-record of incorporating PH into their QAP.

- CTPH is aware that the Peer to Peer Multifamily network is poised to share data with CHFA and DOH from CT passive affordable housing projects to provide real-time, in-house information.
- Additionally, it is common knowledge in the high-performance design community that pursuing PH later in the design process inevitably leads to higher cost premiums. With this in mind, CTPH is offering to participate in a review of the application process to identify “Best Practices” such as integrated project design, plan review, etc. in order to identify those project designs, in general, that are most suitable for PH and/or identify specific opportunities to realize cost-savings upfront, prior to construction.

Finally, there are additional compelling benefits to utilize Passive House for affordable housing. Notably:

- Energy security for Connecticut residents who are burdened with living in the state with the highest rate for electricity in the continental U.S., according to the federal Dept. of Energy. <sup>[4]</sup>
- Ability for occupants to safely and comfortably shelter-in-place for sustained periods of time in the advance of energy black-outs and extreme weather events. <sup>[5]</sup>
- Buildings that are more durable and require less maintenance/ associated “2nd costs” for developers.

In closing, the QAP serves as an important lever that drives market adoption. In light of the scale of the proposed changes in the 2020 QAP, CTPH’s primary concern is that CHFA is inadvertently sending the wrong signal to the market, at a time when the state is seeking to escalate efforts on climate mitigation

**By offering additional points for Passive House in prior QAPs, CHFA has played a major role as a catalyst fueling Connecticut’s green energy economy in accordance with the Governor’s goals.**

- Since its inception, CTPH has continued to observe an increase in memberships and attendance at its events and will be partnering with Eversource to launch a comprehensive multi-pronged Passive House training program, modeled after the successful MassSave PH training program <sup>[6]</sup> to

introduce the PH building standard to a wider pool of stakeholders while also building capacity in Connecticut's workplace.

CTPH is committed to a cleaner, healthier, more resilient, carbon-free future and welcomes opportunities to support CHFA and DOH's efforts meet its goals to provide high-quality affordable housing while also addressing Governor Lamont's pledge that "*Connecticut will remain a leader on climate change*"<sup>[7]</sup>.

Thank you for taking the time to read my concerns. I look forward to hearing your response on these issues.

Sincerely,

Jake Littman  
Seal Tight Energy Solutions  
79 Aquidneck Drive  
Tiverton, RI 02878  
BPI Building Analyst Professional  
Cell: 401-318-3001  
[jl@sealtightes.com](mailto:jl@sealtightes.com)  
[sealtightenergysolutions.com](http://sealtightenergysolutions.com)

<sup>[1]</sup> Washington Post, 8/13/19: "2°C: Beyond the Limit"

<sup>[2]</sup> [www.phius.org](http://www.phius.org)

<sup>[3]</sup> [American Lung Association/Disparities in the Impact of Air Pollution](http://AmericanLungAssociation.org/Disparities-in-the-Impact-of-Air-Pollution)

<sup>[4]</sup> [wnpr.org/post/facing-some-highest-rates-nation-connecticut-s-electric-customers-struggle](http://wnpr.org/post/facing-some-highest-rates-nation-connecticut-s-electric-customers-struggle)

<sup>[5]</sup> [be-exchange.org/insight/designing-for-resiliency](http://be-exchange.org/insight/designing-for-resiliency)

<sup>[6]</sup> [masssave.com/passive-house-training](http://masssave.com/passive-house-training)

<sup>[7]</sup> [portal.ct.gov/Office-of-the-Governor/2019/09-2019/Governor-Lamont-Signs-Executive-Order--Connecticut To Lead On Climate Change](http://portal.ct.gov/Office-of-the-Governor/2019/09-2019/Governor-Lamont-Signs-Executive-Order--Connecticut-To-Lead-On-Climate-Change)



June 12, 2020

Connecticut Housing Finance Authority  
Attn: Terry Nash Giovannucci  
999 West Street  
Rocky Hill, CT 06067

Submitted electronically: [publiccomment@chfa.org](mailto:publiccomment@chfa.org)

Dear Ms. Giovannucci:

On behalf of Home Innovation Research Labs, I respectfully submit comments on the proposed 2020 Connecticut Qualified Allocation Plan.

I commend the Connecticut Housing Finance Authority (CHFA) for expanding the Sustainable Design Measures from an exclusive focus on energy efficiency to include requirements for both energy efficiency and holistic green building. Green building programs like those included in the 2020 QAP offer long-term value in the form of lower operational and maintenance costs, as well as higher quality and healthier living environment for residents. Specifically, I commend CHFA for recognizing the ICC/AHSRAE-700 National Green Building Standard (NGBS). Additional details about the NGBS and Home Innovation's NGBS Green program are included on the following pages.

Where energy efficiency and green building certification programs are referenced, I recommend that CHFA require evidence of third-party rating/certification, as opposed to a statement from an energy professional or Professional Engineer. Home Innovation Research Labs recognizes the tremendous value of third-party certification for assurance of building performance and quality. By specifying third-party green certification for all energy efficiency and green building programs, CHFA would gain greater confidence in and a deeper understanding of the performance of funded projects. The agency could rely on the stringent levels of verification and quality assurance required by the certification programs while incurring little to no direct oversight cost.

I also include several specific comments regarding the proposed Sustainable Design Measures structure and point scale.

### **Feedback on Sustainable Design Measures**

The Sustainable Design Measures are very specific with regard to the NGBS and LEED rating system versions that are recognized (2015 and v4, respectively). However, the references to ASHRAE and Enterprise Green Communities are ambiguous. I suggest adding clarification, as there are currently five versions of AHRAE 90.1 and two versions of Enterprise Green Communities accepted across the U.S.

I appreciate the coupling of the energy performance requirements with green building certification requirements. Not all green rating systems are designed the same, and this approach will ensure that minimum energy performance is met regardless of which green building program is selected. Furthermore, we believe that the pairings of energy efficiency requirements, green building program

levels, and point award is fair based on the alignment of the energy performance baselines of all the referenced rating systems.

### **National Green Building Standard Overview**

The NGBS is the first and only residential green building rating system to undergo the full consensus process and receive approval from the American National Standards Institute (ANSI). Since 2008, each version of the NGBS has been approved by ANSI<sup>1</sup>. The National Association of Home Builders (NAHB), the International Code Council, and the American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) have participated as co-sponsors on the development of the NGBS.

The 2015 NGBS carries three important designations. First, it is ANSI-approved as an American National Standard. It is also part of the family of ICC International-codes (I-Codes) that form a complete set of comprehensive and coordinated building codes and last, it is approved as an ASHRAE Standard.

As one of the I-Codes, the NGBS is written in code language to make it easy for industry professionals and contractors to understand. I believe this is one reason the NGBS has been successful even in areas where it is not part of the building code and is used as an above-code program. For a residential building to be in compliance, the building must contain all mandatory practices in the NGBS. The building must also contain enough practices from each of the six categories of green building practices to meet the required threshold points.<sup>2</sup> The six categories of green practices are:

- Lot & Site Development
- Resource Efficiency
- Energy Efficiency
- Water Efficiency
- Indoor Environmental Quality
- Homeowner Education

Under the NGBS, homes and multifamily buildings can attain one of four potential certification levels: Bronze, Silver, Gold, or Emerald. The NGBS was specifically designed so that no one category of green practices is weighted as more important than another. Peerless among other green rating systems, the NGBS requires that all projects must achieve a minimum point threshold in every category of green building practice to be certified. A project certified to the NGBS can't merely obtain all or most of its points in a few categories, as other rating systems allow. This requirement makes the NGBS the most rigorous green building rating systems available.

The NGBS's mandatory provisions must be met for certification at any level. There are no exemptions. However, unlike other green building rating systems, the NGBS contains an expansive array of green building practices aimed at all phases of the development process: design, construction, verification, and operation. This provides the flexibility builders and developers need to ensure their projects reflect their geographic location, climatic region, cost constraints, and the type of project they are constructing.

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<sup>1</sup> The original 2008 version was approved in 2009; the 2012 version was approved in 2013; the 2015 version was approved in 2016; and the 2020 version was approved 2020.

<sup>2</sup> See page 14 in ICC 700-2015 NGBS.

### **Certification Program**

Home Innovation serves as Adopting Entity and provides certification services to the NGBS. Home Innovation is a 56-year old, internationally recognized, accredited product testing and certification laboratory located in Upper Marlboro, Maryland. Our work is solely focused on the residential construction industry and our mission is to improve the affordability, performance, and durability of housing by helping overcome barriers to innovation. Our core competency is as an independent, third-party product testing and certification lab, making us uniquely suited to administer a green certification program for residential buildings.

Our staff is made up of mechanical, structural, and electrical engineers; planners; economists; architects; former builders, remodelers, and contractors; lab and technicians. Combined, they possess an unparalleled depth of knowledge and experience in all facets of market analysis and building science research and testing. Why is that important? Because behind every building seeking NGBS compliance stands a team of experts on a mission to help them succeed. Participation in NGBS Green brings our building science expertise to each project team at no additional cost.

### **Independent, Third-Party Verification**

The NGBS requires that a qualified, independent third-party inspect the project and verify that all green design or construction practices claimed by the builder toward green certification are incorporated correctly into the project. Most projects require at least two inspections. The verifier must perform a rough inspection before the drywall is installed to observe the wall cavities, and a final inspection once the project is complete. The required verification offers imbues an elevated level of rigor and quality assurance to the projects that are certified. An affordable housing organization can be assured that construction practices for higher building performance and healthier residences are successfully achieved.

Verifiers record the results of their rough and final inspections on a Verification Report which is submitted to Home Innovation Research Labs. Home Innovation reviews every rough and final inspection to ensure national consistency and accuracy in the verification reports. After the Verification Reports are reviewed and approved, our team issues green certification to the project.

Home Innovation Research Labs qualifies, trains, tests, and accredits the NGBS Green Verifiers and maintains a current list at [www.HomeInnovation.com/FindNGBSVerifier](http://www.HomeInnovation.com/FindNGBSVerifier). Verifiers must possess experience in residential construction and green building. Many verifiers are Home Energy Rating System (HERS) raters. Potential verifiers are trained on how to verify every NGBS practice. After completing the training, verifiers must pass a three-part exam and carry sufficient insurance to 3 earn accreditation. Verifiers renew their accreditation annually and retrain and retest with every NGBS version.

Home Innovation maintains strict rules to ensure verifiers remain independent and free of conflict-of-interest on the projects for which they provide verification services. Verifiers serve as our field agents to confirm buildings are NGBS compliant. Further, we regularly audit our verifiers and their verifications as part of our internal quality assurance program.

### NGBS Green Certification as a Compliance Method

By participating in Home Innovation's NGBS Green program, builders and developers gain access to specialized tools and resources that guide them in designing and constructing higher-performing green buildings.

- During the **design phase**, a project team hires an accredited NGBS Green Verifier to guide them through the certification process and verify compliance. NGBS Green Verifiers typically meet with project teams in the design phase to help them score their project to their desired NGBS certification level and ensure proper details are reflected in plans and other construction documents. Verifiers will also offer specialized training to project teams and trades to ensure that all team members understand the project goals and how their efforts contribute toward certification achievement.
- Throughout construction, the project must undergo **independent, third-party inspection** to verify that all green design and construction practices claimed by the builders are incorporated correctly. Most projects require at least two inspections. These inspections are guided by Home Innovation's extensive verification protocols, comprehensive scoring tools, and technical assistance from building science experts.
  - All accredited verifiers gain access to Home Innovation's *Verifier's Resource Guide*, which details verification methods, interpretations, and guidance for every NGBS practice. This guide directs verifiers to perform inspections as Home Innovation's in-field agents under the NGBS Green program.
  - During inspections, compliance details are captured in an Excel-based NGBS Green Scoring Tool. These tools were specially designed to facilitate a streamlined in-field inspection and also feature responsive logic so that users are immediately aware of potential errors and missing items.
  - At any point during the certification process, project team members and verifiers can utilize Home Innovation's Green Hotline to receive technical guidance and interpretations. Partners access Home Innovation's nationally renowned building science staff with deep knowledge of residential construction and green building practices. We offer this service at no extra cost and typically respond within one business day.
- Once construction is complete, the completed verification report is submitted to Home Innovation for **final review and certification**. The Home Innovation team has specialized review tools and expert knowledge to ensure a comprehensive yet quick review. Provided that verification reports are complete and accurate, building certification is issued within one business day.
- Home Innovation issues **green certificates and ready-made marketing materials** to support building owners and developers in marketing their building's high-performance attributes so that they can get added value, regardless of their reason for pursuing NGBS Green certification.

The processes and resources available through third-party green building certification programs contribute toward high-quality buildings. The same benefits cannot be derived from a simple statement from an energy professional or engineer.

The goal of the NGBS and the Home Innovation NGBS Green Certification Program is to recognize projects that reach exceptional levels of sustainable design. We have worked hard to develop a program that removes as many barriers as possible to high-performance green buildings without eliminating any of the rigor or verification necessary to ensure compliance. To this end, we have kept our certification fees low, minimize the time needed for interpretations and project review, and significantly reduced the costs required to incorporate green practices.

### **Program Statistics to Date**

Home Innovation has certified 5,796 multifamily buildings representing 207,781 dwelling units and 17,431 single-family homes. Currently, there are 3,654 multifamily buildings in progress, representing an additional 1532,262 dwelling units, and 5,426 single-family homes. While we don't specifically track the number of projects that are affordable housing, we have certified many LIHTC projects, as well as other affordable and workforce housing developments. I believe that this indicates we have been successful in designing a green certification program that is affordable and flexible, while remaining rigorous.

### **Summary**

I commend CHFA for broadening its Sustainable Design Measures to address both energy efficiency and green building requirements and recognizing the NGBS within the proposed criteria. However, I respectfully request that CHFA require third-party certification/ratings to the recognized energy and green building programs due to tremendous value that is afforded to CHFA, the project team, and residents from third-party inspection and quality assurance review.

Please don't hesitate to contact Michelle Foster ([mfoster@homeinnovation.com](mailto:mfoster@homeinnovation.com), 301.430.6205), our Vice President, Innovation Services, directly if she can be of further assistance.

We look forward to working with CHFA to promote green certified housing built to the ***National Green Building Standard***.

Sincerely,



Michael Luzier  
President and CEO



June 26, 2020

Terry Nash Giovannucci  
CHFA  
999 West Street  
Rocky Hill, CT 06067  
[PublicComment@chfa.org](mailto:PublicComment@chfa.org)

Dear Ms. Nash Giovannucci, CHFA Officials, and State of Connecticut Stakeholders,

Thank you for providing this opportunity to comment on the 2020 Low-Income Housing Tax Credit Qualified Allocation Plan (QAP). I am writing to you both as a **resident of Norwalk** and a managing director in a 120-person building systems consulting company headquartered in Norwalk, CT. My colleagues at Steven Winter Associates, Inc. are involved in sustainability as researchers, green building consultants, energy analysts, and personal activists.

We care deeply about allocating tax dollars to **combat climate change** and **protect CT from an uncertain energy and water future**. Current events have highlighted the importance of **protecting human health and promoting social equity**, and sustainable housing supports these goals. My firm and I **strongly support the inclusion of both LEED for Homes and Passive House standards into the CHFA QAP**. Not only do these programs incorporate extreme energy efficiency, but they also promote superior occupant comfort, healthy indoor air quality, and ensured building durability. Tenants of these high performing buildings **save money on their utility bills**, enforcing the State's commitment to better housing for Connecticut's workforce and affordable housing occupants. **Third party verification is a critical component to ensure that buildings are verified and tested to perform at best potential**. Occupants of certified LEED and Passive House homes also enjoy quieter, healthier buildings which are linked to reduced missed work and school due to sick days.

Passive House and Sustainability incentives should be increased, not decreased, in the 2020 Qualified Allocation Plan (QAP). Specifically, my firm recommends the maximum points for Sustainable Design (Section 2, Item f) in the 2020 QAP be increased from 7 (allowed in the 2019 QAP) to **8 points**. This can be achieved as follows:

- Retain the additive structure in the 2019 QAP.
- 1 point for solar photovoltaic system at the **increased stringency** as proposed (50% site and common area energy demand, increased from 33% in 2019 QAP).
- **Retain the Passive House Design category**, where third party net zero certification program will earn 3 points. These programs include any certifications through PHI and PHIUS programs, EPA Zero Energy Ready Homes, or Zero Energy certifications.
- Retain 1 point awarded to the **two most cost-effective Passive House projects**.
- **Adjust High Performance Design category to award 3 points** for projects qualified for LEED for Homes or LEED Multifamily Midrise v.4 Silver, or National Green Building Standard 2015 Silver.

In summary, please maintain the momentum toward meeting CT's 2030 and 2050 energy, sustainability and resilience goals. Pursuit of these goals generated over \$2 million in business for SWA and employed more than 25 full-time CT-based, high-performance building consultants. CT based Passive House business alone, has resulted in 5 new positions at our firm plus 3 new positions for consultants supporting LEED for Homes. **We are working hard to protect our future through healthy and environmentally responsible buildings, and we need your help to continue.**

Sincerely,

A handwritten signature in black ink that reads 'Maureen M. Mahle'.

Maureen M. Mahle  
Managing Director, Sustainable Housing Services and Norwalk, CT Resident



1266 East Main Street, Suite 601  
Stamford, Connecticut 06902  
T: (203) 348-2644  
F: (203) 348-2611

July 6, 2020

Terry Nash  
Connecticut Housing Finance Authority  
999 West Street  
Rocky Hill, CT 06067

Dear Ms. Nash:

The JHM Group of Companies ("JHM") has reviewed the Connecticut Housing Finance Authority's ("CHFA") redline draft of its 2020 Qualified Application Plan and has the following comment in addition to JHM's previously submitted recommendation letter dated December 27, 2019 attached here to.

**Our additional recommendation for the 90% Building Plans and Specifications scoring category is to maintain the allocation of 3 points rather than reducing the category to 1 point as currently drafted.** As CHFA is aware, it will considerably benefit from encouraging 90% plans and specifications at time of application. Mainly, it demonstrates the Applicant's readiness to proceed and increases the accuracy of the hard cost budget at time of application. However, with the added benefit of 90% plans and specifications of course comes considerable risk to developers/applicants that have paid the higher planning fees in advance of any funding award. Reducing the amount of points in this category directly decreases the likelihood of receiving a funding award and therefore increases unintended financial risk at submission. We feel it is in the best interest of CHFA and in the spirit of providing much needed affordable housing in Connecticut to encourage preparedness more-so rather than less.

As a Connecticut based developer having successfully completed an abundance of quality mixed-income and affordable housing units in the state, we hope that CHFA will consider our recommendations. We look forward to working together in the future. Please feel free to reach me directly should you have any questions.

Sincerely,

A handwritten signature in blue ink that reads 'Todd'.

Todd D. McClutchy  
Principal  
(203) 348-2644  
[todd@groupjhm.com](mailto:todd@groupjhm.com)



1266 East Main Street, Suite 601  
Stamford, Connecticut 06902  
T: (203) 348-2644  
F: (203) 348-2611

December 27, 2019

Terry Nash  
Connecticut Housing Finance Authority  
999 West Street  
Rocky Hill, CT 06067

Dear Ms. Nash:

Pursuant to CHFA's request for comments on its 2019 Qualified Allocation Plan ("QAP") and for consideration in drafting its 2020 QAP, we herewith submit our recommendations. We appreciate the thought and effort that CHFA staff has put into the QAP and hope that our comments and questions are constructive in helping create the final document.

**Our recommendation is to add a new scoring category to award points to developments that represent a subsequent phase of a successful LIHTC development involving replacement units for public housing residents.** We believe that relocating public housing residents from failed housing situations to new quality, mixed-income, family developments should be a priority amongst the State of Connecticut. This movement creates real, meaningful, opportunities for residents and their families and has proven to be a catalyst that encourages new economic development. It also enhances value for the surrounding community by increasing income levels and providing safe, quality housing at all income levels including very-low income up to the newly introduced market-rate tier.

The objective of this recommendation is to award points to expansive initiatives that constitute magnitude and involve multiple phases of redevelopment to create focus on neighborhoods that would otherwise be subject to unrelenting decline and, ultimately, abandonment. Instead, our recommendation can transform them into vibrant, sustainable segments of the overall community that not only leverage previous state, federal, and private dollars but create areas where residents find new opportunities in the housing provided as well as the economic development that inevitably takes place.

Further, replacing public-housing complexes with new mixed-income housing also meets many of both the Federal and State criteria as stated under I. Federal Requirements and II. State Housing Plans as articulated in the first two sections of this Qualified Allocation Plan. This is clear in Section I. Federal Requirements in item 2. "Give preference to projects: a. serving the lowest income tenants, and; b. obligated to serve qualified tenants for the longest period of time". Also, it meets many of the objectives stated in the Con Plan, including 1. "Prevent and end homelessness; 2. Increase the supply of affordable housing, which includes.....creation of affordable housing with the goal of expanding housing choice and opportunity; 3. Increase the supply of quality affordable housing in order to support economic growth and the development of stable and healthy communities and neighborhoods; 4. Make housing investments that support responsible growth and development in the state and the efficient use of existing infrastructure investment in transportation, water, sewer, and other utility systems".

Replacement public housing meets these criteria by:

- A. Clearly, relocating public-housing residents to new, quality housing serves the lowest income families in the best way possible.
- B. The fact that these new developments are located on public housing authority properties, ensures that they will remain affordable in perpetuity.
- C. New mixed-income housing that replaces existing, obsolete public-housing units inevitably increases the supply of affordable housing as the housing it's replacing always includes vacant units that are uninhabitable, which expands housing choice and opportunity.
- D. Eliminating obsolete public housing removes unstable, unhealthy housing from the market by replacing it with new, quality affordable housing that creates a new healthy environment that stabilizes neighborhoods and their surrounding communities.
- E. The public-housing properties that are in need of replacement are in areas that are transit-oriented and have existing water, sewer and other utilities readily available. Not only does the investment in this housing in-and-of-itself constitute responsible growth and development, but, as experience has proven, it inevitably becomes a catalyst for additional economic development as well as increased property values.

For the reasons stated above we believe that phased projects involving the replacement of obsolete public housing with new mixed-income, family developments should be equally ranked and be awarded the same number of points as is available for developments in Areas of Opportunity category because providing quality housing for residents currently living in deplorable conditions does foster new opportunity for them.

Example language for consideration as a new scoring category in Connecticut's 2020 QAP:

*Ten (10) points will be awarded to subsequent phase of mixed income developments that replace obsolete public housing units and that contiguously build upon successful LIHTC developments. The former phase(s) and proposed phase must be located on public housing authority land and must be undertaken by a member of the general partnership that developed the former phase(s). Applicants must submit 1) Documentation showing the contiguity of the new phase such as master plan; 2) Documentation showing occupancy rate of 95% such as rent roll for the former phases or waiting lists if applicable; 3) Documentation that former and proposed phase(s) are on public housing authority land.*

We appreciate the opportunity to provide comments on the State's QAP. It is our hope that CHFA finds our recommendation to be constructive. Should you have any questions, please do not hesitate to contact me at (203) 595-5172 or via email at [todd@groupjhm.com](mailto:todd@groupjhm.com).

Sincerely,



Todd D. McClutchy

July 6, 2020

Thomas Meehan  
Thomas Meehan Architect  
2 Sunny Acres  
Wallingford, CT 06492

Dear CHFA board members and Governor Lamont:

I am a resident of Wallingford and am involved in my community as an Architect. My position regarding the proposed 2020 QAP changes are in agreement with the statement made by Connecticut Passive House provided below. I care about this issue because I believe that the Passive House approach to design is worthwhile to the common good.

Thank you for providing this opportunity for public comment on the proposed 2020 Low-Income Housing Tax Credit procedures and LIHTC Qualified Allocation Plan (QAP). Connecticut Passive House (CTPH), [www.ctpassivehouse.org](http://www.ctpassivehouse.org), is an organization dedicated to offering education, training and resources on the Passive House design and building standard.

As one of the earliest state financing agencies to incorporate Passive House into the QAP, CHFA demonstrated leadership commensurate with Connecticut's climate goals to reduce greenhouse gas emissions to 45% below 2001 emissions by 2030 and 80% below 2001 emissions by 2050. Since this target became law, the state has continued to emphasize the importance of achieving these targets, as recently as Sept. 2019, with Governor Lamont's Executive Order No. 3 aimed to strengthen Connecticut's efforts to mitigate, or lessen the impacts, of climate change.

- Since buildings represent 40% of greenhouse gas emissions, they play a vital role in Connecticut's ability to meet these mandated targets.
- Because buildings being built today will be in existence in 2050, they must be constructed to be as energy-efficient as possible and targeted to achieve Zero Energy status.
- **As the most rigorous energy-efficient high-performance building standard, Passive-House (PH) is a pathway for buildings to achieve Zero Energy** which is why PH has been adopted as a tool by other states, municipalities and now over 30 state financing housing agencies in their respective Qualified Allocation Plans.

Why is Passive House a pathway for Zero Energy? By emphasizing elements such as an airtight building enclosure, super-efficient insulation, high-performance windows, etc., PH ensures that any energy in the building -- heating or cooling -- stays in the building. It is often said that Passive house buildings sip energy compared to conventionally built buildings that gulp. Because the demand for energy to heat and cool in a PH is substantially lower, buildings can more readily achieve zero energy once renewables are added (note: Some type of renewable energy is essential in order for any building to achieve zero energy status ).

Furthermore, because HVAC systems use the most energy, by far -- 40% -- compared to any other system, it is vital to reduce the heating and cooling loads in a building. To raise the stakes even higher, recent analyses have revealed that it is steadily becoming warmer in Connecticut.

Specifically, the state's average temperatures have already increased 1.8°C<sup>1</sup> and are forecasted to continue to rise due to global warming which means the demand to cool our buildings will only increase.

**Given the state's increased emphasis on sustainability and focus on mitigation strategies, CTPH is strongly opposed to the proposed reductions in overall points for the sustainable design section, and instead, would like to see CHFA consider additional points for both Passive House and Zero Energy.**

While CTPH appreciates the intent to include more standards in the QAP, especially if/when PH is not the best "fit" for a project, **the groupings themselves and the comparable amount of points represent major changes to the QAP.** CTPH strongly believes that the impact of the proposed organization/allocation will inadvertently impact the quality of the buildings on a number of levels, including those already mentioned plus additional factors mentioned below because the point structure is not commensurate with the levels of positive impact that these standards deliver.

**Therefore, CTPH is opposed to both the proposed point allocation and the groupings of the various green/high performance standards in the 2020 QAP and instead, urges CHFA to consider:**

- **Retaining the additive structure of the 2019 QAP which allocated more points to those higher performing standards, specifically Passive House.** A recent survey of other QAPs, especially in Pennsylvania, Massachusetts, and Wash. D.C. revealed noticeably higher allocation of points for PH and/or a combination of standards that work in conjunction with more stringent building state codes, than CT, to achieve Zero Energy.
- **To continue to offer an additional point for renewable energy, a "must" to achieve Zero Energy.**

Note that one of the two PH building standards, PHIUS<sup>2</sup>, contains prerequisites for achieving other levels of high-performance: Energy Star, Indoor airPLUS and DOE's Zero Energy Ready Home Program in order to achieve PHIUS certification.

- Third-party RESNET approved quality assurance/quality control
- Earns U.S DOE's Zero Energy Ready Home status
- Includes HERS rating
- Earns U.S. Environmental Protection Agency (EPA) Indoor airPLUS label

The emphasis on superior indoor quality in the PH building standard is another benefit that cannot be overstated, in light of the burden from air pollution that is disproportionately experienced by the most vulnerable residents. According to the American Lung Association, there is a documented difference in harm from air pollution to racial or ethnic groups and people who are in a low socioeconomic position, have less education, or live nearer to major sources of pollution.<sup>3</sup> Specifically,

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<sup>1</sup> Washington Post, 8/13/19: "2°C Beyond the Limit"

<sup>2</sup> [www.phius.org](http://www.phius.org)

<sup>3</sup> [American Lung Association/Disparities in the Impact of Air Pollution](https://www.allegheny.edu/air/pollution-disparities)

- Moisture is a leading cause of health, comfort and durability concerns in homes.
- 19% of U.S. households have at least one person with asthma and there is a 20-50% increased risk of asthma in damp houses
- The economic cost of asthma amounts to more than \$56 billion annually

**Additionally, since achieving cost-effectiveness in construction is also a key factor for CHFA and DOH, CTPH is also urging a heightened focus of achieving comparable/lower per unit construction costs for Passive House projects.** Now that the learning curve on Passive House has advanced, there is “proof of concept” of affordable PH projects being built for comparable costs to non-PH projects, especially in regions such as Pennsylvania which has the longest track-record of incorporating PH into their QAP.

- CTPH is aware that the Peer to Peer Multifamily network is poised to share data with CHFA and DOH from CT passive affordable housing projects to provide real-time, in-house information.
- Additionally, it is common knowledge in the high-performance design community that pursuing PH later in the design process inevitably leads to higher cost premiums. With this in mind, CTPH is offering to participate in a review of the application process to identify “Best Practices” such as integrated project design, plan review, etc. in order to identify those project designs, in general, that are most suitable for PH and/or identify specific opportunities to realize cost-savings upfront, prior to construction.

Finally, there are additional compelling benefits to utilize Passive House for affordable housing. Notably:

- Energy security for Connecticut residents who are burdened with living in the state with the highest rate for electricity in the continental U.S., according to the federal Dept. of Energy. <sup>4</sup>
- Ability for occupants to safely and comfortably shelter-in-place for sustained periods of time in the advance of energy black-outs and extreme weather events.<sup>5</sup>
- Buildings that are more durable and require less maintenance/ associated “2nd costs” for developers.

In closing, the QAP serves as an important lever that drives market adoption. In light of the scale of the proposed changes in the 2020 QAP, CTPH’s primary concern is that CHFA is inadvertently sending the wrong signal to the market, at a time when the state is seeking to escalate efforts on climate mitigation

**By offering additional points for Passive House in prior QAPs, CHFA has played a major role as a catalyst fueling Connecticut’s green energy economy in accordance with the Governor’s goals.**

- Since its inception, CTPH has continued to observe an increase in memberships and attendance at its events and will be partnering with Eversource to launch a

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<sup>4</sup> [wnpr.org/post/facing-some-highest-rates-nation-connecticut-s-electric-customers-struggle](http://wnpr.org/post/facing-some-highest-rates-nation-connecticut-s-electric-customers-struggle)

<sup>5</sup> [be-exchange.org/insight/designing-for-resiliency](http://be-exchange.org/insight/designing-for-resiliency)

comprehensive multi-pronged Passive House training program, modeled after the successful MassSave PH training program<sup>6</sup> to introduce the PH building standard to a wider pool of stakeholders while also building capacity in Connecticut's workplace.

CTPH is committed to a cleaner, healthier, more resilient, carbon-free future and welcomes opportunities to support CHFA and DOH's efforts meet its goals to provide high-quality affordable housing while also addressing Governor Lamont's pledge that *"Connecticut will remain a leader on climate change"*<sup>7</sup>.

Thank you for taking the time to read my concerns. I look forward to hearing your response on these issues.

Sincerely,

Thomas Meehan, RA CPHC  
2 Sunny Acres  
Wallingford, CT 06492  
(203)308-1316  
tmeehan.arch@gmail.com

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<sup>6</sup> [masssave.com/passive-house-training](https://masssave.com/passive-house-training)

<sup>7</sup> [portal.ct.gov/Office-of-the-Governor/2019/09-2019/Governor-Lamont-Signs-Executive-Order--Connecticut To Lead On Climate Change](https://portal.ct.gov/Office-of-the-Governor/2019/09-2019/Governor-Lamont-Signs-Executive-Order--Connecticut-To-Lead-On-Climate-Change)

## Nash, Terry

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**From:** Peter Millman <peter.millman7@gmail.com>  
**Sent:** Monday, July 06, 2020 2:59 PM  
**To:** PublicComment  
**Subject:** Comment on QAP

**[EXTERNAL EMAIL: If unknown sender, do not click links/attachments. Never give out username or password.]**

Dear CHFA Leaders,

At a time when school districts in CT are increasingly interested in constructing net-zero energy school buildings (see what Mansfield and Manchester are doing), CHFA should NOT reduce incentives for sustainable construction. The state is supporting high-efficiency school buildings because they add very little, if anything, to the initial cost of the building and save districts money on operating costs. Please spend taxpayer money wisely and support sustainable building standards.

Peter Millman  
122 Dog Ln, Mansfield, CT 06268

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**Peter Millman**  
**Cell (860) 933-2944**  
Eastern CT Green Action  
People's Actions for Clean Energy



June 22, 2020

Terry Nash Giovannucci  
CHFA  
999 West Street  
Rocky Hill, CT 06067  
[PublicComment@chfa.org](mailto:PublicComment@chfa.org)

Dear Ms. Nash Giovannucci, CHFA Officials, and State of Connecticut Stakeholders,

Thank you for providing this opportunity to comment on the 2020 Low-Income Housing Tax Credit Qualified Allocation Plan (QAP). My colleagues at Steven Winter Associates, Inc. are involved in sustainability as researchers, green building consultants, energy analysts, and personal activists.

We care deeply about allocating tax dollars to **combat climate change** and **protect CT from an uncertain energy and water future**. Current events have highlighted the importance of **protecting human health and promoting social equity**, and sustainable housing supports these goals. My firm and I **strongly support the inclusion of both LEED for Homes and Passive House standards into the CHFA QAP**. Not only do these programs incorporate extreme energy efficiency, but they also promote superior occupant comfort, healthy indoor air quality, and ensured building durability. Tenants of these high performing buildings **save money on their utility bills**, enforcing the State's commitment to better housing for Connecticut's workforce and affordable housing occupants. **Third party verification is a critical component to ensure that buildings are verified and tested to perform at best potential**. Occupants of certified LEED and Passive House homes also enjoy quieter, healthier buildings which are linked to reduced missed work and school due to sick days.

Passive House and Sustainability incentives should be increased, not decreased, in the 2020 Qualified Allocation Plan (QAP). Specifically, my firm recommends the maximum points for Sustainable Design (Section 2, Item f) in the 2020 QAP be increased from 7 (allowed in the 2019 QAP) to **8 points**. This can be achieved as follows:

- Retain the additive structure in the 2019 QAP.
- 1 point for solar photovoltaic system at the **increased stringency** as proposed (50% site and common area energy demand, increased from 33% in 2019 QAP).
- **Retain the Passive House Design category**, where third party net zero certification program will earn 3 points. These programs include any certifications through PHI and PHIUS programs, EPA Zero Energy Ready Homes, or Zero Energy certifications.
- Retain 1 point awarded to the two most cost-effective Passive House projects.
- Adjust High Performance Design category to award 3 points for projects qualified for LEED for Homes or LEED Multifamily Midrise v.4 Silver, or National Green Building Standard 2015 Silver.

In summary, please maintain the momentum toward meeting CT's 2030 and 2050 energy, sustainability and resilience goals. Pursuit of these goals generated over \$2 million in business for SWA and employed more than 25 full-time CT-based, high-performance building consultants. CT based Passive House business alone, has resulted in 5 new positions at our firm plus 3 new positions for consultants supporting LEED for Homes. **We are working hard to protect our future through healthy and environmentally responsible buildings, and we need your help to continue.**

Sincerely,

A handwritten signature in black ink that reads 'Thomas O. Moore'.

Thomas O. Moore  
Building Systems Analyst, Steven Winter Associates, Inc.

## Nash, Terry

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**From:** Mary Moran <mjp355@aol.com>  
**Sent:** Monday, July 06, 2020 3:06 PM  
**To:** PublicComment; Seila.Mosquera-Bruno@ct.gov; hdewyngaert@mybankwell.com; lisa.tepperbates@ct.gov  
**Subject:** Low income housing tax credit

**[EXTERNAL EMAIL: If unknown sender, do not click links/attachments. Never give out username or password.]**

July 6, 2020,

Mary P. Moran

355 Lake Avenue  
Greenwich, Ct. 06830

Dear CHFA board members and Governor Lamont:

I am a resident of Greenwich and am involved in my community as a parent and as active environmental steward. I am also involved in New Haven with the Yale School of the Environment, co-chairing the Dean's council. My position regarding the proposed 2020 QAP changes are in agreement with the statement made by Connecticut Passive House provided below. I care about this issue because Connecticut needs to do everything it can to encourage sustainable building practices. The state needs to support incentives to builders to pursue green construction and that results in significant savings in energy.

Thank you for providing this opportunity for public comment on the proposed 2020 Low-Income Housing Tax Credit procedures and LIHTC Qualified Allocation Plan (QAP). Connecticut Passive House (CTPH), [www.ctpassivehouse.org](http://www.ctpassivehouse.org), is an organization dedicated to offering education, training and resources on the Passive House design and building standard.

As one of the earliest state financing agencies to incorporate Passive House into the QAP, CHFA demonstrated leadership commensurate with Connecticut's climate goals to reduce greenhouse gas emissions to 45% below 2001 emissions by 2030 and 80% below 2001 emissions by 2050. Since this target became law, the state has continued to emphasize the importance of achieving these targets, as recently as Sept. 2019, with Governor Lamont's Executive Order No. 3 aimed to strengthen Connecticut's efforts to mitigate, or lessen the impacts, of climate change.

- Since buildings represent 40% of greenhouse gas emissions, they play a vital role in Connecticut's ability to meet these mandated targets.
- Because buildings being built today will be in existence in 2050, they must be constructed to be as energy-efficient as possible and targeted to achieve Zero Energy status.
- **As the most rigorous energy-efficient high-performance building standard, Passive-House (PH) is a pathway for buildings to achieve Zero Energy** which is why PH has been adopted as a tool by other states, municipalities and now over 30 state financing housing agencies in their respective Qualified Allocation Plans.

Why is Passive House a pathway for Zero Energy? By emphasizing elements such as an airtight building enclosure, super-efficient insulation, high-performance windows, etc., PH ensures that any energy in the building -- heating or cooling -- stays in the building. It is often said that Passive house buildings sip energy compared to conventionally built buildings that gulp. Because the demand for energy to heat and cool in a PH is substantially lower, buildings can more readily achieve zero energy once renewables are added (note: Some type of renewable energy is essential in order for any building to achieve zero energy status ).

Furthermore, because HVAC systems use the most energy, by far -- 40% -- compared to any other system, it is vital to reduce the heating and cooling loads in a building. To raise the stakes even higher, recent analyses have revealed that it is steadily becoming warmer in Connecticut. Specifically, the state's average temperatures have already increased 1.8°C <sup>[1]</sup> and are forecasted to continue to rise due to global warming which means the demand to cool our buildings will only increase.

**Given the state's increased emphasis on sustainability and focus on mitigation strategies, CTPH is strongly opposed to the proposed reductions in overall points for the sustainable design section, and instead, would like to see CHFA consider additional points for both Passive House and Zero Energy.**

While CTPH appreciates the intent to include more standards in the QAP, especially if/when PH is not the best "fit" for a project, **the groupings themselves and the comparable amount of points represent major changes to the QAP.** CTPH strongly believes that the impact of the proposed organization/allocation will inadvertently impact the quality of the buildings on a number of levels, including those already mentioned plus additional factors mentioned below because the point structure is not commensurate with the levels of positive impact that these standards deliver.

**Therefore, CTPH is opposed to both the proposed point allocation and the groupings of the various green/high performance standards in the 2020 QAP and instead, urges CHFA to consider:**

- **Retaining the additive structure of the 2019 QAP which allocated more points to those higher performing standards, specifically Passive House.** A recent survey of other QAPs, especially in Pennsylvania, Massachusetts, and Wash. D.C. revealed noticeably higher allocation of points for PH and/or a combination of standards that work in conjunction with more stringent building state codes, than CT, to achieve Zero Energy.
- **To continue to offer an additional point for renewable energy, a "must" to achieve Zero Energy.**

Note that one of the two PH building standards, PHIUS<sup>[2]</sup>, contains prerequisites for achieving other levels of high-performance: Energy Star, Indoor airPLUS and DOE's Zero Energy Ready Home Program in order to achieve PHIUS certification.

- Third-party RESNET approved quality assurance/quality control
- Earns U.S DOE's Zero Energy Ready Home status
- Includes HERS rating
- Earns U.S. Environmental Protection Agency (EPA) Indoor airPLUS label

The emphasis on superior indoor quality in the PH building standard is another benefit that cannot be overstated, in light of the burden from air pollution that is disproportionately experienced by the most vulnerable residents. According to the American Lung Association, there is a documented difference in harm from air pollution to racial or ethnic groups and people who are in a low socioeconomic position, have less education, or live nearer to major sources of pollution. <sup>[3]</sup> Specifically,

- Moisture is a leading cause of health, comfort and durability concerns in homes.
- 19% of U.S. households have at least one person with asthma and there is a 20-50% increased risk of asthma in damp houses
- The economic cost of asthma amounts to more than \$56 billion annually

**Additionally, since achieving cost-effectiveness in construction is also a key factor for CHFA and DOH, CTPH is also urging a heightened focus of achieving comparable/lower per unit construction costs for Passive House projects.** Now that the learning curve on Passive House has advanced, there is “proof of concept” of affordable PH projects being built for comparable costs to non-PH projects, especially in regions such as Pennsylvania which has the longest track-record of incorporating PH into their QAP.

- CTPH is aware that the Peer to Peer Multifamily network is poised to share data with CHFA and DOH from CT passive affordable housing projects to provide real-time, in-house information.
- Additionally, it is common knowledge in the high-performance design community that pursuing PH later in the design process inevitably leads to higher cost premiums. With this in mind, CTPH is offering to participate in a review of the application process to identify “Best Practices” such as integrated project design, plan review, etc. in order to identify those project designs, in general, that are most suitable for PH and/or identify specific opportunities to realize cost-savings upfront, prior to construction.

Finally, there are additional compelling benefits to utilize Passive House for affordable housing. Notably:

- Energy security for Connecticut residents who are burdened with living in the state with the highest rate for electricity in the continental U.S., according to the federal Dept. of Energy. <sup>[4]</sup>
- Ability for occupants to safely and comfortably shelter-in-place for sustained periods of time in the advance of energy black-outs and extreme weather events. <sup>[5]</sup>
- Buildings that are more durable and require less maintenance/ associated “2nd costs” for developers.

In closing, the QAP serves as an important lever that drives market adoption. In light of the scale of the proposed changes in the 2020 QAP, CTPH’s primary concern is that CHFA is inadvertently sending the wrong signal to the market, at a time when the state is seeking to escalate efforts on climate mitigation

**By offering additional points for Passive House in prior QAPs, CHFA has played a major role as a catalyst fueling Connecticut’s green energy economy in accordance with the Governor’s goals.**

- Since its inception, CTPH has continued to observe an increase in memberships and attendance at its events and will be partnering with Eversource to launch a comprehensive multi-pronged Passive House training program, modeled after the successful MassSave PH training program <sup>[6]</sup> to introduce the PH building standard to a wider pool of stakeholders while also building capacity in Connecticut’s workplace.

CTPH is committed to a cleaner, healthier, more resilient, carbon-free future and welcomes opportunities to support CHFA and DOH’s efforts meet its goals to provide high-quality affordable housing while also addressing Governor Lamont’s pledge that *“Connecticut will remain a leader on climate change”* <sup>[7]</sup>.

Thank you for taking the time to read my concerns. I look forward to hearing your response on these issues.

Sincerely,

Mary P. Moran  
355 Lake Avenue  
2036221551  
mjp355@aol.com

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[1] Washington Post, 8/13/19: "2°C: Beyond the Limit"

[2] [www.phius.org](http://www.phius.org)

[3] [American Lung Association/Disparities in the Impact of Air Pollution](#)

[4] [wnpr.org/post/facing-some-highest-rates-nation-connecticut-s-electric-customers-struggle](http://wnpr.org/post/facing-some-highest-rates-nation-connecticut-s-electric-customers-struggle)

[5] [be-exchange.org/insight/designing-for-resiliency](http://be-exchange.org/insight/designing-for-resiliency)

[6] [masssave.com/passive-house-training](http://masssave.com/passive-house-training)

[7] [portal.ct.gov/Office-of-the-Governor/2019/09-2019/Governor-Lamont-Signs-Executive-Order--Connecticut To Lead On Climate Change](http://portal.ct.gov/Office-of-the-Governor/2019/09-2019/Governor-Lamont-Signs-Executive-Order--Connecticut-To-Lead-On-Climate-Change)

July 6, 2020

Ms. Nandini Natarajan, CEO  
Connecticut Housing Finance Authority  
999 West Street  
Rocky Hill, CT 06067

Dear Ms. Natarajan:

We appreciate the hard work that you and your staff have done to on the draft QAP for this upcoming round. Especially thankful for the changes in the preservation criteria, in a state where preservation projects are abundant and require the 9% LIHTC investments.

A few thoughts that may be useful in this or future rounds:

Reduce the amount of either soft money or credits if you reduced the number of very low-income units (the 25% of median) and the 50% units but then require the developers to increase them over time to the original required numbers. This could be done starting in year 10 and be tied in some way to cash flow or surplus cash

Passive House design should be put on hold until performance data and projects funded in prior rounds is collected and evaluated for cost effectiveness. The market has not adopted Passive House design and higher standards are increasing the cost to produce affordable housing during times where soft financing is very limited.

We have addressed other comments in a group letter submitted by Dara Kovel. Thank you for the opportunity to provide feedback on the 9% LIHTC QAP.

Sincerely

Helen Muniz

Development Officer

The Carabetta Companies

# Multifamily Housing Green Peer-to-Peer Network

July 2, 2020

Terry Nash Giovannucci  
CHFA  
999 West Street Rocky Hill, CT 06067  
PublicComment@chfa.org

Dear Ms. Nash Giovannucci, CHFA and DOH Officials, and State of Connecticut Stakeholders:

Thank you, the Connecticut Housing Financing Agency and the Connecticut Department of Housing for your ongoing commitment to providing high-quality affordable housing to citizens across the State of Connecticut.

The Multifamily Housing Green Peer-to-Peer Network appreciates this opportunity to offer feedback during the public comment period of the 2020 QAP cycle. The QAP is an important lever to ensure that all of the low-income housing built or renovated today will address the needs of tomorrow: to provide healthy, comfortable, energy-efficient housing that will play a pivotal role in meeting the state's mandated climate goals to decarbonize and increase the resiliency of our building stock.

*"Legislators, state agencies, municipalities, businesses, non-profit organizations, and residents must work together if Connecticut is to meet its emission-reduction goal of 45 percent below 2001 levels by 2030" - Governor's Council on Climate Change: 12/18/18*

In order to meet the further ambitious targets to reduce the levels of greenhouse gas emissions in CT by 2050 (80% by 2050), we are recommending an increased emphasis on sustainability in the QAP, rather than reducing the standards necessary to secure sustainability credit. We ask that all new construction be required to be designed to a Net Zero standard to ensure that the state's building stock will not be obsolete in ten years. The buildings we construct today, will be in existence in 2050, which is why they must be built to higher-performance standards such as Passive House.

The feedback that the Peer-to-Peer Network is receiving relative to the proposed changes to the sustainable design section in the 2020 QAP is consistent across our stakeholders: sustainability professionals, design practitioners, developers, and general contractors.

**The reduction of total overall points for sustainable design along with the elimination of additional, cumulative points for higher-performing standards, such as Passive House (PH), are major changes that will steer affordable housing in Connecticut away from the state's sustainability goals toward lower performance standards that are not aligned with Connecticut's goals.**

**The scope of the proposed changes to the point system will derail projects that are already in development** and add a level of uncertainty to the application process, which has already been dramatically disrupted by COVID-19. Given current circumstances, maintaining the current QAP for another year is a prudent approach. A revised QAP for 2021 should be available by November of 2020.

Therefore, we request that **CHFA and DOH defer implementation of major changes to the sustainable design section of the Low-Income Housing Tax Credit Qualified Allocation Plan (QAP) until 2021. Further, we recommend that CHFA and DOH move forward to immediately convene a taskforce to focus on two core issues:**

1. Developing appropriate high-performance standards and incentives that deliver the maximum positive impact to achieve:
  - a. the state's goals of energy-efficiency, resiliency & growth of the green energy economy

- b. occupant-related benefits of health, comfort and energy-security
- c. owner-related benefits of durability and lower operating costs

2. Identifying “Best Practices” in order to meet these goals as cost-effectively as possible

**The Peer-to-Peer Network is offering to mobilize this task force of** building industry professionals to take a comprehensive look at how sustainability is addressed in the CHFA guidelines, standards, and QAP. We have identified a number of concerns with the current QAP draft that we believe can be modified – using a thorough, evidence-based approach - to more effectively encourage sustainability for affordable housing projects across the state.

Additionally, based on our knowledge of housing finance agency projects being developed in Connecticut and other states using Best Practices of an integrated design approach for high-performance projects, **the Peer-to-Peer Network is poised to share real-time in-house cost data with CHFA and DOH that can be utilized to build cost accountability into the application process.** These reports will be submitted under separate cover.

Finally, we want to **acknowledge the leadership that CHFA and DOH** demonstrated by being a participant in the first-round of state financing agencies to utilize Passive House as a tool that has **helped blaze the trail** for others. There are now over thirty agencies that are embracing PH as a tool. Some of the earliest finance agencies have even substantially increased the points for PH in their QAP’s and added other high-performance standards such as Net Zero. These trends coincide with the heightened importance of pursuing sustainable design that is occurring here in Connecticut and neighboring states of Massachusetts and New York, who have already adopted a combination of stronger building codes and/or increased incentives for sustainable design and construction.

We credit CHFA and DOH for **catalyzing the clean energy economy in CT** by establishing affordable multifamily housing as the sector that is responsible for increasing opportunities for a wide range of sustainability professionals and practitioners who can find opportunity and employment within our state’s borders, and are now using this expertise to secure work in New York or our neighboring states in New England.

In fact, based on the growth of affordable Passive House in Massachusetts and the success of the [MassSave Training program for Passive House](#), Eversource is preparing to launch a comprehensive PH training program in Connecticut based on the MassSave program. This educational initiative will further build capacity in our state to meet the demand to design, construct and operate high-performance buildings.

In closing, in light of these factors, we urge CHFA and DOH to defer major changes to the sustainable design section of the QAP and instead place more emphasis on sustainability to ensure our affordable housing meets our state mandated climate goals and creates a healthier, more resilient, carbon-free, and robust clean-energy economy in Connecticut. Thank you again for this opportunity to submit comments.

Yours truly, and on behalf of the Multifamily Housing Green Peer-to-Peer Network,

*Susan Odell*

Susan B. Odell, AIA, CPHC  
Certified Passive House Consultant  
Senior Project Architect  
Paul B. Bailey Architect, LLC

Attachments:

Appendix A “A Brief History of Connecticut’s Path to Sustainability in the Residential Building Sector”  
Appendix B “First Draft of a Suggested Reorganization of Points”

## Appendix A:

### **A Brief History of Connecticut's Path to Sustainability in the Residential Building Sector**

Connecticut Public Act 18-82<sup>[i]</sup> was signed into law by Governor Malloy in 2018 with the goals of reducing greenhouse gas emissions to 45% below 2001 emissions by 2030 and 80% below 2001 emissions by 2050. Currently, Connecticut's **residential building sector** consumes 28% of overall energy and produces 17% of greenhouse gas emissions.<sup>[ii]</sup> The 2018 Connecticut Comprehensive Energy strategy (CES) recommendations for the **multi-family housing** portion of the residential building sector state that though "the implementation of energy efficiency measures can be a complex and daunting process for building owners and managers," **the pursuit of developing and improving energy efficiency and conservation components must continue.**<sup>[iii]</sup>

Governor Lamont demonstrated his commitment to continue the state's **climate leadership** by signing his first executive order<sup>[iv]</sup> in April 2019 that directed state agencies to reduce energy consumption and environmental impacts through an expanded "**Lead By Example**" sustainability initiative aimed at meeting the state's overall statutory goals laid out in Public Act 18-82.

**Governor Lamont** furthered this commitment by signing Executive Order No. 3<sup>[v]</sup> in September 2019, which **strengthened Connecticut's efforts to mitigate climate change**. This order expanded the responsibilities of the Governor's Council on Climate Change (GC3) to ensure that the recommended strategies from the GC3's December 2018 report are being implemented. This report's **recommendations for the building sector include** incentivizing installation of renewable thermal technologies in new construction, specifically encouraging projects that participate in incentive programs to incorporate **passive house design principles.**<sup>[vi]</sup>

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<sup>[i]</sup>State of Connecticut Senate Bill No. 7 Public Act No. 18-82 An Act Concerning Climate Change Planning and Resiliency, approved June 6, 2018

<sup>[ii]</sup>2018 Connecticut Comprehensive Energy Strategy, February 8, 2018, CT General Statutes Section 16a-3d, Connecticut Department of Energy and Environmental Protection, p.9

<sup>[iii]</sup>Ibid, p. 74

<sup>[iv]</sup>State of Connecticut by his Excellency Ned Lamont Executive Order No. 1, April 24, 2019

<sup>[v]</sup>State of Connecticut by his Excellency Ned Lamont Executive Order No. 3, September 3, 2019

<sup>[vi]</sup>Building a Low Carbon future for Connecticut Recommendations from The Governor's Council on Climate Change, December 18, 2018, p.38

## APPENDIX B:

### First Draft of a Suggested Reorganization of Points

For all: Retain the additive structure in the 2019 QAP, with points as follows:

#### **Base requirement:**

- Energy Star HERS Index ranges
  - New Construction: < 50
  - Rehab: 50 - 60

#### **1 Point:**

- ASHRAE 2010 greater than 23% (high rise)
- National Green Building Standard (NGBS) 2015 Silver
- LEED certified
- Fitwel 2 stars
- Two most cost-effective Passive House projects
- Photovoltaic system that meets 50% site & common area energy demand

#### **2 Points:**

- LEED for Homes or LEED Multifamily Midrise v.4 Silver
- Enterprise Green Communities
- Zero Energy Ready Home certification
- NGBS Emerald
- Fitwel 3 stars

#### **5 Points:**

- PHIUS or PHI
- PHI EnerPHit certification (for existing buildings)
- LEED for Homes/LEED Multifamily Midrise v.4 Platinum certification
- ILFI Zero Energy or Zero Carbon Certification
- LEED Zero Energy Certification
- LEED Zero Water Certification

#### **7 Points:**

- ILFI Living Building Challenge

GEORGE PENNIMAN  
ARCHITECTS LLC

July 5, 2020

Dear CHFA Board Members and Governor Lamont,

Thank you for providing this opportunity for public comment on the proposed 2020 Low-Income Housing Tax Credit procedures and LIHTC Qualified Allocation Plan (QAP). I previously commented during the public hearing and would like to reiterate some of those comments below.

I am an architect practicing in Essex for the past 28 years. In 1994 I established my own firm which currently employs 4 architects and an office manager. Sustainable design has been a focus of my practice and my own life since I entered the profession in the 80's; and in recent years I have focused on the Passive House building standard as a way to incorporate a sustainable design and building ethic into projects, while creating healthy environments and providing my clients significant cost savings through reduced energy use.

In addition to the benefits of utility cost savings and a much healthier indoor environment, building to Passive House standards is a particularly effective way to ensure resilience and durability in a housing stock that should last for decades. Additionally, it provides long-term affordability for vulnerable constituents whose standard of living can hinge on the unpredictability of energy cost fluctuations. As the most rigorous energy-efficient high-performance building standard, Passive-House (PH) is a pathway for buildings to achieve Zero Energy which is why PH has been adopted as a tool by other states, municipalities and now over 30 state financing housing agencies in their respective Qualified Allocation Plans.

Given our state's increased emphasis on sustainability and focus on mitigation strategies and my conviction that building to the Passive House standard is the surest way to realize these goals, I am strongly opposed to the proposed reductions in overall points for the sustainable design section, and instead, would like to see CHFA consider additional points for both Passive House and Zero Energy.

Our legislature has recently demonstrated great leadership on behalf of Connecticut to position our state to achieve a cleaner, healthier, more resilient, and carbon-free future. The proposed changes to the 2020 QAP will serve to slow our progress towards these goals, and sets us up to lag behind our regional neighbors who are increasing rather than decreasing the allocation of points for Passive House construction. Other states are demonstrating an understanding that encouraging the construction of buildings to the Passive House standard will result in a housing stock that is the most durable, resilient, lowest-cost for heating and cooling, with the highest benefits of health and security for our low-income citizens. It is an issue of cost, practicality, and social justice and we should continue to lead, and not slip backwards.

I appreciate your consideration of this very important issue.

Sincerely,



George W. Penniman, AIA, LEED-AP, CPHD/C

July 6<sup>th</sup>, 2020

Dear CHFA board members and Governor Lamont,

My name is Jeannette Penniman – I am a resident of New Haven and an architect with Patriquin Architects, also located in New Haven. I am writing you regarding the proposed 2020 Low-Income Housing Tax Credit procedures and LIHTC Qualified Allocation Plan, and thank you for the opportunity to provide public comment on the proposals.

Specifically, I am writing, as both a resident and practitioner, to urge CHFA to increase, rather than decrease, the current points available for sustainable design, and to maintain Passive House design as a separate category.

Working for a firm that has prioritized work in affordable housing, as well as energy-efficient building practices, I believe deeply in the importance of delivering high-quality, efficient, and resilient housing to vulnerable communities. Incentivizing wider adoption of energy-efficient design in Connecticut's affordable housing stock will produce crucial benefits for both the residents of the housing, and more broadly, residents of the State. Specifically, energy-efficient building practice, and particularly Passive House, produce building stock that is more durable and resilient (lasting longer and withstanding extreme weather events), offers its occupants more financial stability as energy costs fluctuate, and creates a healthier interior environment for its occupants. These are clear benefits to anyone; they become even more important to vulnerable populations.

In addition to the benefits to occupants, energy-efficient design has clear benefits to all Connecticut residents through decreased energy demand and carbon emissions. This will contribute to a more stable energy grid, and support the Governor's recent Executive Order (SB 7) concerning climate change and state sustainability.

Passive House is widely accepted as the most rigorous energy-efficient high-performance building standard, and has been adopted as a tool by other states, municipalities, and now over 30 state financing housing agencies in their respective Qualified Allocation Plans. I therefore urge you to maintain Passive House as a separate category from LEED or National Green Building Standards in the QAP.

Thank you so much for your consideration of public comments on this important issue, and I hope that you are well.

Sincerely,  
Jeannette Penniman  
Patriquin Architects  
20 Grand Avenue  
New Haven, CT 06513  
[jeannette@patriquinarchitects.com](mailto:jeannette@patriquinarchitects.com)



July 6, 2020,

Paul Pizzo, President  
Landmark Architects  
100 Riverview Center suite 204,  
Middletown ct. 06457

Dear CHFA board members and Governor Lamont:

I am a resident of Middlefield CT and am involved in my community as an Architect . My position regarding the proposed 2020 QAP changes are in agreement with the statement made by Connecticut Passive House provided below. I care about this issue because we are in a crisis worldwide to reduce greenhouse gases and Passive House standards help us remedy the problems.

Thank you for providing this opportunity for public comment on the proposed 2020 Low-Income Housing Tax Credit procedures and LIHTC Qualified Allocation Plan (QAP). Connecticut Passive House (CTPH), [www.ctpassivehouse.org](http://www.ctpassivehouse.org), is an organization dedicated to offering education, training and resources on the Passive House design and building standard.

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Since buildings represent 40% of greenhouse gas emissions, they play a vital role in Connecticut's ability to meet these mandated targets.

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Why is Passive House a pathway for Zero Energy? By emphasizing elements such as an airtight building enclosure, super-efficient insulation, high-performance windows, etc., PH ensures that any energy in the building -- heating or cooling -- stays in the building. It is often said that Passive house buildings sip energy compared to conventionally built buildings that gulp. Because the demand for energy to heat and cool in a PH is substantially lower, buildings can more readily achieve zero energy once renewables are added (note: Some type of renewable energy is essential in order for any building to achieve zero energy status ).

Furthermore, because HVAC systems use the most energy, by far -- 40% -- compared to any other system, it is vital to reduce the heating and cooling loads in a building. To raise the stakes even higher, recent analyses have revealed that it is steadily becoming warmer in Connecticut. Specifically, the state's average temperatures have already increased 1.8°C<sup>1</sup> and are forecasted to continue to rise due to global warming which means the demand to cool our buildings will only increase.

**Given the state's increased emphasis on sustainability and focus on mitigation strategies, CTPH is strongly opposed to the proposed reductions in overall points for the sustainable design section, and instead, would like to see CHFA consider additional points for both Passive House and Zero Energy.**

<sup>1</sup> Washington Post, 8/13/19: "2°C: Beyond the Limit"

While CTPH appreciates the intent to include more standards in the QAP, especially if/when PH is not the best “fit” for a project, **the groupings themselves and the comparable amount of points represent major changes to the QAP.** CTPH strongly believes that the impact of the proposed organization/allocation will inadvertently impact the quality of the buildings on a number of levels, including those already mentioned plus additional factors mentioned below because the point structure is not commensurate with the levels of positive impact that these standards deliver.

**Therefore, CTPH is opposed to both the proposed point allocation and the groupings of the various green/high performance standards in the 2020 QAP and instead, urges CHFA to consider:**

**Retaining the additive structure of the 2019 QAP which allocated more points to those higher performing standards, specifically Passive House.** A recent survey of other QAPs, especially in Pennsylvania, Massachusetts, and Wash. D.C. revealed noticeably higher allocation of points for PH and/or a combination of standards that work in conjunction with more stringent building state codes, than CT, to achieve Zero Energy.

**To continue to offer an additional point for renewable energy, a “must” to achieve Zero Energy.**

Note that one of the two PH building standards, PHIUS<sup>2</sup>, contains prerequisites for achieving other levels of high-performance: Energy Star, Indoor airPLUS and DOE’s Zero Energy Ready Home Program in order to achieve PHIUS certification.

Third-party RESNET approved quality assurance/quality control

Earns U.S DOE’s Zero Energy Ready Home status

Includes HERS rating

Earns U.S. Environmental Protection Agency (EPA) Indoor airPLUS label

The emphasis on superior indoor quality in the PH building standard is another benefit that cannot be overstated, in light of the burden from air pollution that is disproportionately experienced by the most vulnerable residents.

According to the American Lung Association, there is a documented difference in harm from air pollution to racial or ethnic groups and people who are in a low socioeconomic position, have less education, or live nearer to major sources of pollution.<sup>3</sup> Specifically,

Moisture is a leading cause of health, comfort and durability concerns in homes.

19% of U.S. households have at least one person with asthma and there is a 20-50% increased risk of asthma in damp houses

The economic cost of asthma amounts to more than \$56 billion annually

**Additionally, since achieving cost-effectiveness in construction is also a key factor for CHFA and DOH, CTPH is also urging a heightened focus of achieving comparable/lower per unit construction costs for Passive House projects.** Now that the learning curve on Passive House has advanced, there is “proof of concept” of affordable PH projects being built for comparable costs to non-PH projects, especially in regions such as Pennsylvania which has the longest track-record of incorporating PH into their QAP.

CTPH is aware that the Peer to Peer Multifamily network is poised to share data with CHFA and DOH from CT passive affordable housing projects to provide real-time, in-house information.

Additionally, it is common knowledge in the high-performance design community that pursuing PH later in the design process inevitably leads to higher cost premiums. With this in mind, CTPH is offering to participate in a review of the application process to identify “Best Practices” such as integrated project design, plan review, etc. in order to identify those project designs, in general, that are most suitable for PH and/or identify specific opportunities to realize cost-savings upfront, prior to construction.

Finally, there are additional compelling benefits to utilize Passive House for affordable housing. Notably:

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<sup>2</sup> [www.phius.org](http://www.phius.org)

<sup>3</sup> [American Lung Association/Disparities in the Impact of Air Pollution](#)

Energy security for Connecticut residents who are burdened with living in the state with the highest rate for electricity in the continental U.S., according to the federal Dept. of Energy.<sup>4</sup>  
Ability for occupants to safely and comfortably shelter-in-place for sustained periods of time in the advance of energy black-outs and extreme weather events.<sup>5</sup>  
Buildings that are more durable and require less maintenance/ associated “2nd costs” for developers.

In closing, the QAP serves as an important lever that drives market adoption. In light of the scale of the proposed changes in the 2020 QAP, CTPH’s primary concern is that CHFA is inadvertently sending the wrong signal to the market, at a time when the state is seeking to escalate efforts on climate mitigation

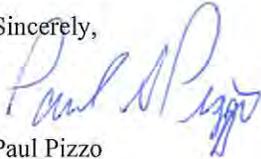
**By offering additional points for Passive House in prior QAPs, CHFA has played a major role as a catalyst fueling Connecticut’s green energy economy in accordance with the Governor’s goals.**

Since its inception, CTPH has continued to observe an increase in memberships and attendance at its events and will be partnering with Eversource to launch a comprehensive multi-pronged Passive House training program, modeled after the successful MassSave PH training program<sup>6</sup> to introduce the PH building standard to a wider pool of stakeholders while also building capacity in Connecticut’s workplace.

CTPH is committed to a cleaner, healthier, more resilient, carbon-free future and welcomes opportunities to support CHFA and DOH’s efforts meet its goals to provide high-quality affordable housing while also addressing Governor Lamont’s pledge that *“Connecticut will remain a leader on climate change”*<sup>7</sup>.

Thank you for taking the time to read my concerns. I look forward to hearing your response on these issues.

Sincerely,



Paul Pizzo  
President  
Landmark Architects  
Cell 860-716-7995  
email- ppizzo@landmarkarch.com

<sup>4</sup> [wnpr.org/post/facing-some-highest-rates-nation-connecticut-s-electric-customers-struggle](http://wnpr.org/post/facing-some-highest-rates-nation-connecticut-s-electric-customers-struggle)

<sup>5</sup> [be-exchange.org/insight/designing-for-resiliency](http://be-exchange.org/insight/designing-for-resiliency)

<sup>6</sup> [masssave.com/passive-house-training](http://masssave.com/passive-house-training)

<sup>7</sup> [portal.ct.gov/Office-of-the-Governor/2019/09-2019/Governor-Lamont-Signs-Executive-Order--Connecticut To Lead On Climate Change](http://portal.ct.gov/Office-of-the-Governor/2019/09-2019/Governor-Lamont-Signs-Executive-Order--Connecticut-To-Lead-On-Climate-Change)





# Save the Sound<sup>®</sup>

Action for our region's environment.

COMMENTS OF SAVE THE SOUND  
ON THE  
PROPOSED 2020 QUALIFIED ALLOCATION PLAN

JULY 6, 2020

Save the Sound urges the Connect Housing Finance Authority (“CHFA”) to adopt financing guidelines for the state’s Qualified Allocation Plan that incentives building owners and operators seeking to participate in the program to implement the highest performance standards for sustainability, energy efficiency and renewable energy. Given the high energy-cost and health burdens that disproportionately impact our low and moderate income population, it is of paramount importance to ensure that they have access to healthy, energy efficient housing.

Additionally, we must be designing and constructing buildings in ways that support and enhance Connecticut’s goals of reducing greenhouse gas emission by 45% by 2030 and by 80% by 2050, as well as our target of achieving 100% zero-carbon electricity by 2040. Combined, the residential and commercial building sector in Connecticut accounts for 26% of our emissions. Once built, these structure will be with us for generations. Clearly, we must embrace innovation and focus our attention on environmental performance in the design and operation of our building stock if we are to be successful in achieving our goals.

Accordingly, we urge the Connect Housing Finance Authority to retain the Passive House building standard as a benchmark metric in its QAP, and continue to provide for the allocation of additional points for meeting the Passive House standard. We also urge CHFA to allocate additional points for projects that achieve a “Zero Energy” performance standard as a means to help “future-proof” the state’s building stock and avoid the need for potentially costly retrofits in the future to meet our energy and climate goals.

We appreciate the opportunity to comment, and hope that Connecticut continues to be a leader in working towards a low-carbon future.

Sincerely,

Charles J. Rothenberger, Climate & Energy Attorney

June 15, 2020

Terry Nash Giovannucci  
Connecticut Housing Finance Housing  
999 West Street  
Rocky Hill, CT  
06067



architecture  
planning . interiors  
henry schadler, aia  
paul selnau, aia

Project:

Re: Sustainable Measures in Connecticut's  
2020 LIHTC Qualified Allocation Plan

Dear Terry:

I would like to thank you for your continued commitment to affordable housing and maintaining funding for the renovation and creation of new units. These are **very trying times; there's not a day that goes by when we don't hear about** budget cuts, changing priorities and policies coming from Washington.

In contrast, states, concerned citizens, and Design Professionals across the **country have not been deterred. We've heeded the warning** signs of global warming and implemented policies to reduce carbon emissions by 2030. Connecticut was a leader in its formation of the Green Bank and showed great **leadership by declaring "We Are Still In" along with nine other** states. That commitment was displayed by the adoption of the 2019 QAP that included increased points for Passive House design. The Passive House movement is growing across the country, and the number of certified and pre-certified Passive House projects has more than doubled over the past three years. Additional states have recognized the long-term benefits and energy savings of these sustainable measures and have added these requirements to their QAP.

When Connecticut published **it's** 2018 Building code, adopting the 2015 International Building Code and International Energy Conservation Code (IECC), it was three years behind because the IECC was publishing the 2018 codes. Now the IECC is in the final review stages of adopting the 2020 IECC. When this is adopted, Connecticut's 2018 code will be ten years behind the National Standard. I mention this because CHFA has consistently emphasized Energy Performance consistent with the National Standards above Connecticut Codes.

Passive House is the most stringent, performance-based standard, a verifiable path to obtaining Zero Energy structures. We are seeing these principals included in our National Building and Mechanical codes and on December 23, 2019, Architecture 2030 announced that the International Energy Conservation Code (IECC) will be incorporating the "ZERO Code Renewable Energy Appendix" in its latest version.

The Passive House movement has grown and costs have come down. The construction industry is much more aware of how to implement the requirements and several manufacturers are shifting their R&D efforts to comply with these standards, increasing product selection.

Our Connecticut based architectural firm has been a leader in affordable housing for over 40 years developing housing funded with Federal, State, and local funds. **We've experienced policy changes, loss of funding and, more recently, a positive shift towards energy efficient construction that has taken years to foster. As a small business owner, I've led by example:** becoming a Certified Passive House Consultant, placing my firm at the forefront of this design philosophy, speaking publicly on the benefits of sustainable practices to developers and architects, and **am part of the AIA 2030 challenge, and declared "We Are Still In".**

Classifying / ranking sustainability standards and rewarding a project for complying with higher standards is a reasonable standard to adopt. It is, however, critical that the performance standards of programs being grouped have similar requirements. This is not the case under Option 3. PHIUS, PHI+ Zero Energy Ready Home standards are the most stringent verifiable performance based standard and exceeds the prescriptive based standards of the other programs.

Therefore, I recommend that an additional option be added: Option 4: Proposed design qualifies for PHIUS, PHI+ Zero Energy Ready Home; and 6 Points be available for compliance. In addition, I recommend that the High-Performance Design- Applications max available points remain at 7 Points.

CHFA showed great leadership in adopting Passive House measures and continuing to reward projects designed using these principles. They recognized that it's a verifiable path to obtaining Zero Energy structures, and is aligned with **Connecticut's "We Are Still In" declaration.**

I remain heavily involved in implementing and promoting these sustainable principles. I urge you to continue your strong commitment to this issue. Please take the necessary steps to retain the added point structure for Passive House Design in the 2020 QAP. We must continue to put measures in place that will reduce our carbon emissions, not dismantle them.

Sincerely,

**SCHADLER SELNAU ASSOCIATES, PC**



Paul H. Selnau, AIA, CPHC  
Architect / Vice President

## Nash, Terry

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**From:** Jamie Smarr <JSmarr@nhpfoundation.org>  
**Sent:** Monday, July 06, 2020 1:17 PM  
**To:** PublicComment  
**Subject:** Fwd: 2020 Comments to CHFA QAP from The NHP Foundation (Developer)

[EXTERNAL EMAIL: If unknown sender, do not click links/attachments. Never give out username or password.]

Re-sent

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**From:** Jamie Smarr <JSmarr@nhpfoundation.org>  
**Sent:** Monday, July 6, 2020, 12:56 PM  
**To:** terry.nash@chfa.org; publiccomment@chfa.org  
**Cc:** Omar, Masouda; collaborativedevelopment@gmail.com  
**Subject:** 2020 Comments to CHFA QAP from The NHP Foundation (Developer)

July 6, 2020

Connecticut Housing Finance Authority  
999 West Street  
Rocky Hill, Connecticut 06067  
via email to: PublicComment@chfa.org

### **Re: Comments to the Proposed 2020 Qualified Allocation Plan (QAP)**

To the attention of Ms. Terry Nash Giovannucci:

The NHP Foundation would like to provide several comments regarding the proposed revisions to CHFA's QAP that would otherwise disadvantage certain applications, particularly those submitted in previous rounds.

Since 2015, the QAP has incentivized developers to provide CHFA with 90% plans and specifications by providing 3 points for achieving this milestone, providing CHFA with greater certainty regarding the design and construction materials and quality. 90% plans and specifications also allowed Developers who were awarded 9% credits to reach construction closing sooner, ensuring on time delivery of housing credits allocated to investors. Given the significantly higher cost of moving design completion from 40% to 90% these points were well earned, requiring developers to invest hundreds of thousands of dollars to reach this threshold. Applicants who previously assembled their developments to achieve this milestone are now disadvantaged by receiving only 1 point, despite the costs that CHFA had previously triggered. In the case of

The NHP Foundation and our West River/MLK Family Housing application, we have spent in excess of \$650,000 in architectural and engineering costs to prepare 90% plans and specifications. Prior applicants deserve some additional value beyond a single point for having met this milestone that CHFA alone set. Perhaps this could be stepped down more gently, and receive at least two points in this year's QAP and reduced to 1 point in a future year's QAP.

Similarly, CHFA had previously incentivized developers to use Passive House design guidelines by awarding 4 points for this, versus 2 points for High Performance Energy Design. Achieving Passive House design standards requires significant additional design AND construction costs. (For NHP Foundation, we have spent \$88,000 to date to ensure our project meets previous CHFA Passive House requirements for 9% applications) Again, past applicants that committed to this standard deserve more than one point advantage over other energy performance standards, as they are both accomplishing greater energy savings and were moved towards this approach by CHFA's QAPs over the last five years.

Finally, due to the current State of CT budget uncertainties, it is unclear whether DOH will be able to offer the same level of soft gap funding that has been essential to tax credit developments in past years. It would therefore behoove CHFA to revise its financing commitment requirement to allow for applicants to include soft funding commitments that may not be issued by the early November LIHTC application deadline. Recognition by the QAP of Federal Home Loan Bank awards by the end of December would enable applicants to apply for soft funding from the Boston FHLB region and possibly other FHLB regions as well that issue award letters in December. CHFA staff would still be able to include these commitments in their ConApp scoring, which is not completed until February at the earliest. It would also allow scarce state resources to be partially replaced by another critical source of soft gap funds.

These are important issues that will determine the fate of more than one deserving affordable development for the state. We appreciate your consideration of our comments.

Sincerely,

Jamie Smarr  
Senior Vice President  
The NHP Foundation  
122 East 42<sup>nd</sup> Street, Suite 4900  
New York, NY 10168  
(646) 336-4929 Direct  
(646) 336-4941 Fax  
[www.nhpfoundation.org](http://www.nhpfoundation.org)



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**Katie Symonds**  
id3architecture

**Lynn Stoddard**  
Institute for Sustainable  
Energy

**Adam Yarnell**  
Steven Winter Associates

*Executive Director*  
**Alicia Dolce**  
adolce@ctgbc.org  
203.627.6747

June 16, 2020

On behalf of the CTGBC Board of Directors, we write today to express our recommendation that the sustainability design measures in the 2020 Connecticut Housing Financing Authority (CHFA) Qualified Allocation Plan (QAP) be modified to more effectively encourage sustainability for affordable housing projects. We recognize and appreciate the move to incorporate comprehensive sustainable rating systems in addition to energy-efficiency, but we are opposed to the proposed changes for the following reasons:

- We are opposed to the reduction in the overall number of points available for sustainability. In fact, we think CHFA should put more emphasis on sustainability and increase the number of points for sustainable practices that provide a direct benefit to building occupants.
- We believe that there is a typo because the last two options currently are allocated the same number of points and we believe that the last option was meant to be allocated 5 points.
- We do not believe that this is the right time to make comprehensive changes to the point system that add a level of uncertainty to the application process, which has already been dramatically disrupted by COVID-19.
- The standards within each point category do not have equivalent levels of impact. Specifically, the National Green Building Standard is not considered as rigorous a standard as Passive House.
- We believe the previous structure of cumulative credits is a more effective means of incentivizing energy efficiency and sustainability. It also allows each measure to be awarded points more accurately equivalent to its positive impact.
- We believe points for comprehensive sustainability rating systems should be separate from points related to energy efficiency such as Passive House and Zero Energy design. The proposed a la carte point structure will result in a reduced sustainable impact, while the trend among our neighboring states is to move to higher, not lower, standards.
- As written, the standards do not incentivize a reduction in greenhouse gases in line with the State of Connecticut's ambitious climate goals of 45% by 2030, and 80% by 2050. It is vital that CHFA, a quasi-public agency, do its part to help the State reach its goals.
- We recommend that CHFA promote health and wellbeing more effectively by incentivizing standards such as Fitwel, and WELL. We believe creating a built environment that supports the health of vulnerable populations should be a minimum standard.
- We believe that every building that CHFA funds should be built to zero energy standards, since anything else will be rendered obsolete within the decade. CHFA should challenge teams to reach for higher levels of sustainability by incentivizing the International Living Future Institute's programs such as Zero Energy, Zero Carbon, and the Living Building Challenge.

The QAP has spurred innovation in multi-family affordable housing in Connecticut, with many projects taking on Passive House and proving that it is feasible and with good outcome. We encourage CHFA to continue its role in transforming the building industry to support human and environmental health.

We strongly recommend that CHFA assemble a task force of building industry professionals to take a comprehensive look at how sustainability is addressed in the CHFA guidelines, standards, and the QAP. CTGBC would be happy to recommend a number of professionals who could serve in this capacity.

The Connecticut Green Building Council (CTGBC) is a 501(c)(3) non-profit organization and a chapter of the US Green Building Council (USGBC). We are committed to transforming the way our buildings are designed, constructed, and operated through sustainable building practices. Our goal is to build spaces that are better for the environment and healthier for us to live, work and play in. Our membership includes developers, architects, engineers, building operators, public officials and more.

Sincerely,



Ross Spiegel FAIA, FCSI, CCS, CCCA, LEED AP BD+C  
Chair, CT Green Building Council



Melissa Kops, AIA, LEED AP BD+C, LFA  
Vice Chair, CT Green Building Council

SPIRITOS PROPERTIESLLC  
276 RIVERSIDE DRIVE  
NYC, NY 10025

3 July 2020

CHFA - [PublicComment@chfa.org](mailto:PublicComment@chfa.org)

Seila Mosquera-Bruno  
CHFA Board Chair  
[Seila.Mosquiera-Bruno@ct.gov](mailto:Seila.Mosquiera-Bruno@ct.gov)

Heidi DeWyngaert  
CHFA Board Vice Chair  
[hdewyngaert@bankwell.com](mailto:hdewyngaert@bankwell.com)

Governor Ned Lamont  
Via web form

Lisa Tepper-Bates  
Senior Director of Housing and Transit Oriented Development  
[Lisa.tepperbates@ct.gov](mailto:Lisa.tepperbates@ct.gov)

Dear Connecticut Affordable Housing Leaders;

We respectfully submit this letter to request that the State of Connecticut Housing Finance Authority ("CHFA") NOT REDUCE/ALTER the QAP point allocation for Passive House Projects in this current 2020 QAP revision.

If anything, we feel that Passive House incentives should be increased, not decreased, because Connecticut's progressiveness in energy consumption and efficiency shows great leadership, is well formulated and is acclaimed in the fight against greenhouse gasses and climate change.

It is widely known that the production and operation of "Buildings" comprise almost 50% of the World's greenhouse gasses. The preponderant of those come from operational use, the over-consumption of resources; electric, gas and water. Our world can no longer tolerate the design of buildings to consume these resources to the extent they have, and that's why CHFA's focus on Energy Star, and more recently Passive House, is so critical. The science is clear that Passive House construction drastically reduces operational carbon consumption. Tighter enclosures, reduced equipment sizing, natural ventilation.....all add up to lower utility bills, hence lower carbon consumption.

And there are critical benefits that come to the Affordable Housing Sector from this, namely better indoor air quality and lower utility bills. With the World's dire and increasing shortage of quality housing for the masses, we can not afford, Connecticut can not afford, to surrender the gains that are being derived from Passive House construction and certification.

Further, the more operational carbon is reduced, the more important it is to address embodied carbon, the greenhouse gas emitting that comes from housing product extraction and production, for steel, concrete and aluminum, building systems that are downright unhealthy.

We cannot continue to build buildings, that last 50+ years, from these materials, as we have in the past. At least building Passive House enclosures mitigates the harm that comes from using these unhealthy materials, a step toward a healthier world.

You might be concerned about the expertise and/or incremental cost that comes along with Passive House construction and hence, a potential short-term reduction in the number of CHFA's proposed housing projects. The only way to address this.....is to demand more passive house construction, so the familiarity with design will be increased, and the construction cost premium will evaporate. And homeowners, and tenants and the World will benefit.

We respectfully implore you to continue the strong leadership of CHFA by not reducing the QAP valuation of Passive House Design

Sincerely,



Jeff Spiritos  
Spiritos Properties LLC  
Spiritosproperties.com

July 6, 2020

Scott Van Etten  
Commercial Manager  
220 Monroe Tpke  
Monroe, CT 06468

Dear CHFA board members and Governor Lamont:

I am a resident of Monroe, CT and am involved in my community as a building materials supplier. I agree with and completely support the proposed 2020 QAP changes. I care about this issue because over the past few years I have seen more projects get delayed or cancelled due to the increased cost models driven by Passive House requirements. Our communities need to provide more Affordable Housing units, and in order for these projects to continue the developers need to be able to build within a cost model that makes them affordable and viable.

Additionally, one of the goals should be to support material sourcing from within the USA. Nearly all of the Passive House products are imported from outside of the USA, which does not support our job base or economy.

Thank you for taking the time to read my concerns. I look forward to hearing your response on these issues.

Sincerely,

Scott Van Etten  
220 Monroe Tpke  
Monroe, CT 06468  
203-650-1635  
svanetten@pellactny.com

June 30, 2020

Ms. Nandini Natarajan, CEO  
Connecticut Housing Finance Authority  
999 West Street  
Rocky Hill, CT 06067

Dear Ms. Natarajan:

We are writing in response to the call for comments on Connecticut's 2020 Qualified Allocation Plan (QAP) for the State's Low-Income Housing Tax Credit (LIHTC) program. Our organization owns and operates nine LIHTC projects across the state, comprising 1,600 units of housing, and is an experienced LIHTC developer operating across New England and the Mid-Atlantic. Our comments to the QAP are as follows:

1. Scoring Section 3b. Transit Oriented Development. We propose the first two-point category be amended to read as follows (added text in italics and deleted text struck through):

*"Mixed income development located within a half mile of an existing station or hub along the CTfastrak corridor, ~~or~~ the Hartford rail line, Shoreline East, ~~or~~ MetroNorth's New Haven, New Canaan, Danbury and Waterbury lines; or Amtrak's Northeast Regional line."*

The current language in the QAP excludes other viable TOD projects in close proximity to Amtrak stations, unfairly hindering projects in prime TOD locations in Eastern Connecticut. In communities such as New London, Pawcatuck, Mystic, and Old Saybrook, regional Amtrak service is comparable to the lines listed in the QAP and provides frequent service to major employment hubs, including New Haven, CT and Providence, RI.

2. Scoring Section 3b. Transit Oriented Development. We propose the second two-point category be amended to read as follows (added text in italics):

*"Mixed use development that includes or is within 1000' walking distance to neighborhood amenities such as pharmacy, restaurant, market, studio or other retail/commercial/cultural opportunity(ies) that encourage community revitalization. ~~Such commercial aspect of the Proposed Development must: (i) have its own exterior entrance, (ii) comprise at least 10% of the building area on the floor(s) of its location, and (iii) comprise at least 500 square feet.~~"*

Limiting these points to mixed-use buildings under this category ignores projects that are developed in dense, urban, walkable neighborhoods without themselves building mixed use space. Walkable urban communities can be developed by building dense housing *adjacent to or in very close proximity* to urban amenities. Furthermore, requiring affordable housing developers



to construct commercial or retail space in the current COVID Pandemic and anticipated recession, including an inevitable contraction in the retail sector, places undue risk on new developments that can otherwise benefit from nearby existing community resources. Adjusting the language to the proposed furthers the development of mixed-use, walkable neighborhoods, without putting undue risk or financial burden on tax credit projects.

3. Scoring Section 2f. Sustainable Design. Winn applauds CHFA's continued leadership in sustainable design, as demonstrated by its 5-point QAP category. High performance design and green certification standards are evolving quickly to achieve greater energy savings and adapt to changing technologies and construction approaches. CHFA is appropriately organizing Sustainable Design Measures in a hierarchical manner; however, Winn suggests modifying the category to better reflect the distinction and impact between the specific referenced programs and energy modeling metrics. Our recommendations pertaining to CHFA's Sustainable Design Measures are summarized below:

- Enterprise Green Communities (EGC) is a highly regarded certification program specifically developed and designed for affordable housing projects. For new construction projects, there is no energy performance distinction between EGC and LEED, as both utilize Energy Star Certification to dictate energy performance. Given the equal energy performance requirement, and opportunity for rehab projects, EGC and LEED should be awarded equal points under Option 2.
- In order to better distinguish between Option 1 and Option 2, we suggest making the HERS Index range and ASHRAE target for Option 1 less stringent. Option 1 targets should be adjusted to HERS 65 and ASHRAE >/ 10%.
- After extensive efforts to design and price Passive House projects in Massachusetts, Connecticut, New York, and Washington D.C., Winn has found the cost premium to achieve Passive House certification is approximately 3% compared to EGC or LEED projects. These projects require greater subsidy above and beyond the \$30,000 per unit credit cap to support the 3% cost premium. If additional resources are not made available to support Passive House projects, we support CHFA's decision to provide equal points under Options 2 and 3, effectively providing more cost-effective ways to develop green projects.

We respectfully request that you make the above-mentioned modifications to the QAP for the upcoming 2020 funding round to ensure a more fair and equitable allocation of tax credits. If you have any questions, please reach out to Adam Stein, Senior Vice President, 617-239-4554 or [astein@winnco.com](mailto:astein@winnco.com).

Sincerely,



Gilbert J. Winn

CEO, WinnCompanies

July 6th, 2020

Catherine S. Young  
Registered Architect  
62 Lakeside Ave.  
Middletown, CT 06457

Dear CHFA and board members:

I am a resident of Middletown and am involved in my community as an architect, mayoral appointee of the Middletown Complete Streets Committee, active member of the Sustainable Middletown Team, active member of the Middletown Clean Energy Task Force, and active member of the CT Passive House organization. My position regarding the proposed 2020 QAP changes are in agreement with the statement made by Connecticut Passive House provided below. I care about this issue because equity in sustainability is a major and current issue in our state. If public policies are not set in place, those with the means to invest in developing CT will not do so in a sustainable manner. The mutual benefit of the LIHTC tax credits are crucial to motivating the behaviors and actions that model the ideals that the state is striving towards. Please, consider increasing the tax credits available for passive house building in particular. We want to encourage low energy, healthy homes affordable housing.

Thank you for providing this opportunity for public comment on the proposed 2020 Low-Income Housing Tax Credit procedures and LIHTC Qualified Allocation Plan (QAP). Connecticut Passive House (CTPH), [www.ctpassivehouse.org](http://www.ctpassivehouse.org), is an organization dedicated to offering education, training and resources on the Passive House design and building standard.

As one of the earliest state financing agencies to incorporate Passive House into the QAP, CHFA demonstrated leadership commensurate with Connecticut's climate goals to reduce greenhouse gas emissions to 45% below 2001 emissions by 2030 and 80% below 2001 emissions by 2050. Since this target became law, the state has continued to emphasize the importance of achieving these targets, as recently as Sept. 2019, with Governor Lamont's Executive Order No. 3 aimed to strengthen Connecticut's efforts to mitigate, or lessen the impacts, of climate change.

- Since buildings represent 40% of greenhouse gas emissions, they play a vital role in Connecticut's ability to meet these mandated targets.
- Because buildings being built today will be in existence in 2050, they must be constructed to be as energy-efficient as possible and targeted to achieve Zero Energy status.
- **As the most rigorous energy-efficient high-performance building standard, Passive-House (PH) is a pathway for buildings to achieve Zero Energy** which is why PH has been adopted as a tool by other states, municipalities and now over 30 state financing housing agencies in their respective Qualified Allocation Plans.

Why is Passive House a pathway for Zero Energy? By emphasizing elements such as an airtight building enclosure, super-efficient insulation, high-performance windows, etc., PH ensures that any energy in the building -- heating or cooling -- stays in the building. It is often said that Passive house buildings sip energy compared to conventionally built buildings that gulp. Because the demand for energy to heat and cool in a PH is substantially lower, buildings can more readily

achieve zero energy once renewables are added (note: Some type of renewable energy is essential in order for any building to achieve zero energy status ).

Furthermore, because HVAC systems use the most energy, by far -- 40% -- compared to any other system, it is vital to reduce the heating and cooling loads in a building. To raise the stakes even higher, recent analyses have revealed that it is steadily becoming warmer in Connecticut. Specifically, the state's average temperatures have already increased 1.8°C<sup>1</sup> and are forecasted to continue to rise due to global warming which means the demand to cool our buildings will only increase.

**Given the state's increased emphasis on sustainability and focus on mitigation strategies, CTPH is strongly opposed to the proposed reductions in overall points for the sustainable design section, and instead, would like to see CHFA consider additional points for both Passive House and Zero Energy.**

While CTPH appreciates the intent to include more standards in the QAP, especially if/when PH is not the best "fit" for a project, **the groupings themselves and the comparable amount of points represent major changes to the QAP.** CTPH strongly believes that the impact of the proposed organization/allocation will inadvertently impact the quality of the buildings on a number of levels, including those already mentioned plus additional factors mentioned below because the point structure is not commensurate with the levels of positive impact that these standards deliver.

**Therefore, CTPH is opposed to both the proposed point allocation and the groupings of the various green/high performance standards in the 2020 QAP and instead, urges CHFA to consider:**

- **Retaining the additive structure of the 2019 QAP which allocated more points to those higher performing standards, specifically Passive House.** A recent survey of other QAPs, especially in Pennsylvania, Massachusetts, and Wash. D.C. revealed noticeably higher allocation of points for PH and/or a combination of standards that work in conjunction with more stringent building state codes, than CT, to achieve Zero Energy.
- **To continue to offer an additional point for renewable energy, a "must" to achieve Zero Energy.**

Note that one of the two PH building standards, PHIUS<sup>2</sup>, contains prerequisites for achieving other levels of high-performance: Energy Star, Indoor airPLUS and DOE's Zero Energy Ready Home Program in order to achieve PHIUS certification.

- Third-party RESNET approved quality assurance/quality control
- Earns U.S DOE's Zero Energy Ready Home status
- Includes HERS rating
- Earns U.S. Environmental Protection Agency (EPA) Indoor airPLUS label

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<sup>1</sup> Washington Post, 8/13/19: "2°C: Beyond the Limit"

<sup>2</sup> [www.phius.org](http://www.phius.org)

The emphasis on superior indoor quality in the PH building standard is another benefit that cannot be overstated, in light of the burden from air pollution that is disproportionately experienced by the most vulnerable residents. According to the American Lung Association, there is a documented difference in harm from air pollution to racial or ethnic groups and people who are in a low socioeconomic position, have less education, or live nearer to major sources of pollution.<sup>3</sup> Specifically,

- Moisture is a leading cause of health, comfort and durability concerns in homes.
- 19% of U.S. households have at least one person with asthma and there is a 20-50% increased risk of asthma in damp houses
- The economic cost of asthma amounts to more than \$56 billion annually

**Additionally, since achieving cost-effectiveness in construction is also a key factor for CHFA and DOH, CTPH is also urging a heightened focus of achieving comparable/lower per unit construction costs for Passive House projects.** Now that the learning curve on Passive House has advanced, there is “proof of concept” of affordable PH projects being built for comparable costs to non-PH projects, especially in regions such as Pennsylvania which has the longest track-record of incorporating PH into their QAP.

- CTPH is aware that the Peer to Peer Multifamily network is poised to share data with CHFA and DOH from CT passive affordable housing projects to provide real-time, in-house information.
- Additionally, it is common knowledge in the high-performance design community that pursuing PH later in the design process inevitably leads to higher cost premiums. With this in mind, CTPH is offering to participate in a review of the application process to identify “Best Practices” such as integrated project design, plan review, etc. in order to identify those project designs, in general, that are most suitable for PH and/or identify specific opportunities to realize cost-savings upfront, prior to construction.

Finally, there are additional compelling benefits to utilize Passive House for affordable housing. Notably:

- Energy security for Connecticut residents who are burdened with living in the state with the highest rate for electricity in the continental U.S., according to the federal Dept. of Energy.<sup>4</sup>
- Ability for occupants to safely and comfortably shelter-in-place for sustained periods of time in the advance of energy black-outs and extreme weather events.<sup>5</sup>
- Buildings that are more durable and require less maintenance/ associated “2nd costs” for developers.

In closing, the QAP serves as an important lever that drives market adoption. In light of the scale of the proposed changes in the 2020 QAP, CTPH’s primary concern is that CHFA is inadvertently

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<sup>3</sup> [American Lung Association/Disparities in the Impact of Air Pollution](#)

<sup>4</sup> [wnpr.org/post/facing-some-highest-rates-nation-connecticut-s-electric-customers-struggle](#)

<sup>5</sup> [be-exchange.org/insight/designing-for-resiliency](#)

sending the wrong signal to the market, at a time when the state is seeking to escalate efforts on climate mitigation

**By offering additional points for Passive House in prior QAPs, CHFA has played a major role as a catalyst fueling Connecticut's green energy economy in accordance with the Governor's goals.**

- Since its inception, CTPH has continued to observe an increase in memberships and attendance at its events and will be partnering with Eversource to launch a comprehensive multi-pronged Passive House training program, modeled after the successful MassSave PH training program<sup>6</sup> to introduce the PH building standard to a wider pool of stakeholders while also building capacity in Connecticut's workplace.

CTPH is committed to a cleaner, healthier, more resilient, carbon-free future and welcomes opportunities to support CHFA and DOH's efforts meet its goals to provide high-quality affordable housing while also addressing Governor Lamont's pledge that "*Connecticut will remain a leader on climate change*"<sup>7</sup>.

Thank you for taking the time to read my concerns. I look forward to hearing your response on these issues.

Sincerely,

Catherine S. Young  
62 Lakeside Ave.  
Middletown, CT 06457  
860.204.1685  
catherine@pennimanarchitects.com

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<sup>6</sup> [masssave.com/passive-house-training](https://masssave.com/passive-house-training)

<sup>7</sup> [portal.ct.gov/Office-of-the-Governor/2019/09-2019/Governor-Lamont-Signs-Executive-Order--Connecticut To Lead On Climate Change](https://portal.ct.gov/Office-of-the-Governor/2019/09-2019/Governor-Lamont-Signs-Executive-Order--Connecticut-To-Lead-On-Climate-Change)



June 23, 2020

Terry Nash Giovannucci  
CHFA  
999 West Street  
Rocky Hill, CT 06067  
[PublicComment@chfa.org](mailto:PublicComment@chfa.org)

Dear Ms. Nash Giovannucci, CHFA Officials, and State of Connecticut Stakeholders,

Thank you for providing this opportunity to comment on the 2020 Low-Income Housing Tax Credit Qualified Allocation Plan (QAP). I am writing to you both as a **resident of Bethel** and a Passive House Coordinator at a 120-person building systems consulting company headquartered in Norwalk, CT. My colleagues at Steven Winter Associates, Inc. are involved in sustainability as researchers, green building consultants, energy analysts, and personal activists.

We care deeply about allocating tax dollars to **combat climate change** and **protect CT from an uncertain energy and water future**. Current events have highlighted the importance of **protecting human health and promoting social equity**, and sustainable housing supports these goals. My firm and I **strongly support the inclusion of both LEED for Homes and Passive House standards into the CHFA QAP**. Not only do these programs incorporate extreme energy efficiency, but they also promote superior occupant comfort, healthy indoor air quality, and ensured building durability. Tenants of these high performing buildings **save money on their utility bills**, enforcing the State's commitment to better housing for Connecticut's workforce and affordable housing occupants. **Third party verification is a critical component to ensure that buildings are verified and tested to perform at best potential**. Occupants of certified LEED and Passive House homes also enjoy quieter, healthier buildings which are linked to reduced missed work and school due to sick days.

Passive House and Sustainability incentives should be increased, not decreased, in the 2020 Qualified Allocation Plan (QAP). Specifically, my firm recommends the maximum points for Sustainable Design (Section 2, Item f) in the 2020 QAP be increased from 7 (allowed in the 2019 QAP) to **8 points**. This can be achieved as follows:

- Retain the additive structure in the 2019 QAP.
- 1 point for solar photovoltaic system at the **increased stringency** as proposed (50% site and common area energy demand, increased from 33% in 2019 QAP).
- **Retain the Passive House Design category**, where third party net zero certification program will earn 3 points. These programs include any certifications through PHI and PHIUS programs, EPA Zero Energy Ready Homes, or Zero Energy certifications.
- Retain 1 point awarded to the two most cost-effective Passive House projects.
- Adjust High Performance Design category to award 3 points for projects qualified for LEED for Homes or LEED Multifamily Midrise v.4 Silver, or National Green Building Standard 2015 Silver.

In summary, please maintain the momentum toward meeting CT's 2030 and 2050 energy, sustainability and resilience goals. Pursuit of these goals generated over \$2 million in business for SWA and employed more than 25 full-time CT-based, high-performance building consultants. CT based Passive House business alone, has resulted in 5 new positions at our firm plus 3 new positions for consultants supporting LEED for Homes. **We are working hard to protect our future through healthy and environmentally responsible buildings, and we need your help to continue.**

Sincerely,

A handwritten signature in black ink, appearing to read 'Katie Zoppo', written over a light blue rectangular background.

Katie Zoppo  
Passive House Coordinator and Bethel, CT Resident