Gilford Village Knolls III is the first multi-family Passive House residence in New Hampshire. But if you ask Sal Steven-Hubbard of Lakes Region Community Developers, it won’t be the last. As the real estate development director at LRCD, she is excited about the new senior living apartments being built in the town of Gilford.

“A few years ago, LRCD made the commitment to use green and sustainable practices and policies throughout the organization,” said Steven-Hubbard. “So when NH Housing’s QAP offered additional points for developing affordable housing that meets Passive House standards, we went for it.”

LRCD (formerly Laconia Area Community Land Trust) was successful in getting resources from NH Housing— the hard part was that the project had already been designed without Passive House Principles.

As the name suggests, this is the third phase of an affordable community—

Continued on the next page—
ty for elderly residents. The first phase was started by a group in the 1980s, and the second phase was built in the early 2000s. The Gilford Village Knolls Trustees tried repeatedly to build a third phase without success. In 2016, the advocate group turned to LRCD for development expertise. Little did they know that the partnership would produce such sustainable results.

COMMITTED PARTNERS

The Trustees already had designs for the building, so the LRCD worked with Peter Stewart of Stewart Associates Architects to integrate Passive House principles. It wasn’t easy to work with existing designs, but Stewart managed to add features to make as tight a building envelope as possible so that the building can be heated and cooled at a very low cost. A 344-panel solar array on the top of the building adds sustainability to the project overall.

Martini Northern is the construction company bringing the plans to life. Steven-Hubbard notes that Martini Northern, Stewart Associates Architects, and indeed, all of the project partners, made for an effective team. “Everyone worked very hard on this project and have all remained committed to doing the right thing— it’s been a great process,” she said.

NNEHIF also partnered with LRCD. NNEHIF placed the investment with TD Bank who provided equity for the project.

According to Tom MacDonald, VP of Acquisitions at NNEHIF, Passive House developments can be expensive to construct, however, the longer term advantage is that the anticipated lower operating costs that can help keep the rents affordable. “Passive House projects help promote our mission, and those of our developers, to build safe, energy-efficient affordable housing for the long-term, and that plays a large role in the attractiveness of the transaction for our investors,” said MacDonald.

BUILDING PERFORMANCE

Steven-Hubbard doesn’t know when the next Passive House project will be, but she’s certain that LRCD will continue to pay close attention to the design principles. She’s especially eager to see how Gilford Village Knolls III performs in the coming years.

Passive House Institute US (PHIUS) will be monitoring the building over the next two years and providing LRCD with data about everything from energy usage and savings to CO2, temperature, and moisture— information that can help LRCD make data-based decisions for future projects.

The elderly housing facility (age-restricted for residents ages 62 and older) features 24 one-bedroom apartments, a community room, a laundry room, and an office for the resident services coordinator.

Perhaps the best thing about Gilford Village Knolls III is its location. Nestled in the center of the small, serene village of Gilford, residents can easily walk downtown to the library, community center, and churches. Phase three is also next to Gilford Village Knolls II, and a walking path connects all three phases of the development.

Passive House standards may make the housing sustainable, but for the residents of Gilford Village Knolls III, a sense of community makes the housing home.

PASSIVE HOUSE

Sustainable Standards (continued from the previous page)
Meet Dan Brennan, New MaineHousing Director

Earlier this year, Dan Brennan was confirmed the new director of MaineHousing, succeeding John Gallagher who recently retired. Brennan has been with MaineHousing for 25 years, and before his appointment as director, he was Senior Director of Programs.

How did you find your way to MaineHousing 25 years ago?

I was working in Portland as an auditor, first for Maine National Bank, then for RECOLL Management Corp, which was set up by the federal government following the failures of Maine Savings and Maine National Bank. Banking positions were tenuous back then and I needed more stability for my young family.

I answered a blind ad in the Portland Press Herald for someone to start an internal audit function for a “$1.2 billion financial institution in Central Maine.” Little did I know that it was Maine State Housing Authority! I moved from a staff position in a corporate audit environment to an opportunity to start an audit function from scratch, reporting directly to the Board of Commissioners. What is interesting is I did not come with a passion for solving affordable housing issues, however, it didn’t take long for that passion to take hold!

How has affordable housing in Maine changed in the last 25 years?

The challenges just seem to get bigger and bigger. Wages have not kept pace with inflation, higher paying jobs in manufacturing and mills have been replaced by lower paying jobs in retail and the service sectors, and more hard-working people are having a difficult time making ends meet. The needs of older Mainers also continue to grow, but fortunately, there are a host of for-profit and non-profit organizations that are willing to provide affordable housing opportunities. We rely greatly on these partnerships.

What are some of the strategies that MaineHousing is working to implement?

When we look at cost-effective strategies we are constantly looking for the right balance of cost and value. The lower the cost, the more people we can help with the limited funds we have available, but at the same time, maintaining good quality can be cost-effective in the long term. We’re also committed to research-based approaches to addressing housing needs. We are often willing to try experimental or pilot projects to see if they will work in our environment.

Can you give an example of a program that’s designed based on best practice?

MaineHousing offers a home modification program for older adult homeowners based on a best practice model developed by Sarah Szanton of John Hopkins. Working through local public housing authorities, we fund low-cost home improvements that keep residents safe and allow them to stay in their own homes. We track data before and after the improvement on the number of falls, trips to the emergency room, or calls to the fire department. We also track the cost of the home improvement. A research-based approach is a good way to bring good ideas to reality.

What are you most excited about in the next few years?

I am most excited about finding the most efficient ways for MaineHousing to help those in need of our programs and services. The needs are great in our state, and we owe it to those who help to deliver our resources to them in the most efficient manner possible.

We’ve also developed an in-house leadership development program for our staff, which is comprised of some of the most talented people in the country when it comes to affordable housing. My goal is to foster their development and cultivate the state’s affordable housing leaders of the future.

Affordable housing can be challenging work. What do you do to relax?

I am blessed to use the talents I have to help others every day. I love to golf, travel with my wife, listen to live music, and build relationships with friends and family. At the end of the day, it’s the memories and relationships that truly matter.
Staying Power: Community Capital 2018

Since 1996, Northern New England Housing Investment Fund (NNEHIF) has created 20 multi-investor funds: limited partnerships structured to pool capital from a variety of investors. The capital is then invested in building and renovating affordable housing in Maine and New Hampshire. Year after year, the funds have performed well with respect to their target yields.

NNEHIF is now offering Community Capital 2018, its 21st multi-investor fund. Investors, including community banks, have already committed more than $12 million, and the Housing Credit syndicator expects it to grow to be $25-30 Million, a typical size for the annual fund.

On the developer side, there are already 12 projects in the pipeline. The fund will contain a mix of new constructions and rehabilitation projects that will serve families and elderly populations. All projects will be eligible for Low-Income Housing Tax Credits and may include Federal Historic Tax Credits.

This has been a challenging time for NNEHIF and the low-income housing financing industry, in general. Thanks to the efforts of U.S. Senator Susan Collins (Maine) and groups like the Maine Affordable Housing Coalition and Housing Action New Hampshire, the Housing Tax Credit program survived the recent changes to the tax code.

Indeed, one thing that hasn’t changed is NNEHIF’s deep knowledge of the local markets in which NNEHIF invests. Though there is sometimes a gap between investors’ expectations and developers’ expectations, and as a trusted intermediary, NNEHIF keeps constant and direct communication with all its stakeholders.

In related news, NNEHIF has fully dissolved its first four multi-investor funds—ME ’96, NH ’97, ME ’98, and NH ’99, with CC ’00 dissolving later this year. All of the funds exceeded their target IRR.

To learn more about the Community Capital 2018 Fund, or about Housing Credits investments, contact NNEHIF President Bill Shanahan at bshanahan@nnehif.org, or (207) 772-8255.

YIELD FOR DISSOLVED NNEHIF FUNDS

The Northern New England Housing Investment Fund (NNEHIF) is a private, nonprofit 501(c)(3) corporation that promotes housing and community development by providing equity capital, technical assistance and consulting to affordable housing developers throughout Maine and New Hampshire.