

## Attachment 2

*Revise the second paragraph in the “Sustainability” section on page XII-10 (page XII-9 in the preliminary draft of Chapter XII) as follows:*

Environmentally responsible construction techniques, such as those described in Chapter XI, can help new residential development meet these plan objectives and standards; however, there is concern regarding the cost of green construction in relation to affordable housing. A 2005 study summarized in Chapter XI found that the use of green building practices adds an average of between 2 to 3 percent to the development costs of affordable housing.<sup>1</sup> The 16 housing developments analyzed as part of the study found that the incremental costs of green building features ranged from no additional cost up to an additional 9 percent. Developments that included features such as low-flow water fixtures; energy-star appliances; fluorescent lighting; high-efficiency furnaces, water heaters, windows, and insulation; and linoleum and low-VOC flooring and adhesives typically added 2 to 3 percent to project costs. Projects that included alternative energy sources, including geothermal heating and solar power generation systems, increased project costs by 6 to 9 percent.

In most cases the reduced operating costs over the life of a building more than pays for the initial cost of energy-efficient features and appliances, but the current system for financing government assisted housing makes the use of green building practices difficult because of its emphasis on initial development costs rather than life-cycle costs. The developer may demand a higher price or rent for green construction in market-rate housing which may decrease initial affordability to lower and moderate-income households. Although development using a full range of green construction features may not be financially feasible, the use of energy-saving home features and appliances that reduce the use of energy, and energy costs, over the life of a home should be considered. Wisconsin’s Focus on Energy program can provide assistance for implementing green construction practices in new and existing homes, and the Federal Energy Star program certifies appliances, windows, light fixtures, and other products that reduce energy use and the associated costs.

RHP AC MINUTES MTG 16 1/30/12 ATTACH 2 (00153449).DOC  
NMA  
3/27/12

---

<sup>1</sup> Documented in the report, *The Costs and Benefits of Green Affordable Housing*, New Ecology, Inc. and the Tellus Institute, 2005.