Decarb Junch_{Series} zebx

Reframed Initiative: Optimizing Deep Building Retrofits

Fri Mar 8, 2024, from 12- 1pm PST Free Webinar I zebx.org

PERTIT





ZERO EMISSIONS INNOVATION CENTRE

Building Decarbonization Team



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Buildings

From ZEBx's Net-Zero Energy-Ready Playbook Series

Overview

Read This Playbook





zebx.org

Decarb Lunch: Reframed Initiative

Betsy Agar, Director Buildings Pembina Institute

March 8, 2024













Low-rise, multi-unit residential buildings, wood-framed (except top right)



PEMBINA institute



Reframed Lab results

Schematic design proposals:

- 58-93% heating energy reductions
- 68-99% carbon emission reductions
- Deep retrofit ~2X baseline retrofit cost at ~\$140,000/unit
- 30-60% embodied carbon from insulation
- ~\$4 recovery costs saved for every \$1 on seismic upgrades

Reframed Lab learnings

- Deep retrofits start with holistic planning and procurement
- Regulations are needed to send a strong market signal and provide investor confidence
- Low and no cost capital is needed until we reach economies of scale and cost compression
- Cultural shift is needed to value non-energy benefits and define an alternate business model
- Solution-side needs support for training and growth
- Systemic barriers remain in place





Natural Resources Ressources naturelles Canada











NORTH GROWTH F O U N D A T I O N

Vancity

coastcapital

FCM FEDERATION OF CANADIAN MUNICIPALITIES

FÉDÉRATION N CANADIENNE DES ES MUNICIPALITÉS



Reframed Initiative: Exploration Lab | Medewiwin Apartments

Decarbonize and reduce GHG emissions Seek synergies between upgrades Reduce embodied carbon Improve climate resilience Lower operating costs Build a prefab opportunity for industry Improve resident experience Make a strong business case

Low Hammond Rowe Architects | ReNü Engineering | RJC Engineers | RDH Building Science | Hanscomb Limited



BURNSIDE

H faith Is yd























End-of-life envelope and systems Low wall insulation values Failing windows (1963 portion) Inadequate ventilation Institutional character Poor accessibility































PROJECTED ANNUAL ENERGY USE



9

ANNUAL ENERGY COSTS



TEDI + TEUI



11

CARBON EMISSIONS





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LIFECYCLE COST ANALYSIS

	Capital Costs	O & M	Energy Costs	Cyclical Renewal Costs	Salvage Credits	Total Cost (Present Value)
Baseline A		\$1,262,220	\$88,660	\$343,450	-\$191,330	\$1,503,000
Baseline B	\$1,359,100	\$1,042,590	\$76,020	\$253,090	-\$561,230	\$2,169,570
Bundle 1	\$2,080,800	\$739,250	\$63,910	\$201,350	-\$446,450	\$2,638,860
Bundle 2	\$2,145,300	\$739,250	\$57,070	\$201,350	-\$446,450	\$2,696,520
Bundle 3	\$3,582,400	\$739,250	\$48,500	\$218,600	-\$484,710	\$4,104,040
Bundle 4	\$3,597,700	\$739,250	\$44,630	\$247,360	-\$548,490	\$4,280,450

Discount Rate: 8.0%

Period of Study: 40 Years

Base Year: 2022

PROFORMA ANALYSIS

Project Costs		Baseline A	E	Baseline B	Bundle 1	Bundle 2	Bundle 3	Bundle 4
Direct Project Hard Costs		N/A	\$	1,359,100	\$ 2,080,800	\$ 2,145,300	\$ 3,582,400	\$ 3,597,700
Project Manager LOC Projects		N/A	\$	68,000	\$ 104,000	\$ 107,300	\$ 179,100	\$ 179,900
Soft Costs	20.00%	N/A	\$	271,800	\$ 416,200	\$ 429,100	\$ 716,500	\$ 719,500
Legal/Other Costs	3.00%	N/A	\$	51,000	\$ 78,000	\$ 80,500	\$ 134,300	\$ 134,900
Interest During Const	6.00%	N/A	\$	39,400	\$ 60,300	\$ 62,100	\$ 103,800	\$ 104,200
Summary of Project Costs		N/A	\$	1,789,300	\$ 2,739,300	\$ 2,824,300	\$ 4,716,100	\$ 4,736,200
Assuming 25% of Project Costs as Equity to equate to a	a 75% Loan to \	/alue Ratio						
Annual Project Renewal Savings		Baseline A	E	Baseline B	Bundle 1	Bundle 2	Bundle 3	Bundle 4
Annual Operational Savings		N/A	\$	7,870	\$ 18,740	\$ 18,740	\$ 18,740	\$ 18,740
Annual Energy Savings		N/A	\$	453	\$ 887	\$ 1,132	\$ 1,439	\$ 1,578
Annual Carbon Tax Savings		N/A	\$	6,002	\$ 14,458	\$ 15,731	\$ 16,916	\$ 20,837
Annual Cyclical Renewal Savings		N/A	\$	16,165	\$ 22,225	\$ 22,225	\$ 20,205	\$ 16,837
Annual Stabilized Net Savings		N/A	\$	30,490	\$ 56,310	\$ 57,828	\$ 57,300	\$ 57,992
Capitalization Rate	2.00%	N/A	\$	1,524,490	\$ 2,815,506	\$ 2,891,395	\$ 2,865,007	\$ 2,899,615
Return on Investment		N/A		-14.80%	2.78%	2.38%	-39.25%	-38.78%
Whole Life Project Renewal Savings		Baseline A	E	Baseline B	Bundle 1	Bundle 2	Bundle 3	Bundle 4
Whole Life Operational Savings		N/A	\$	314,800	\$ 749,600	\$ 749,600	\$ 749,600	\$ 749,600
Whole Life Energy Savings		N/A	\$	18,120	\$ 35,480	\$ 45,280	\$ 57,560	\$ 63,120
Whole Life Carbon Tax Savings		N/A	\$	240,072	\$ 578,325	\$ 629,236	\$ 676,646	\$ 833,492
Whole Life Cyclical Renewal Savings		N/A	\$	646,600	\$ 889,000	\$ 889,000	\$ 808,200	\$ 673,480
Whole Life Stabilized Net Savings		N/A	\$	1,219,592	\$ 2,252,405	\$ 2,313,116	\$ 2,292,006	\$ 2,319,692
Whole Life Modified IRR		N/A		13.87%	228.90%	227.60%	94.40%	95.91%
Carbon Tax		Baseline A	E	Baseline B	Bundle 1	Bundle 2	Bundle 3	Bundle 4
Average Annual Carbon Tax		\$ 30,387	\$	24,385	\$ 15,929	\$ 14,656	\$ 13,471	\$ 9,550
Whole Life Carbon Tax		\$ 1,215,491	\$	975,419	\$ 637,166	\$ 586,255	\$ 538,845	\$ 381,999
Avg Annual Carbon Tax Savings vs. Ba	se 'A'	\$ -	\$	6,002	\$ 14,458	\$ 15,731	\$ 16,916	\$ 20,837
Whole Life Carbon Tax Savings vs. Bas	e 'A'	\$-	\$	240,072	\$ 578,325	\$ 629,236	\$ 676,646	\$ 833,492

BUNDLE FINAL RECOMMENDATION





Engineers

Sketch Number SK-

00

EMBODIED CARBON

GWP by OmniClass



GWP by Material Type



PRIOPTA

WHOLE LIFE CARBON

Whole Life Carbon (10 Years)



Whole Life Carbon (40 Years)



PRIOPTA







Rejected due to embodied carbon levels

Proposed overcladding approach





We acknowledge and honour the Traditional Territory of the Coast Salish Nations whose Territory we operate on, including Songhees Nation, Esquimalt Nation, WSÁNEĆ First Nations, and Snuneymuxw First Nation.

PACIFICA HOUSING

Who We Are

Pacifica Housing is one of Vancouver Island's largest operators and providers of affordable homes and supportive services.

Our Vision

Equitable housing in pursuit of thriving communities.

Our Mission

To advance the independence of individuals and families through equitable housing and supportive services.

Our Values

01. Authenticity **02.** Leadership









03. Respect



04. Social Justice



being built



+2 home share buildings



development support in progress +1 sup

supportive housing buildings +1 supported seniors lodge



community services building (outreach)



staff members





Pragmatic Considerations

- Housing a vulnerable population, mostly seniors (45+) with complex histories of trauma, mental and physical health challenges, and current and past addictions
- Some tenants not likely to handle disruption of renovation
- $_{\circ}~$ Smoking allowed in units
- Shelter rate rents with BC Housing / Island Health subsidy for operations and support services

Successes

- Clean BC Funding of \$1.64 million (Provincial/Federal)
- BC Housing Capital Renewal Fund commitment
- Project almost to Tender
- Including unit interior renovations and likely also office/common space renovation

Pivots

- $_{\circ}$ Phased relocation \rightarrow emptying whole building \rightarrow phased relocation
 - $_{\odot}$ $\,$ Lack of supportive housing units
- Heat pumps for each unit (no gas fired hydronic heat boiler)
 - Wall-mounted (Innova/GlenAir) vs multi-split VRF vs mini-split
- R-40 roof to R28 (old) and R38 (new); avoiding structural upgrade
- $_{\circ}~$ R-30 walls to R26 (old) and R32 (new)
- Centralised hot water: CO2 heat pumps
- No ERVs
- Windows: U-1.2, SHGC-0.22, VT-0.51
- Increased budget to \$4 million ish (but includes unit renovations)



Deep Building Retrofits: Searching for Synergies

Ross Arbo

Housing Technician, Metro Vancouver Housing

ZEBx Decarb Lunch – March 8, 2024 Orbit Link: add when archiving presentation to Orbit **metro**vancouver



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🙀 Crown Manor

Crown Manor

www.metrovancouver.org

604.451.6676





CROWN MANOR-BACKGROUND

- Located in uptown New Westminster
- Originally constructed in 1964
- Surrounded by similar residential bldg's
- Four-level apartment, 2,050m²
- Contains 29 units
- Wood-frame construction
- Aluminum framed windows
- Natural gas DHW and hydronic heating
- Boiler replaced in 2016
- Low-slope roof replaced in 2010



WHY REFRAMED? WHY CROWN MANOR?

CURRENT BUILDING BENCHMARKING



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PEMBINA REFRAMED BUNDLES FOR CROWN MANOR

The targets for consultants to meet were clear in the RFP Document:

- Bundle #1 Reduce GHG 50% compared to existing building and 30% better than current code requirements
- Bundles #2, 3, & 4 Reduce GHG 80% of existing while including other Reframed objectives (climate adaptation, seismic upgrades, reducing embodied carbon, improving tenant health/wellbeing, etc.)

PEMBINA REFRAMED BUNDLES FOR CROWN MANOR

The bundles provided for Crown Manor were.....wanting:

- Bundle #1 Focus on mechanical upgrades, no BE changes, reduced GHG 52% of existing & 39% of current code
- Bundle #2 Focus on BE upgrades but retaining existing 95% efficiency gas boiler, reduced GHG 80% & 74% respectively
- Bundle #3 Same as Bundle 2 but with new electric boiler, reduced GHG 94% & 93% respectively
- Bundle #4 Same as Bundle 3 but with gas heat pump and fewer BE upgrades, reduced GHG 80% & 75% respectively

OCCUPIED BUILDINGS

Crown Manor if fully occupied. Some of the suggested seismic and mechanical upgrades would result in extensive and intrusive in-suite work. The project team must understand that these are peoples homes.



Caption here

SCHEMATIC DESIGN IS DONE, NOW WHAT?

Metro Vancouver's internal schedule:

- September 2022 Pembina Reframed complete
- November 2022 Negotiate with Consultant team to begin Detailed
 Design phase
- March 2023 Detailed Design complete
- June 2023 City approves building permit for project
- July 2023 Tender project to General Contractors
- September 2023 Contractor mobilizes on site & construction starts...







Caption here

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OK GO!

September 2023 – start detailed design

March 2024 – apply for building permit

April/May 2024 – Tender for construction

June 2024 – Construction start



PROJECTED 2030 BUILDING BENCHMARKING

Projected 2030 MVHC Building GHG Emissions



Projected 2030 GHG Emissions

Projected GHG Emissions Reductions

LESSONS LEARNED

2019 METRO VANCOUVER HOUSING 10-YEAR PLAN

Targets

Mixed-income Maintain at least 30% of our portfolio as Rent-Geared-to-Income to support a range of affordability needs and ensure long-term financial sustainability.	Diverse housing types Maintain at least 70% of portfolio as 2-bedroom units or larger to support family-friendly housing and provide a mix of unit sizes to allow flexibility and suit a range of needs.	Energy Efficient Reduce energy consumption by 25% for major rehabilitations, such as building envelope upgrades, and for new construction (from 2015 National Energy Code for Buildings).
	Constant of Section Reduce GHG emissions in housing portfolio by 45% (from 2010 levels) over the next 10 years to work towards the region's goal of being carbon neutral by 2050.	 Well-maintained Maintain a portfolio-wide Facility Condition Index at or below 20% over the next 10 years to support safe and healthy homes for existing tenants.
	O Age-friendly Work towards 20% of units as adaptable or fully accessible to support people of all ages and abilities.	Growth Increase housing portfolio with 1,350 new and redeveloped units approved over the next 10 years.

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THANK YOU!

We want to thank the following people/organizations;

- CleanBC for providing funding for the project!
- The Pembina Institute (Betsy Agar)
- BC Non Profit Housing Association (Ian Cullis)
- ZEBx for shining a light on this project



Questions?

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Together we make our region strong

BC EMBODIED CARBON AWARDS 2024

Celebrate on April 18, 2024 from 5pm Ticket includes entry and canapés

> Ventura Room 695 Cambie St Vancouver, BC V6B 0K9

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