

Water Wise Development Coalition

Marianne Eppig, Director of Resilience, ULI

July 12, 2023

Water Wise Development Coalition

Intro for newbies!

- Who: ULI, in partnership with the Alliance for Water Efficiency, the Sonoran Institute, and the WaterNowAlliance, is convening land use and real estate professionals with policymakers and decision-makers. This coalition is supported by the Colorado Water Conservation Board.
- What: Advancing water-smart real estate development and supportive policies.
- When & Where: Quarterly virtual meetings. How: Participants will have a say in meeting topics, speakers, and efforts.



Agenda

- Welcome and Overview (10 min)
 - Group chat introductions: name, title, org, location
 - About the Water Wise Development Coalition
 - Speaker introductions
- Water Wise Development Presentations (45 min)
 - Brock Smethills, President, Sterling Ranch Development Company
 - Kyle Harris, Senior Vice President Community Development, McWhinney
 - Steven Kunshier, Director of Housing Development, Maiker Housing Partners
 - Jacob Atalla, Vice President, Sustainability Initiatives, KB Home
- Q&A and Group Discussion (30 min)
- Next Steps (5 min)





STERLING RANCH
C O L O R A D O

STERLING RANCH – *A SuccessStory*

WATER WISE TOOLS IN HOUSING



joy resides here



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COLORADO



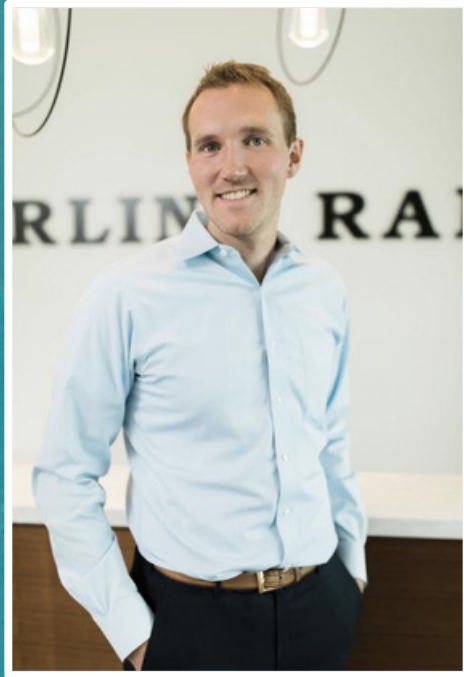
joy resides here



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COLORADO



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Meet Brock Smethills

PRESIDENT

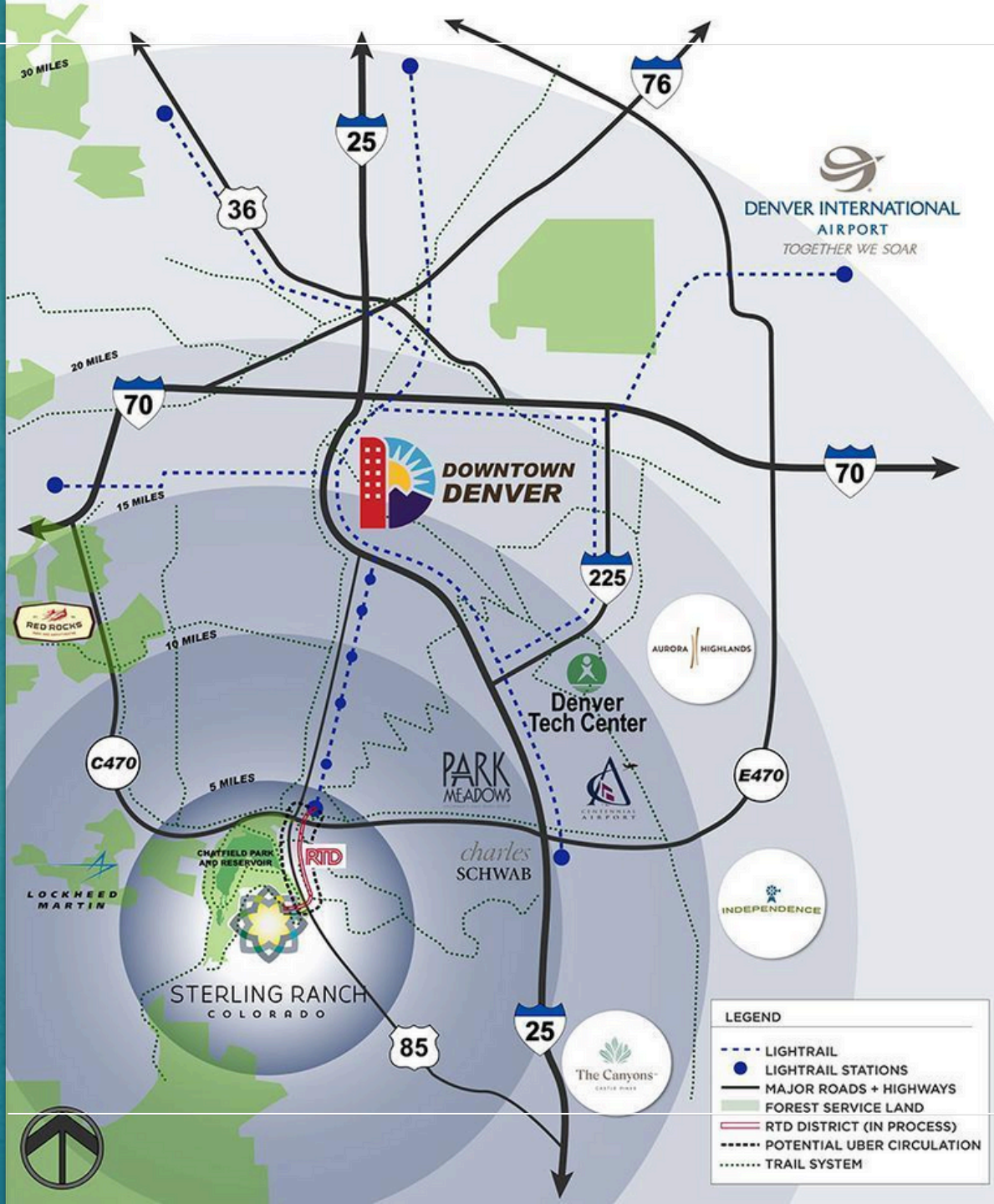
STERLING RANCH DEVELOPMENT COMPANY

Sterling Ranch has become the preeminent and top selling master planned community in the Denver Metro MSA for the past several years.

Brock oversees strategic planning and execution, including sustainability measures such as water demand management and technology.



Sterling Ranch Location



STERLING RANCH
COLORADO



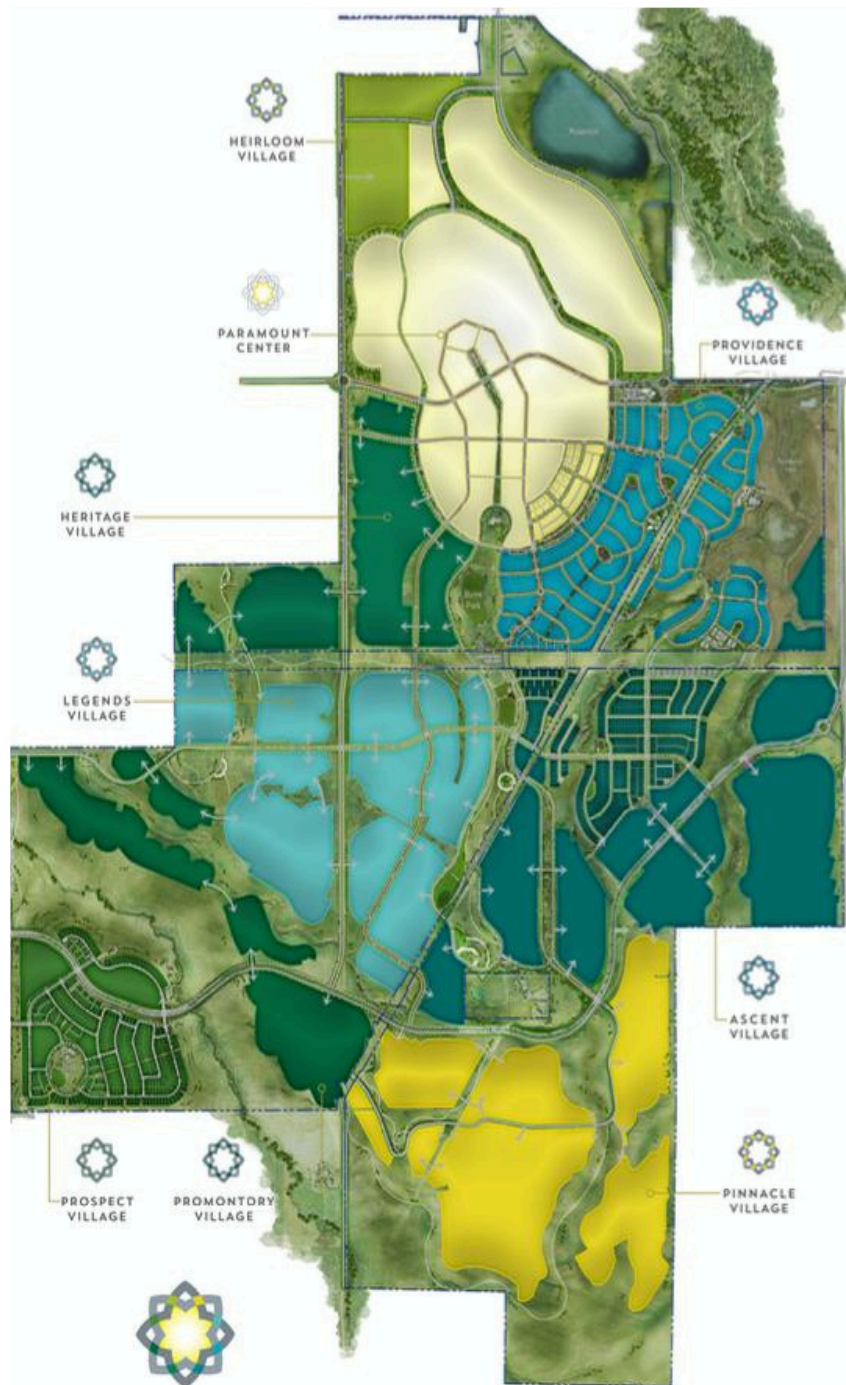
About Sterling Ranch

3,400
Total
Acres

1,300
Acres Parks &
Open Space

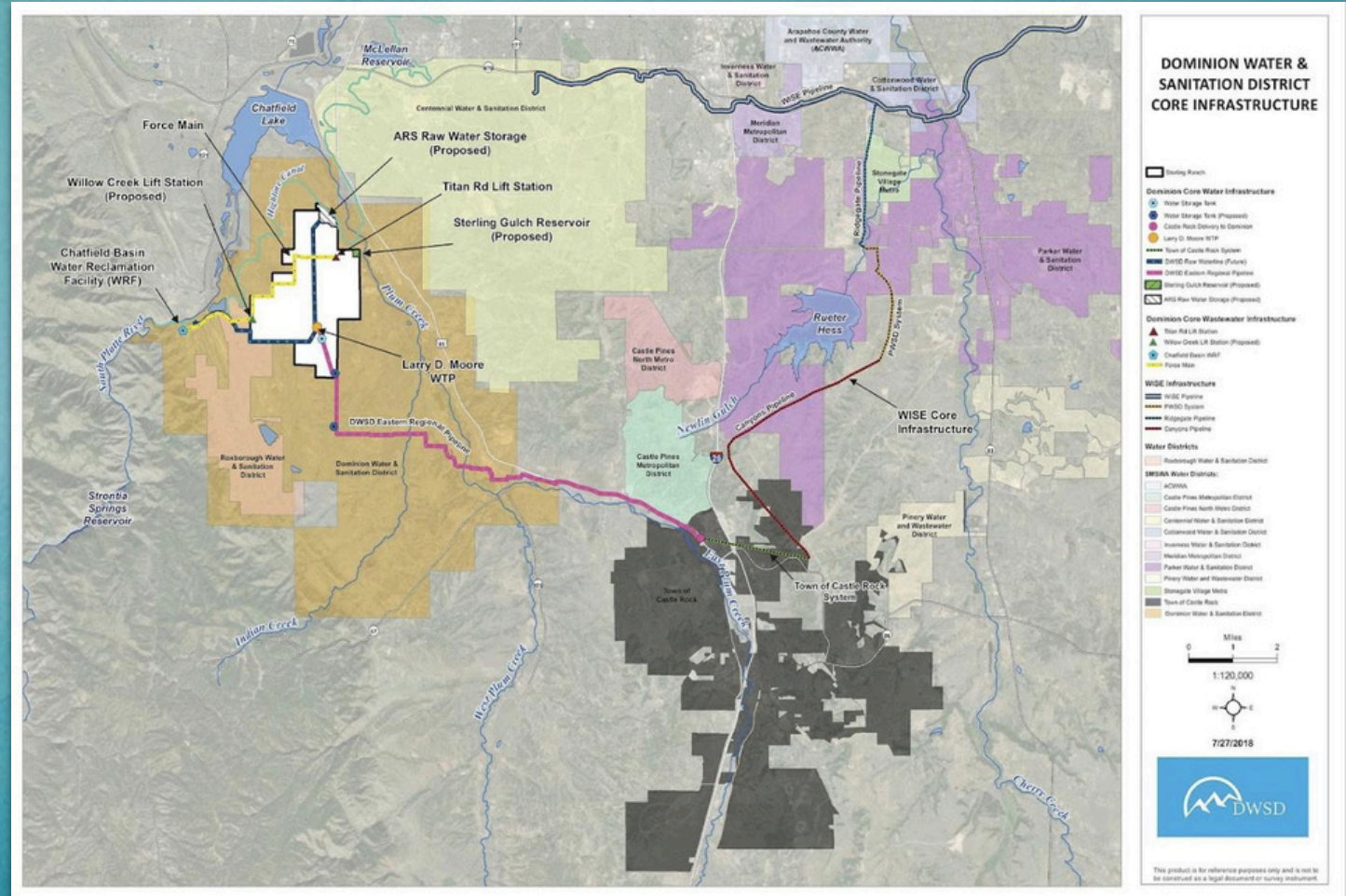
1,500+
Occupied
Homes

12,000+
Planned
Homes



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- 1.CO'S 80/20 Rule
- 2.Groundwater vs. Renewable Water
- 3.Conjunctive Use System
- 4.Rainwater Harvesting
- 5.Return on Investment
- 6.Land is a Residual



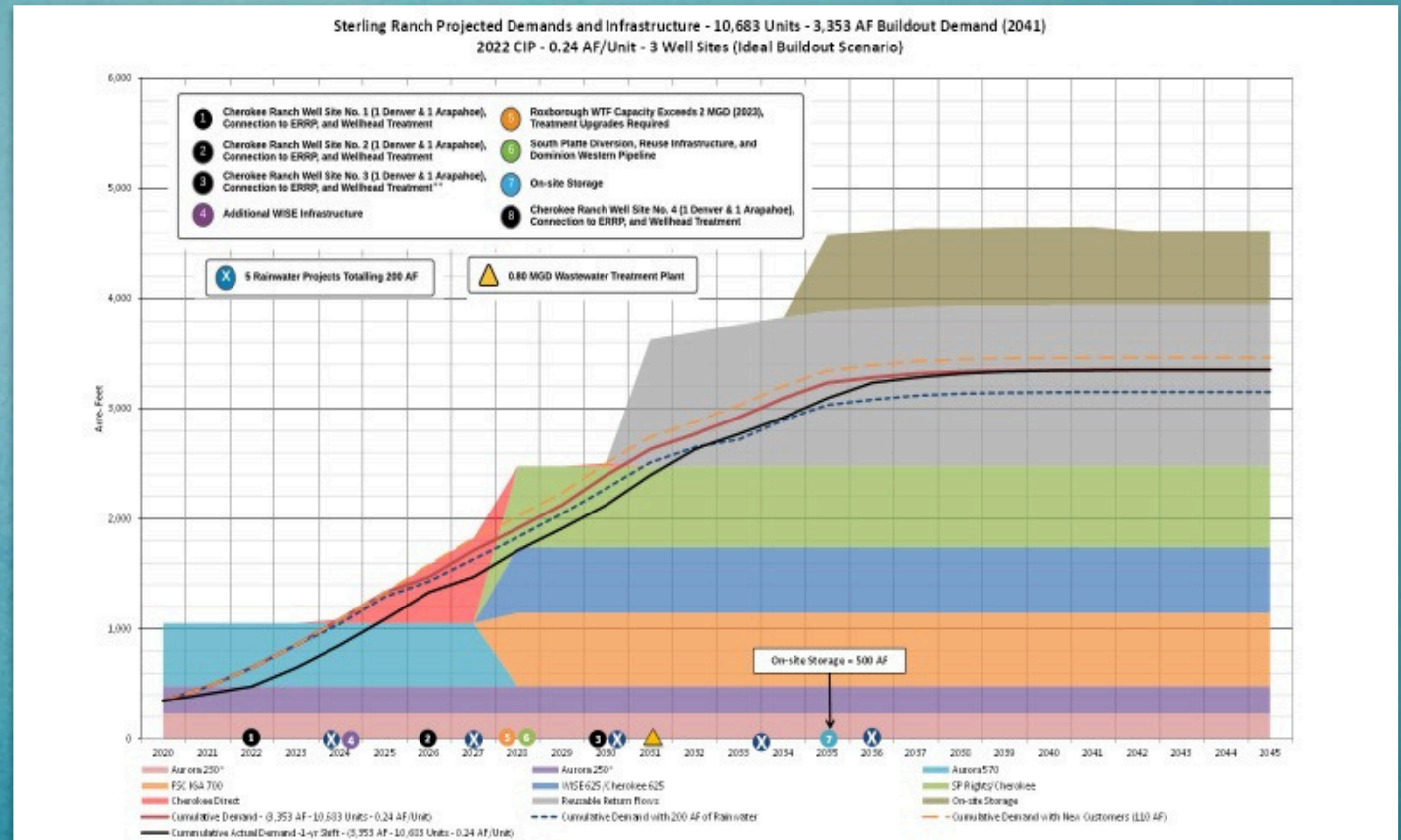
Water Reductions Save Money...

... And Water is the Lynchpin of Growth in CO

1. Over \$60 million in infrastructure savings
2. Use Water to Extinction!
3. Rainwater Harvesting
4. Water Costs (Taps) directly Impact Land Value



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COLORADO



Tools to be Water Wise

- 1. Land Plan Design
- 2. Diversity of Housing
- 3. Landscape & Lot Design
- 4. Technology
- 5. Effective Rate Structure



Tools to be WaterWise



Let's talk Success

0.17
Acre-Ft
PerHome *2022

55,000
GallonsPer
Home

45%
Lower Than
AverageDenver
MSA

26%
Lower than State
Water Plan 2050
Target

MSA

Density & Design Matter!



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Tools to be Water Wise



0.202
Acre-Ft
Per Large Lot

~ 60%
Indoor Water
Usage

0.136
Acre-Ft
Per Small Lot

~ 67%
Indoor Water
Usage



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Diversity of Housing

ToolstobeWaterWise

Landscape Takeaways

1. Partnership with Denver Botanic Gardens
2. Homeowner education
3. Irrigation budgets
4. Individual lot landscape designs
5. No one-size fits all
6. Grass isn't always the enemy



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Landscaping & Lot Design

Tools to be Water Wise



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Landscaping & Lot Design

Tools to be Water Wise



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Landscaping & Lot Design

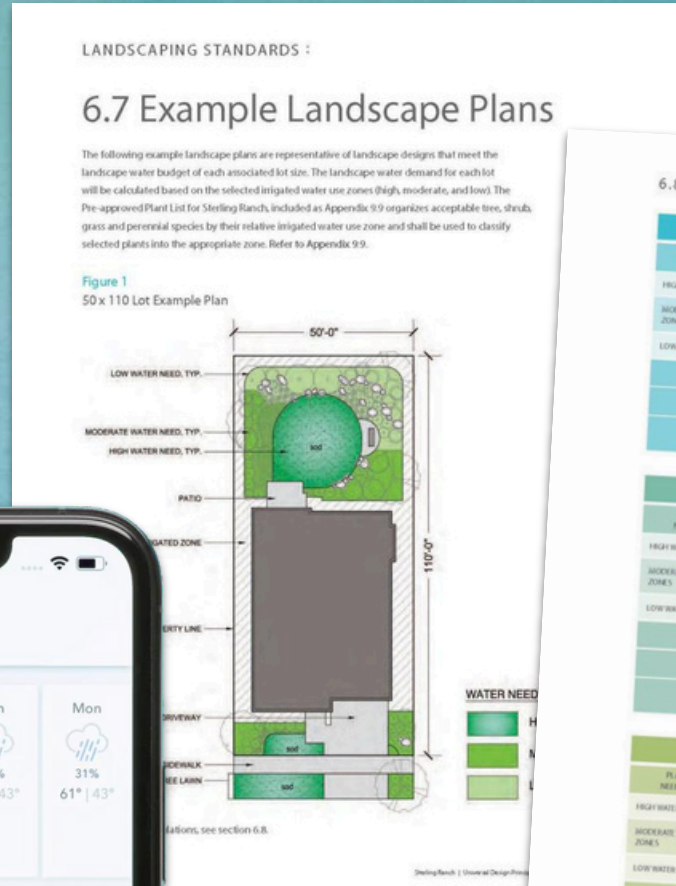
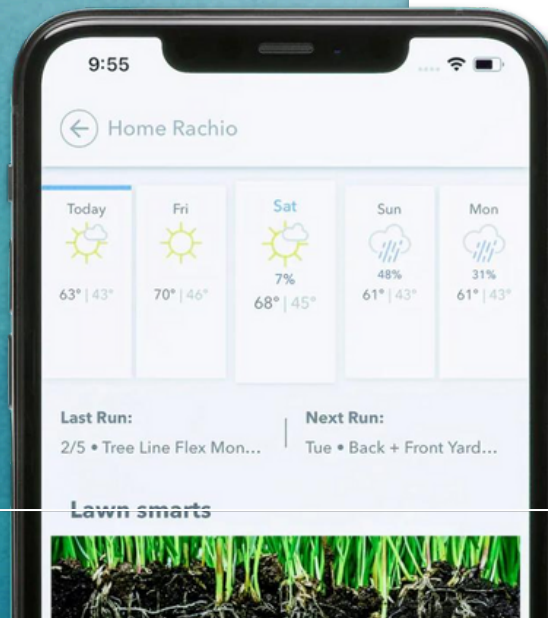
Tools to be Water Wise

Technology

1. Dualwater meters
2. Rachio
3. Predictive Analytics
4. Low-flow fixtures



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COLORADO



6.8 WATER USE CALCULATIONS

FIGURE 1 WATER USE CALCULATIONS | 50' X 110' LOT

PLANT WATER NEED CATEGORY	SF	GAL/S' SF	GAL/S' SEASON
HIGH WATER ZONES	784	20	15,680
MODERATE WATER ZONES	736	30	22,080
LOW WATER ZONES	612	6	3,672
TOTAL GALLONS NEEDED BY ALL ZONES			31,432
LOT SIZE:			5,520 SF
LOT WATER BUDGET:			20,000 GAL/YEAR

FIGURE 2 WATER USE CALCULATIONS | 60' X 110' LOT

PLANT WATER NEED CATEGORY	SF	GAL/S' SF	GAL/S' SEASON
HIGH WATER ZONES	1000	20	21,600
MODERATE WATER ZONES	607	30	18,210
LOW WATER ZONES	640	6	3,840
TOTAL GALLONS NEEDED BY ALL ZONES			33,650
LOT SIZE:			6,600 SF
LOT WATER BUDGET:			20,000 GAL/YEAR

FIGURE 3 WATER USE CALCULATIONS | 70' X 110' LOT

PLANT WATER NEED CATEGORY	SF	GAL/S' SF	GAL/S' SEASON
HIGH WATER ZONES	1104	20	22,880
MODERATE WATER ZONES	430	30	12,900
LOW WATER ZONES	1,213	6	7,278
TOTAL GALLONS NEEDED BY ALL ZONES			33,058
LOT SIZE:			2,700 SF
LOT WATER BUDGET:			20,000 GAL/YEAR

Tools to be Water Wise

WATER BUDGET

(gallons / year)

LOT SIZE SQ. FT. (without ROW)		
0	3,000	10,000
3,001	4,000	12,500
4,001	5,000	15,000
5,001	6,000	27,000
6,001	7,000	32,000
7,001	8,000	39,000
8,001	11,000	49,000
11,001	20,000	60,000
20,001	30,000	80,000
30,001	70,000+	100,000

Effective Rate Structures



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COLORADO

INDOOR WATER RATES

TIER 1	TIER 2	TIER 3
\$8.55	\$10.30	\$16.35
Per 1,000 gallons	Per 1,000 gallons	Per 1,000 gallons

OUTDOOR WATER RATES

TIER 1	TIER 2	TIER 3	TIER 4
\$10.25	\$16.05	\$21.85	\$26.90
Per 1,000 gallons	Per 1,000 gallons	Per 1,000 gallons	Per 1,000 gallons

TIERED WATER PRICING

Single Family Monthly Fee	\$66.00
Multi-Family Monthly Fee	\$44.25
Plus Monthly Usage of Indoor and Outdoor Water	

Water Wise Works



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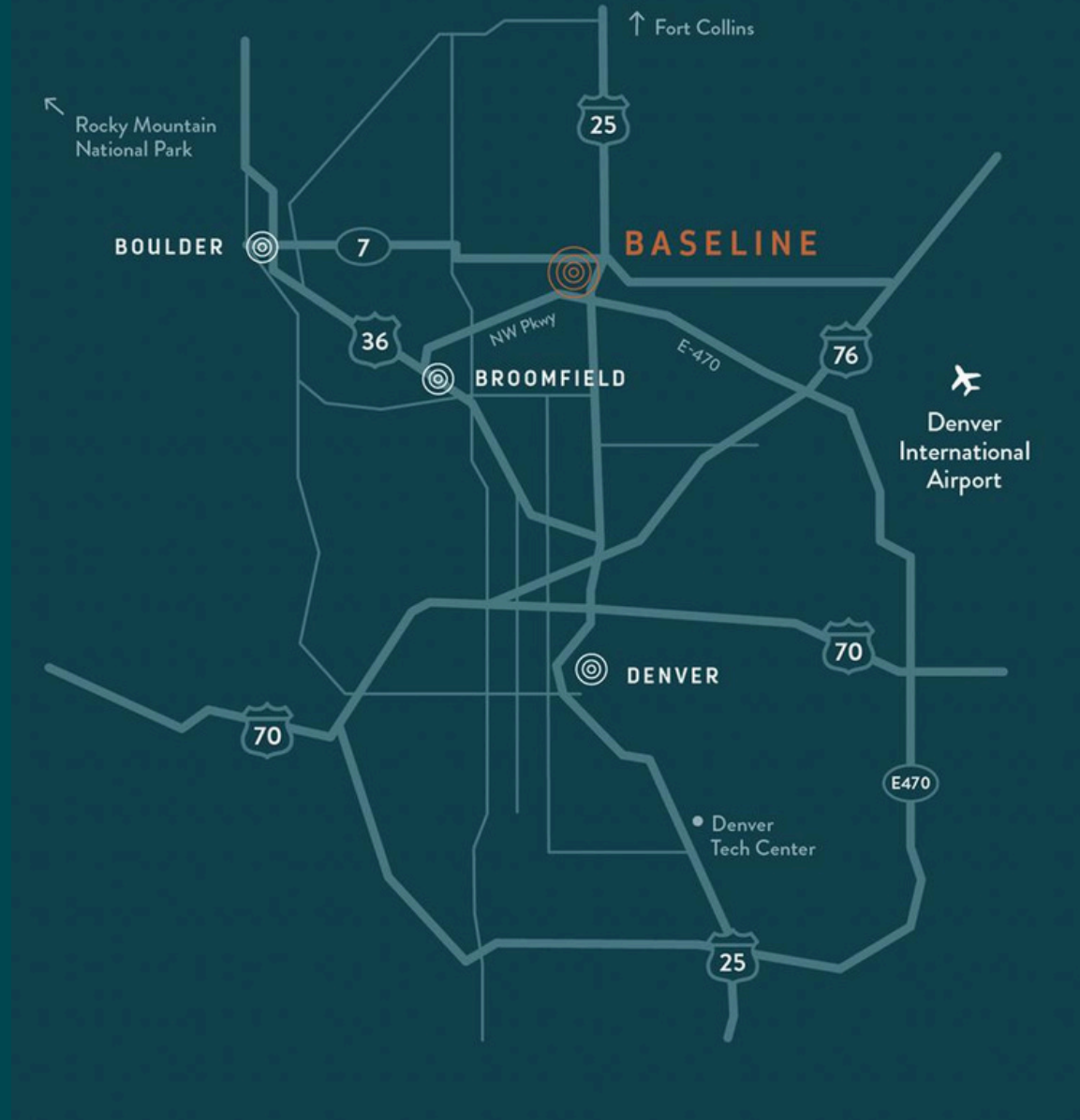


BASELINE™

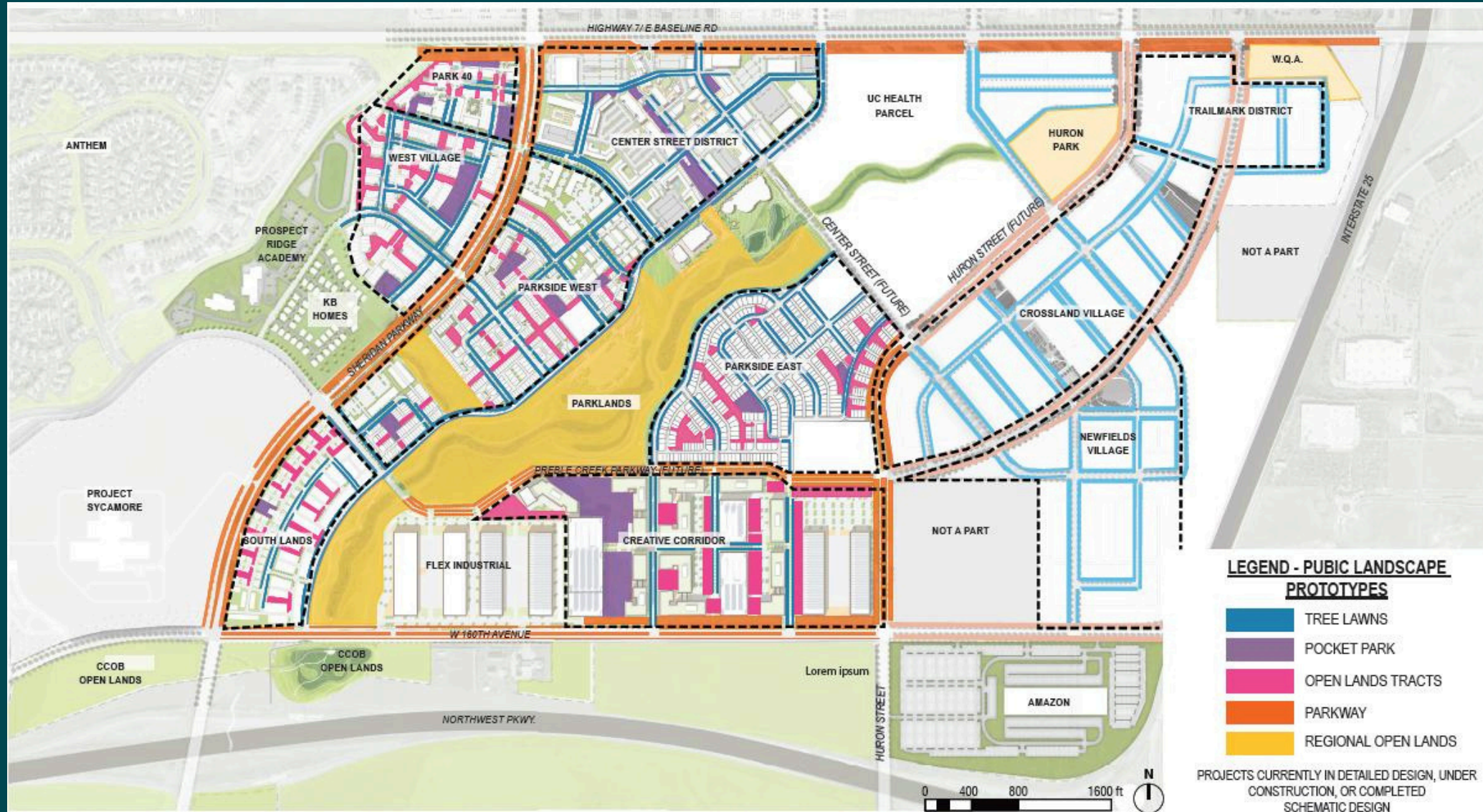
Broomfield, Colorado

WATER CONSERVATION IN PRACTICE

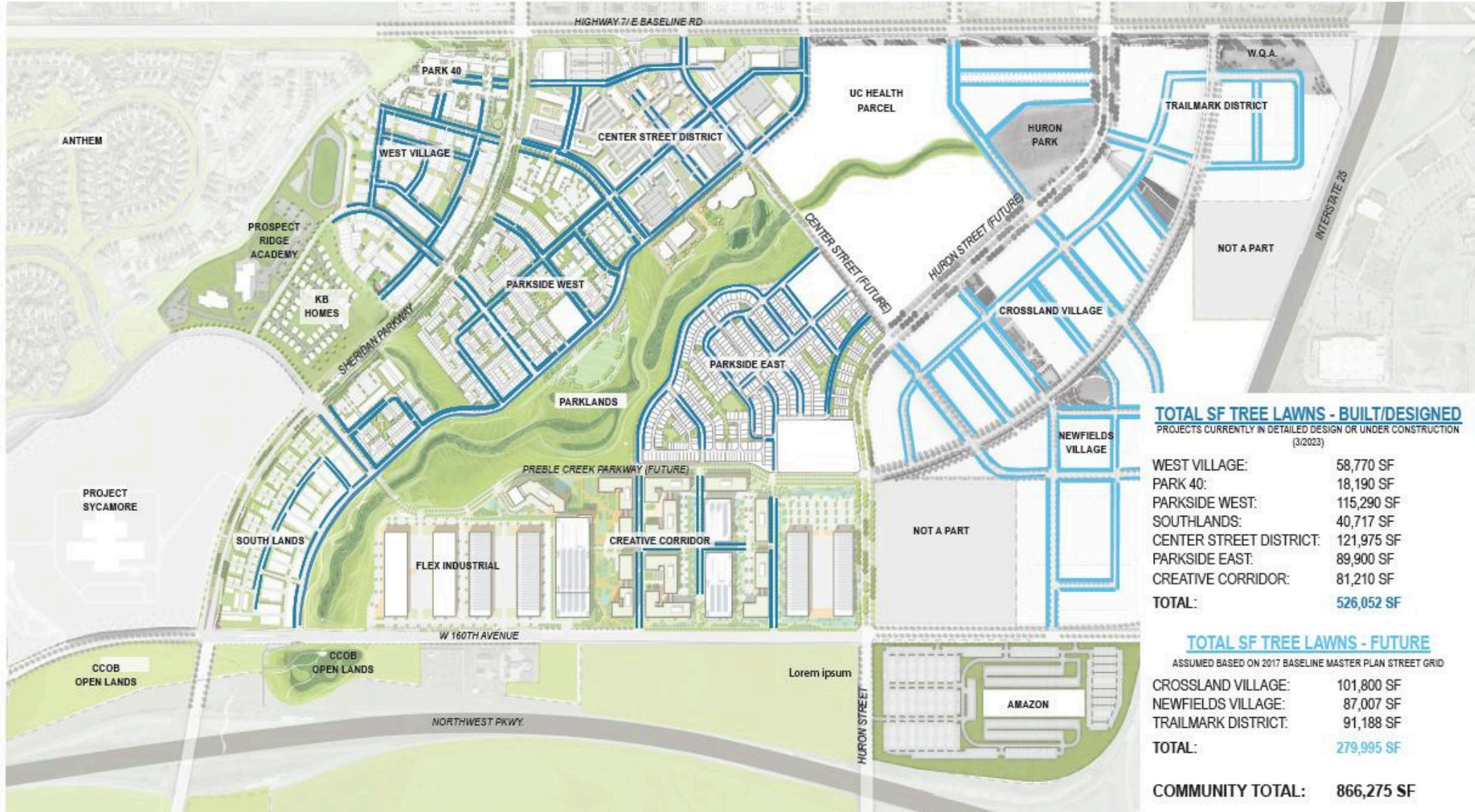
| Location



| Baseline Landscape Zones



| Tree Lawns



| Tree Lawns

TREE LAWNS	TYPICAL	BASELINE COMMUNITY TREE LAWN
STUDY AREA (SF)	3,000 SF	3,000 SF
IRRIGATED TURF (SF) (HIGH WATER REQ.)	3,000 SF	1,228 SF
IRRIGATED SHRUBS (SF) (MEDIUM WATER REQ.)	0 SF	745 SF
IRRIGATED NATIVE SEED (SF) (LOW WATER REQ.)	0 SF	0 SF
PERCENTAGE OF LANDSCAPE IRRIGATED (%)	100%	66%
WATER REQUIREMENT (GAL/YEAR)	58,163	27,857



| Tree Lawns –3,000 sf Study Area

Cost	Typical Community	Baseline	Delta
Installed Cost	\$26,985 \$11,062	\$38,889	48%
Water Rights	\$18,000 \$56,455	\$5,298	(52%)
Yearly Maintenance Cost		\$24,000	33%
Yearly Water Cost		\$27,057	(52%)
10 Year Cost	\$782,599	\$555,703	(29%)

10-year Savings: \$226,896

| Pocket Parks



| Pocket Parks

POCKET PARK	TYPICAL	BASELINE COMMUNITY POCKET PARK - AVERAGE
STUDY AREA (SF)	26,000 SF	26,000 SF
IRRIGATED TURF (SF) (HIGH WATER REQ.)	17,500 SF	10,010 SF
IRRIGATED SHRUBS (SF) (MEDIUM WATER REQ.)	0 SF	5,355 SF
IRRIGATED NATIVE SEED (SF) (LOW WATER REQ.)	1,100 SF	0 SF
PERCENTAGE OF LANDSCAPE IRRIGATED (%)	72%	59%
WATER REQUIREMENT (GAL/YEAR)	343,124	145,956

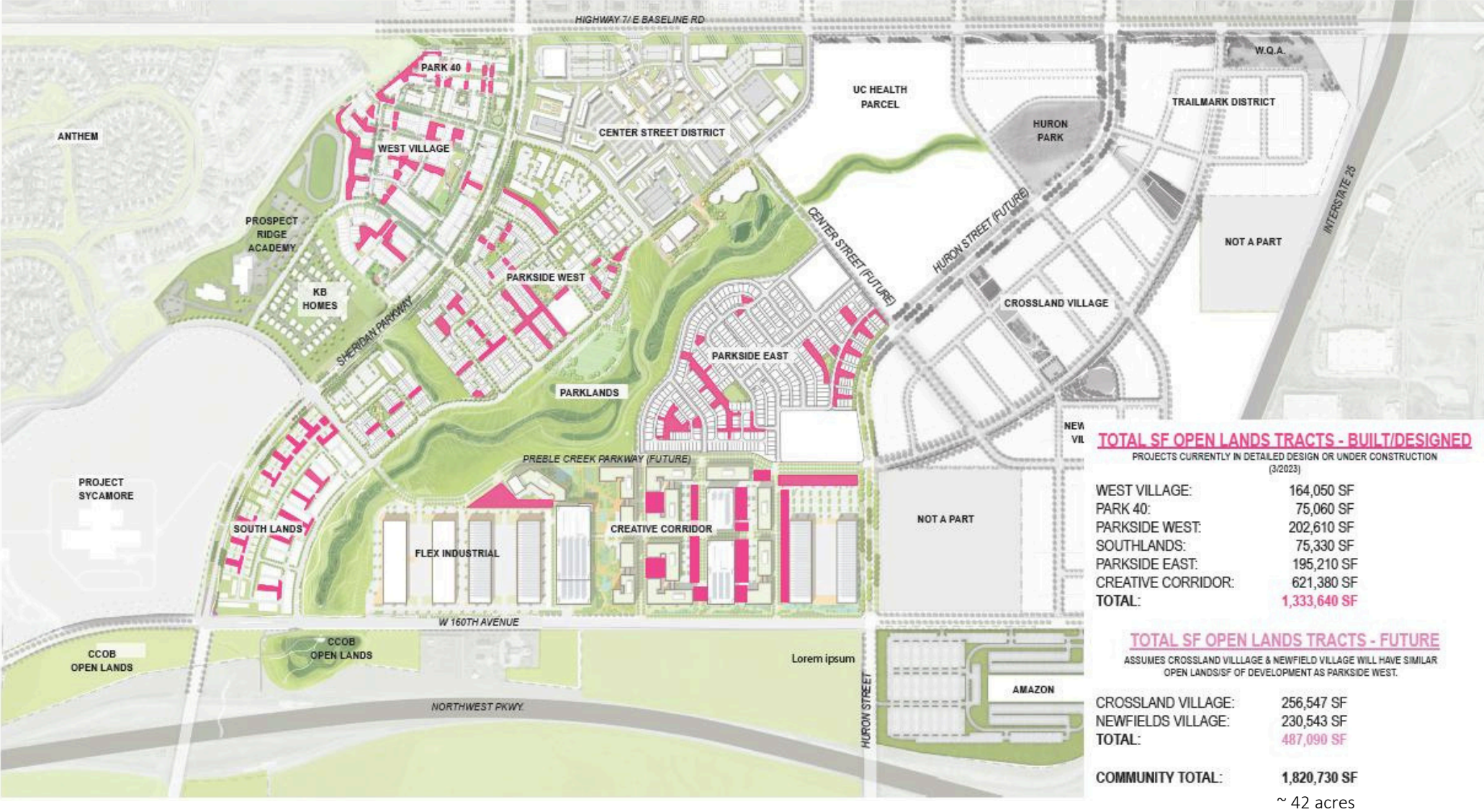


| Pocket Park –½ Acre Study Area

Cost	Typical Community	Baseline	Delta
Installed Cost	\$119,559	\$133,319	12%
Water Rights	\$65,256	\$27,758	(57%)
Yearly Maintenance Cost	\$343,124	\$145,956	(57%)
Yearly Water Cost	\$48,999	\$20,857	(57%)
10 Year Cost	\$1,790,809	\$1,487,959	(17%)

10-year Savings: \$302,850

| Open Lands/Gardenways



| Open Lands/Gardenways

OPEN LANDS TRACTS	TYPICAL	BASLINE COMMUNITY OPEN LAND TRACTS - NATIVE	BASLINE COMMUNITY OPEN LAND TRACTS - BOTANIC
STUDY AREA (SF)	7,000 SF	7,000 SF	7,000 SF
IRRIGATED TURF (SF) (HIGH WATER REQ.)	5,900 SF	0 SF	500 SF
IRRIGATED SHRUBS (SF) (MEDIUM WATER REQ.)	0 SF	0 SF	5,690 SF
IRRIGATED NATIVE SEED (SF) (LOW WATER REQ.)	1,100 SF	7,000 SF	0 SF
PERCENTAGE OF LANDSCAPE IRRIGATED (%)	100%	100%	88%
WATER REQUIREMENT (GAL/YEAR)	118,229	24,448	40,621



| Garden Ways—7,000 sf Study Area

Cost	Typical Community	Baseline (Botanic)	Data
Installed Cost	\$50,482 \$22,485	\$68,080	35%
Water Rights	\$21,000 \$103,350	\$7,725	(66%)
Yearly Maintenance Cost		\$42,000	100%
Yearly Water Cost		\$14,913	(86%)
10 Year Cost	\$1,316,469	\$644,940	(51%)

10-year Savings: \$671,529

| Parkway



| Parkways

PARKWAY	TYPICAL	BASELINE COMMUNITY PARKWAY
STUDY AREA (SF)	25,000 SF	25,000 SF
IRRIGATED TURF (SF) (HIGH WATER REQ.)	16,500 SF	0 SF
IRRIGATED SHRUBS/ BUFFALO GRASS (SF) (MEDIUM WATER REQ.)	5,000 SF	18,095 SF
IRRIGATED NATIVE SEED (SF) (LOW WATER REQ.)	3,500 SF	0 SF
PERCENTAGE OF LANDSCAPE IRRIGATED (%)	100%	72%
WATER REQUIREMENT (GAL/YEAR)	359,295	98,352



| Parkways—25,000 sf Study Area

Cost	Typical Community	Baseline	Data
Installed Cost	\$175,830	\$214,294	22%
Water Rights	\$68,332	\$18,705	(73%)
Yearly Maintenance Cost	\$2,270,863	\$1,707,651	(25%)
Yearly Water Cost	\$127,670	\$34,965	(73%)
10 Year Cost	\$2,270,863	\$1,707,651	(25%)

10-year Savings: \$563,212

| Regional Park



| Regional Park



<u>REGIONAL PARK</u>	TYPICAL COMMUNITY PARK	BASELINE COMMUNITY REGIONAL PARK
STUDY AREA (ACRE)	56 AC	56 AC
IRRIGATED TURF (SF) (HIGH WATER REQ.)	1,447,120 SF	375,996 SF
IRRIGATED SHRUBS (SF) (MEDIUM WATER REQ.)	500 SF	138,550 SF
IRRIGATED NATIVE SEED (SF) (LOW WATER REQ.)	0 SF	1,059,143 SF
PERCENTAGE OF LANDSCAPE IRRIGATED (%)	59%	65%
WATER REQUIREMENT (GAL/YEAR)	28,058,865	12,914,036

| Regional Park –56 Acre Study Area

Cost	Typical Community	Baseline	Data
Installed Cost	\$8,925,238	\$7,519,646	(16%)
Water Rights	\$5,336,349	\$2,456,044	(54%)
Yearly Maintenance Cost	\$579,048	\$361,905	(38%)
Yearly Water Cost	\$133,801	\$61,707	(54%)
10 Year Cost	\$21,390,076	\$14,211,814	(34%)

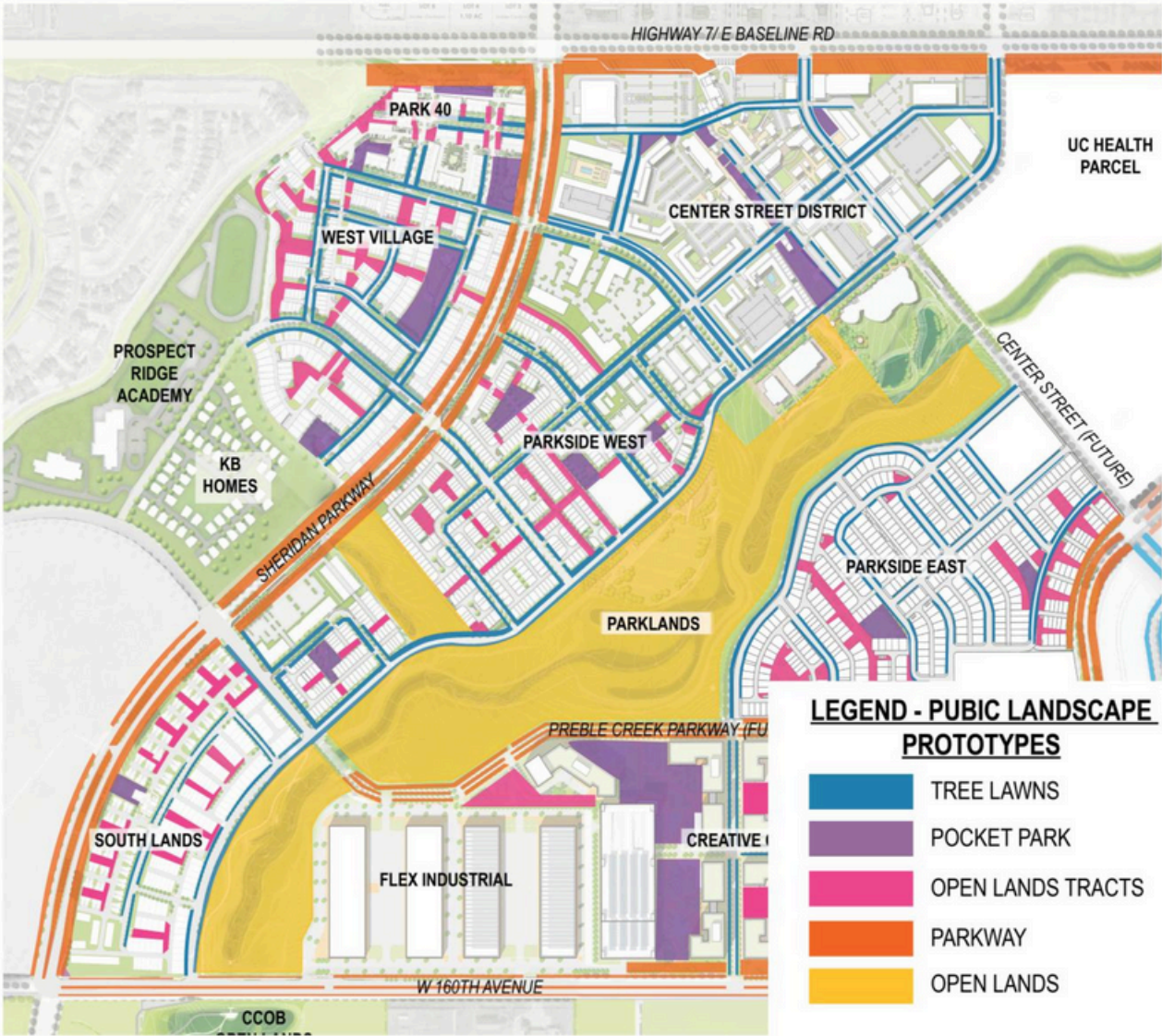
10-year Savings: \$7,178,262

| Overall Economics

Cost	Typical	Baseline	Delta
Installed Cost	Community	\$71,059,682	(4%)
Water Rights	\$73,906,928	\$10,154,527	(66%)
Yearly Maintenance Cost	\$29,998,544	\$671,008	(17%)
Yearly Water Cost	\$804,648	\$159,494	(66%)
10 Year Cost	\$470,276	\$82,044,711	(22%)
	\$105,180,396		

10-year Savings: \$24,164,633

| Water Conservation



64% Reduction in Irrigation Water

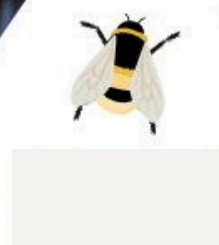
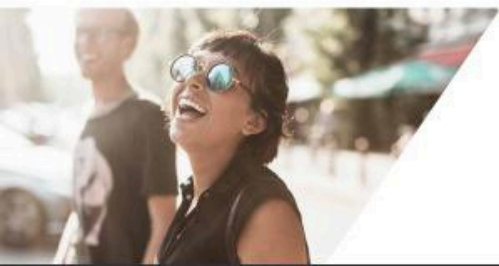
Public Landscape Prototype	% Reduction in Water Use Vs. Typicals
Prototype 1: Tree Lawns	52%
Prototype 2: Pocket Park	57%
Prototype 3: Open Lands Tracts	72%
Prototype 4: Parkway	73%
Prototype 5: Open Lands	54%
Total % Reduction in Water Use	64%



BASLINE™

A place created for people
who are social by nature,
who value experiences over things,
and who regularly gaze west
towards the Rockies to remind
themselves why they live in Colorado.

THANK YOU



Water Strategies for Affordable Housing



Maiker
Housing Partners

What is Affordable Housing?

The most common housing subsidies are:

- HousingChoice(Section8) Vouchers
- Low Income Public Housing
- HUD Subsidized Project Based Section 8
- Low Income Housing Tax Credit

Rules of the Road

For LIHTC units, Internal Revenue Code (IRC) Section 42 dictates that gross rent include the applicable utility allowance if

the tenant pays for their own utilities.

Max Rent 2 bed at 60%	\$1,67
AMI	5
Water and Sewer Utility Allowance	\$70
Net Rent Paid by Tenant	1,605

Empowering People. Strengthening Communities in Adams County.

Case Study – Orchard Crossing

Replacement of all plumbing fixtures at a 74-unit project-based section 8 community. The project was funded by the City of Westminster and completed by Mile High Youth Corps with a total project cost \$75k

Target Replacement Fixture Flow Rates

- Toilet 1.1 gpf
- Showerhead 1.5 gpm
- Kitchen Faucet 1.5 gpm
- Bathroom faucets 0.5 gpm

The Results –Orchard Crossing

Average Winter Consumption (AWC)
reduced 48% in 2021 compared to 2020

Reduction in water and sewer costs:

- \$159k in 2020 (baseyear)
- \$106k in 2021 (-33%)
- \$91k in 2022 (-43%)

Strategies for New Construction

Unit Plumbing Fixtures

Install all Water Sense certified fixtures

Leak detection system

Resident education

Landscaping and Irrigation

Install native species plantings

Limit use of turf/grass

Weather-based irrigation controller

High-efficiency sprinkler heads

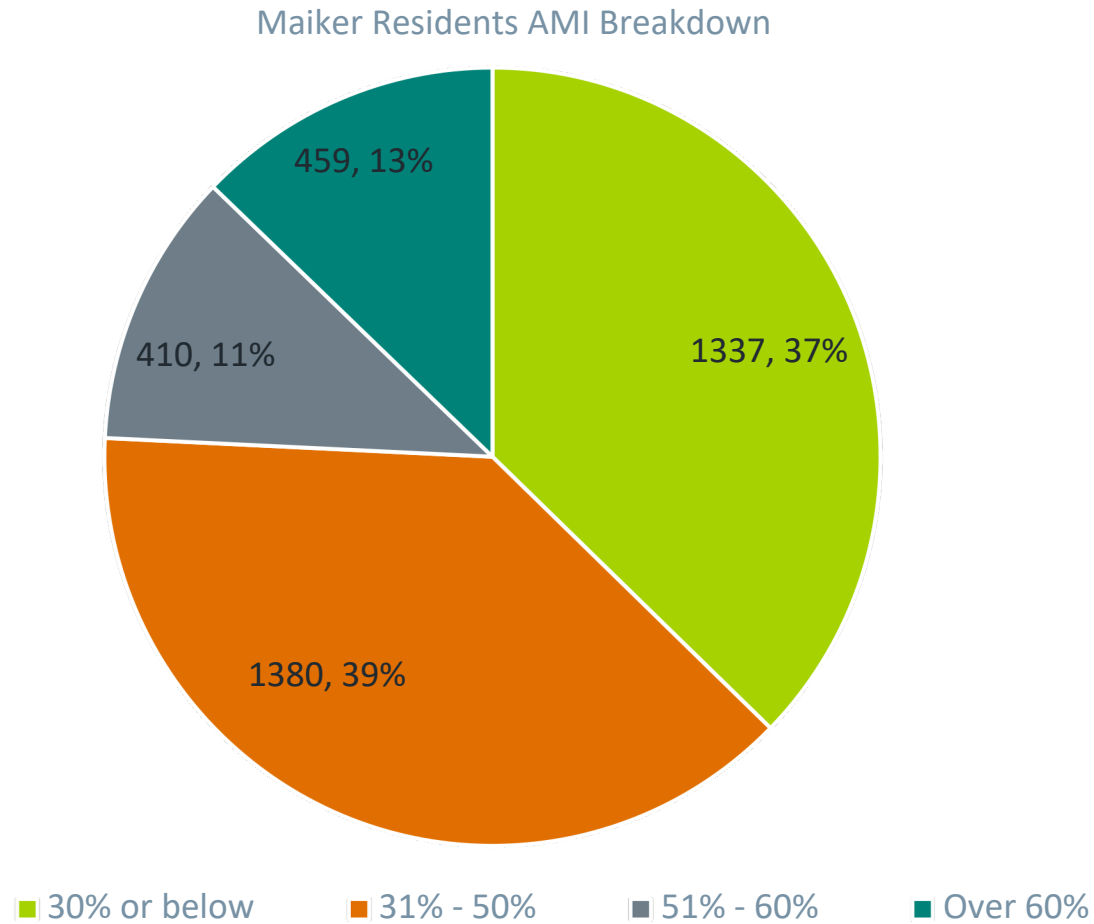
Why it Matters?

- Reduces utility expenses and improves

NOI

- Decrease upfront tap fees
- Reduce consumption and preserve limited water resources
- Lower costs for low-income households

Promoting Equity and Affordability



Thank You!

Steve Kunshier

E: skunshier@maikerhp.org

P: 303-227-2055



Maiker
Housing Partners

Water-Efficient Homes

- Efficiency by design
- Rating & certification
- Confirmed savings
- Mix of carrots & sticks
- Water conservation contributes to better ESG profile





Commitment to Water Conservation

2005

**1st Builder to Join SNWA
Water Conservation Program**

2010

**1st Builder to Join EPA
WaterSense Program**

2020

**1st Builder to Pilot RESNET
HERS H2O**



Water Efficiency By Design

- Whole-house approach
- Hot water distribution
- WaterSense fixtures
- ENERGY STAR appliances
- Low water budget landscaping
- Minimal non-functional turf





How to Present Water Efficiency to Homebuyers?

How to Measure Water Efficiency Levels?

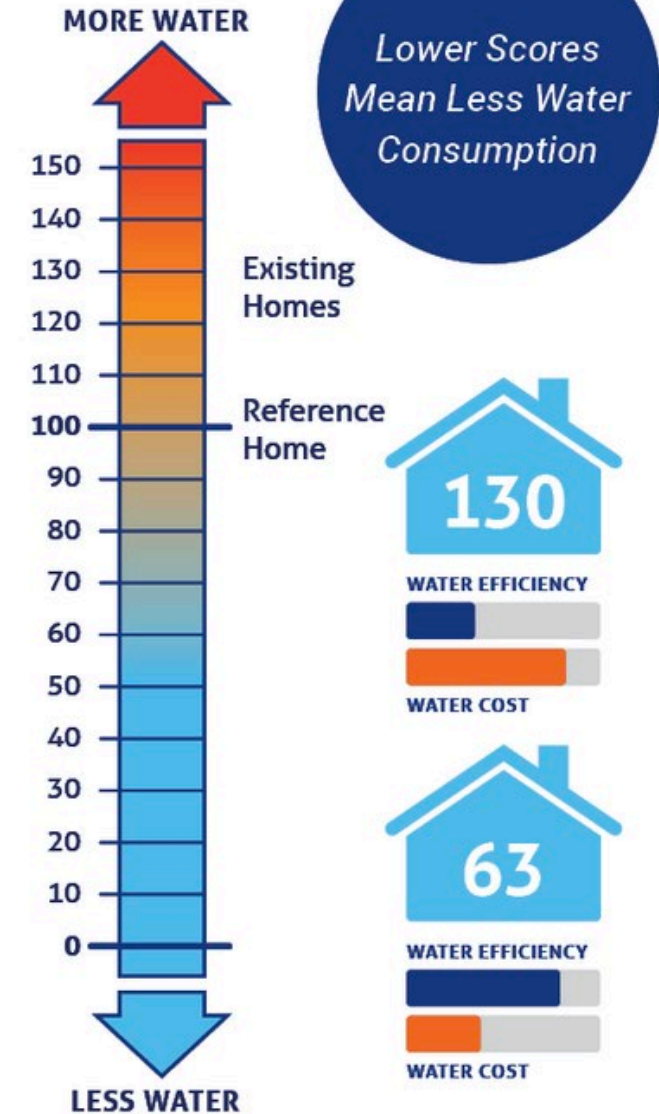


Rating and Certification of Water-Efficient Homes

- EPA WaterSense Program is a great “seal of approval” for customers
- RESNET HERS H2O water efficiency rating system is a good yardstick
- Rating and certification done in conjunction with energy ratings
- Rating certificate shows estimated water savings in gallons and dollars



The RESNET HERS_{H2O} Index: How it Works

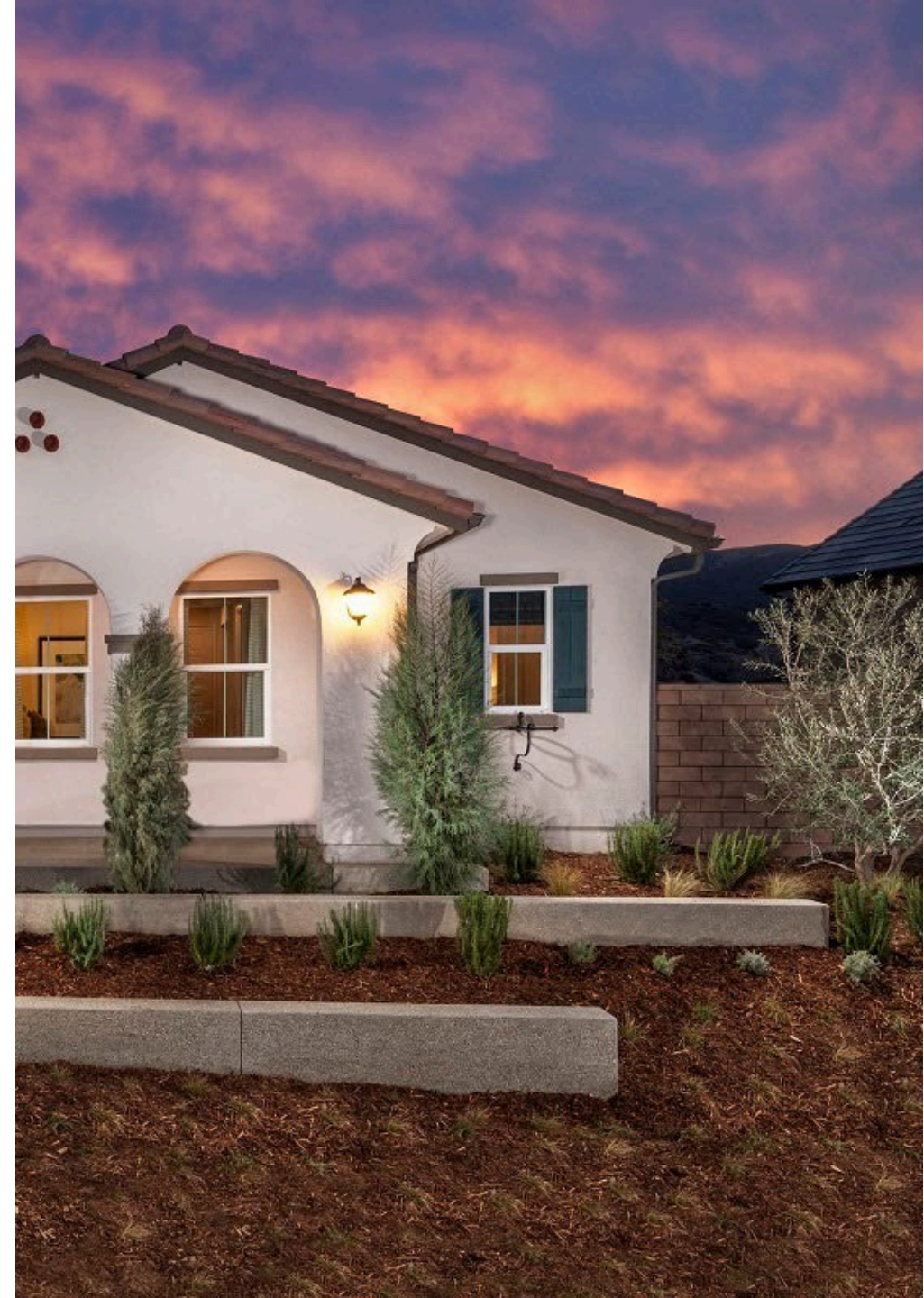




RESNET
HERSH2O®

What Does it Cover?

- Indoor plumbing fixtures
- Dishwasher
- Clothes washer
- Water softener
- Excess pressure
- Irrigation
- Pool / spa
- Leaks



Rating Certificate
for the KB Home in
Las Vegas with
Lowest HERS H2O
Score for 2022



Water Efficiency
Rating Certificate



PROPERTY

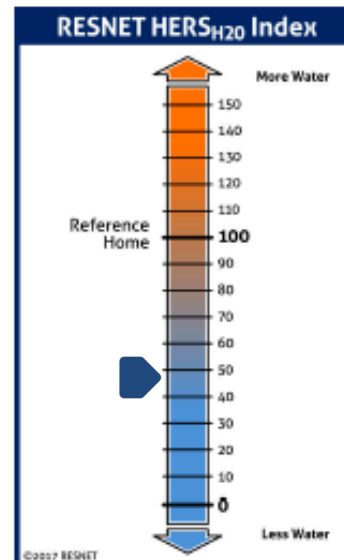
Address: 7508 Lush Oasis Ave
City/State/Zip: Las Vegas, NV, 89113
Builder: KB Home

RATING ORGANIZATION

Rater: Chris Long
Rater ID: 6793814

RATING INFORMATION

HERSH2OIndex: 44
Rating Date: 22-Jul-2022
Registry ID: 495915411
Rating Provider: Energy Inspectors Corporation



How this Home
Compares to the
Reference Home

56%

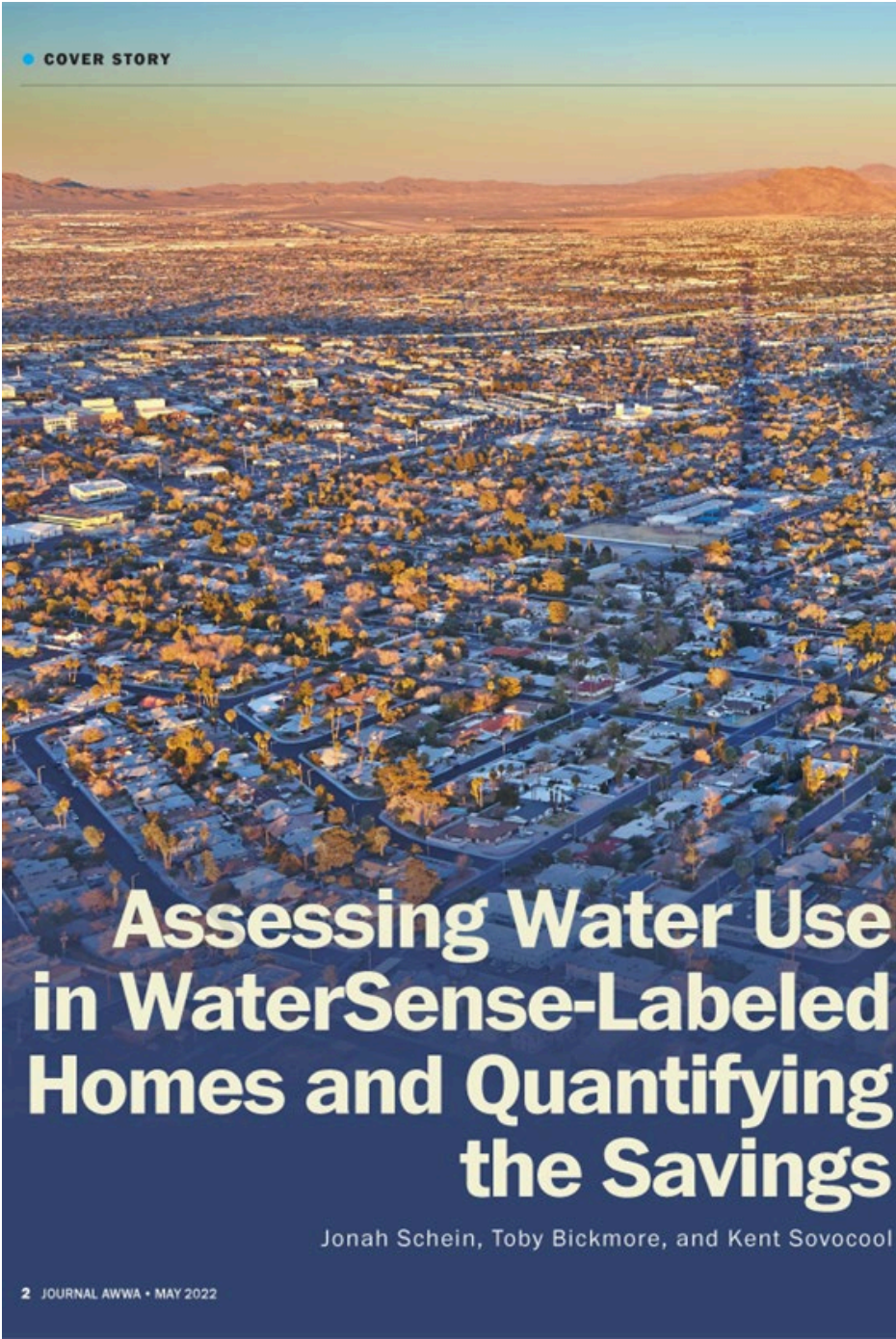
More Water
Efficient

82,747

Gallons, Annual
Water Savings

\$553.08

Estimated Annual
Water Cost Savings



Assessing Water Use in WaterSense-Labeled Homes and Quantifying the Savings

Jonah Schein, Toby Bickmore, and Kent Sovocool

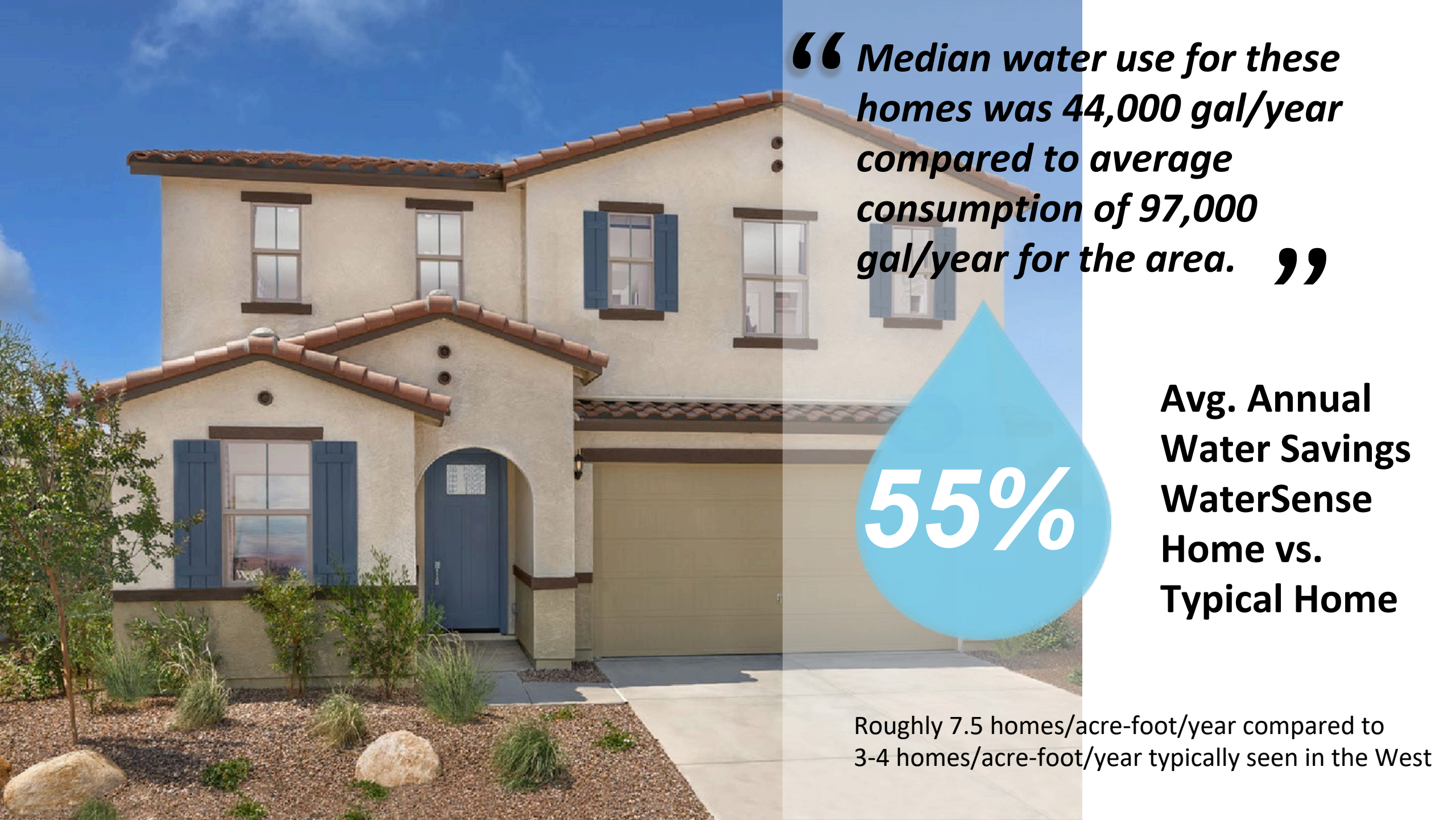
Confirming the Savings

EPA and SNWA conducted a study in the Las Vegas metropolitan region

The study evaluated indoor and outdoor metered water use of 160 WaterSense-labeled KB homes

Confirms that the HERS H2O model is doing a good job of identifying which homes are likely to use less water, and is performing as expected

Metered water usage was collected from the retail utilities and paired with information gathered during the inspection/certification process



“ Median water use for these homes was 44,000 gal/year compared to average consumption of 97,000 gal/year for the area. ”

55%

**Avg. Annual
Water Savings
WaterSense
Home vs.
Typical Home**

Roughly 7.5 homes/acre-foot/year compared to 3-4 homes/acre-foot/year typically seen in the West

Mixed Picture – Carrots & Sticks

June 19. Governor Hobbs recently announced the state will no longer approve building permits for developments inside Assured Water Supply areas that rely solely on groundwater, saying the groundwater in the Phoenix area was already spoken for. Jun 19, 2023



\$1,000 incentive for a
WaterSense certified home,
paid to builder

ESG is Important to Investors

Water Conservation is a Key Part of ESG



Q&A

Brock Smethills

President, Sterling Ranch Development
Company

Kyle Harris

Senior Vice President Community
Development, McWhinney

Steven Kunshier

Director of Housing Development, Unison
Housing Partners

Jacob Atalla

Vice President, Sustainability Initiatives, KB
Home



Coalition Programming



THANK YOU FOR JOINING US!

You can reach me at Marianne.Eppig@uli.org