



McCreary County Community Housing Development Corporation

The McCreary County Community Housing Development Corporation (McCHDO) located in Whitley City, Kentucky has incorporated energy efficient features into all newly constructed homes, providing quality affordable housing to its residents.

Through a combination of local, state and federal funding mechanisms the developer creates what it calls “*Heritage Homes*”. Heritage Homes are Energy Star rated houses that are designed to be used for generations with minimal maintenance and very low cost while allowing room for expansion throughout the community.

Executive Director Donna Thrush explains McCHDO’s motivation,

“We chose Energy Star standards because our mission is “to improve the quality of housing in McCreary County Kentucky”. Choosing to utilize nationally recognized standards of excellence in construction makes it possible to leverage the credibility of that program while meeting our mission. Kentucky has only had a state building code since 2002 and in rural Kentucky there are no building code inspectors. We are setting a higher standard for construction at all levels with our homes. Emphasizing the importance of Energy Star helps explain the reason for building differently than others while providing healthier and more cost

effective home for our low income homeowners. [It is a] win, win.”

McCreary has built five single story, single family detached homes with partly finished basements. The houses have 1,200 square feet of space above grade and sell for \$113,000 - \$122,000. All homes are built with Universal Design features – such as 42” halls, 36” doorways, and 5’ circle baths – and Energy Star certification. The construction specifications used for these Heritage Homes will lay the foundation for all future construction in McCreary County.

Homes certified before July 2006 were constructed with 13-SEER heat pumps; R-38 blown cellulose attics, R-19 spray applied cellulose walls, low-e windows, ductwork entirely in conditioned spaces, and detailed air sealing at windows & doors, plates, and penetrations.

Homes certified to the current Energy Star criteria are constructed with:

- ☆ 14-SEER heat pump systems with return plenum fresh air intake; air handler and ducts in conditioned space
- ☆ Energy Star dishwashers and refrigerators and efficient electric water heaters
- ☆ R-38 blown cellulose attics, cantilevered attic trusses, R-19 spray applied cellulose walls, attic radiant barrier, and air barrier separation between porches and attic spaces

- ☆ Energy Star lighting fixtures for compact and linear fluorescent lighting

Because of its high performance construction details, McCreary estimates its costs to meet the new criteria to be less than \$1,000. Heating and cooling costs are estimated to average less than \$45 per month.

Funding Resources

The level of funding for these projects depends upon the availability of funds at the time participating families become credit ready, the main restriction being that none of the participants have a total gross income of more than 80% of the HUD median. Some of the funding sources include:

- ☆ The Appalachian Regional Commission funds
- ☆ HOME Investment Partnership funds
- ☆ USDA Rural Housing Service 502 loan funds
- ☆ Kentucky Affordable Housing Trust funds
- ☆ Federal Home Loan Bank Affordable Housing Program
- ☆ Private foundation grants funds
- ☆ Equipment and labor donations.

HOME Investment Partnership Funds are allocated by the State Financing Agency, also known as the Kentucky Housing Corporation (KHC), directly to developers like McCHDO through a competitive grant

process. Home buyer projects can qualify for up to \$40,000, while home rehabilitation projects can qualify for as much as \$60,000 of HOME funds.



A New Standard

McCreary County Community Housing Development Corporation uses its own trained crews to do construction. When outside contractors are used, they work with McCreary staff to ensure construction details are completed per specification, rather than completed turn-key. McCreary specifies and buys all of its own equipment and tests ductwork for leakage using its own equipment before close in.

Energy Star inspections, testing, and certifications are completed by McCreary's partner Southern Kentucky Rural Electric Cooperative (SKREC). SKREC completes the Energy Star certifications at no cost under its Touchstone Energy program, which assists customers in energy efficient construction. SKREC certifies homes to Energy Star, performs a duct leakage test, and completes sizing calculations using Air Conditioning Contractors of America (ACCA) Manual J HVAC calculations.

McCHDO requires and administers pre-purchase and post-purchase training for homeowners on the value of Energy Star its construction standards. The training ensures that participating families will be an integral part of the energy efficiency and affordability of the space

Community Support

Initial work, such as design and specifications, are completed in house but building plans are ultimately drawn up by an outside architectural technician. Donated materials and volunteer labor are utilized, during construction, including sweat equity from participant families. In addition, partnerships with volunteers from the Kentucky Baptist Foundation and students from Pine Knot Job Corps have been established to provide manual labor on both new and rehabilitation projects.

Accomplishments

To date, McCreary has completed 5 homes certified Energy Star. The average cost for one of these homes is about \$118,000. All homes are built with Universal Design features – such as 42” halls, 36” doorways, and 5’ circle baths – and Energy Star certification. McCreary’s goal is to ensure their homes have lasting value, improved indoor environmental performance, and low life cycle costs. McCHDO eventually looks to become a training center for Energy Star and other energy efficient practices best practices in rural Kentucky.

For more information

<http://www.mcchdo.org/>