

HPD Preservation Finance Initiatives

AEA Multifamily Conference

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OVERVIEW

- ✓ Green Physical Needs Assessment
- ✓ Finance incremental energy efficiency improvements in moderate rehabilitation projects
- ✓ Green Housing Preservation Program (launched in May 2015)

*Mayoral commitments made **in Housing New York, One City: Built to Last and OneNYC.***



GPNA Overview

Objective to minimize duplicate scoping that is necessary to make both capital and energy improvements to a building.

Green Physical Needs Assessment

- Combines a standard capital needs assessment with an **energy audit** into one tool
 - Buildings 50,000+ sq ft: ASHRAE Level 2 audit as per LL87
 - Buildings below 50,000 sq ft: no comprehensive building analysis, simulation, and/or model
- Energy efficiency and water conservation measures with a payback period of less than 7 years
- Rolling RFQ to pre-qualify firms. To date, 12 firms have been pre-qualified.
- Addresses water conservation and health measures; training opportunities provided by the City

The majority of HDC and HPD Preservation Finance programs require borrowers to get a Green Physical Needs Assessment (GPNA) to access financing

Examples of Energy Efficiency Scope Items

- Insulation
- Window sealants
- Efficient lighting
- Low-flow water fixtures
- Efficiency controls on systems

Examples of Mod Rehab Scope Items

- Boilers
- Roofs
- Windows
- Plumbing
- Electrical

Resources and Key Issues

Resources:

- HPD will provide **financing** for a base cost of up to \$5,000 per project plus \$250 per unit for the first 20 units in a project and \$125 per unit for all remaining units
- Green Housing Preservation Program Only: New York City Energy Efficiency Corporation (NYCEEC) established a **Predevelopment Fund** to help borrowers pay for the upfront costs of the GPNA and other predevelopment costs (i.e. asbestos and lead testing)

Key issues impacting the GPNA and green initiatives during the initial implementation:

Priorities:

- Expanding provider community and training opportunities
- Deepening health components
- Aligning assessments across agencies to leverage incentives
- Underwriting energy efficiency savings

FOR MORE INFORMATION:

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<http://www1.nyc.gov/site/hpd/developers/private-site-preservation.page>

