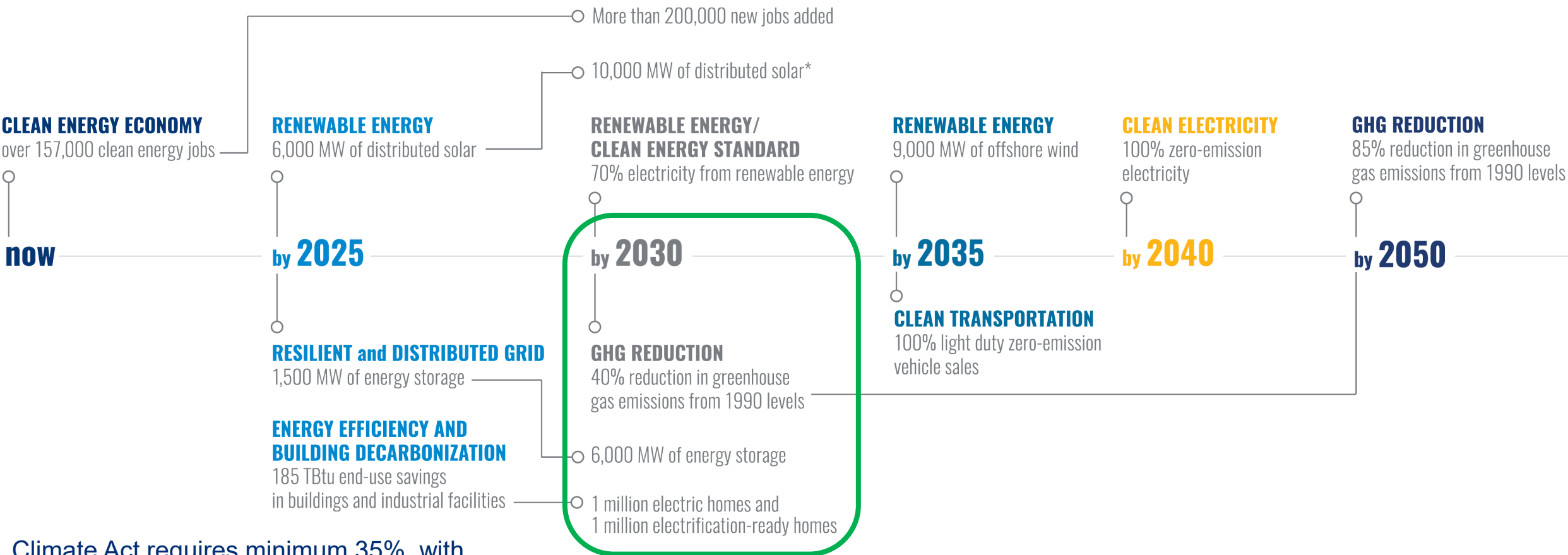


# New York State's Clean Energy Initiative: Collaborating for greener affordable housing

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# New York's Climate Act



Climate Act requires minimum 35%, with goal of 40% of clean energy spending directed to disadvantaged communities.

As announced by Governor Hochul during Climate Week 2021, New York State has now set a successor distributed solar goal of at least 10 GW of solar by 2030; NYSERDA and DPS Staff are now in the process of charting the path to 10 GW and beyond via a Whitepaper before the Public Service Commission (PSC).

# Two Million Climate-Friendly Homes by 2030

## Governor Hochul's 2022 State of the State (SOTS)

- Directs NYSERDA, HCR, DPS and DOS to deliver:
  - **an executable plan this year** to reach 2 Million climate-friendly dwelling units **by 2030**
  - **a funding proposal** and **strategies to leverage private capital**
- The Action Plan must outline path and funding to achieve:
  - a minimum of **1 million electrified** homes/apartments
  - up to **1 million electrification-ready** homes/apartments
  - Ensure more than **800,000 (40%) low-to-moderate income households** served with clean energy upgrades

Scale of homes adopting full-load heat pump systems for heating and cooling will need to  
**Increase 10X from ~20k homes/year to 200k+ homes/year by 2030**

# Critical Policy Instruments

## The Governor's 2 Million Homes initiative recognizes critical policy instruments and interventions needed to achieve this target:

1. Changes in the **new construction code, benchmarking large buildings** including multifamily, and **appliance efficiency standards**
2. Efficiency and electrification integrated into **HCR's 5-year Affordable Housing Capital Plan**
3. Changes in **Public Service Law** to level the playing field for clean energy alternatives and end the obligation to serve customers with natural gas, tailored to maintain affordability for LMI
4. Convening the **finance, mortgage and banking industries** to help align private capital to **support housing decarbonization**
5. Providing the training and workforce development programs/support to ensure that New York has the **skilled workforce to deliver these services**

# Strong Legislative Tailwinds at all Levels

## State

- New York City Public Housing Preservation Trust Act
- Advanced Building Codes, Appliance and Equipment Efficiency Standards Act
- Utility Thermal Energy Network and Jobs Act
- State Tax Credit for Ground Source Heat Pump installations

## Local

- NYC's Climate Mobilization Act including LL97; LL154 – All-Electric New Buildings Act
- City of Ithaca's Green New Deal: Goal to achieve carbon-neutrality community-wide by 2030

## Federal

- Infrastructure Investment & Jobs Act (IIJA) / Bipartisan Infrastructure Law (BIL)
- Inflation Recovery Act (IRA)

# Transformative Partnerships with Affordable Housing

- NYSERDA has robust partnerships in place with HCR, HPD and NYCHA to help them achieve their ambitious sustainability goals
- NYSERDA and HCR have a transformative long-term partnership to effectuate HCR's sustainability leadership and make decarbonization core to developing and preserving NYS affordable housing
- NYSERDA investment in HCR: \$100M over 5 years
  - *Clean Energy Initiative*: a flagship effort to create a streamlined, scalable model for integrating rate-payer funding in the form of incentives and technical assistance into affordable housing financing process

# New York State Homes and Community Renewal

The State's affordable housing agency, with a **mission to build, preserve, and protect affordable housing and increase homeownership (single-family) throughout New York State.**

HCR is comprised of the following agencies:

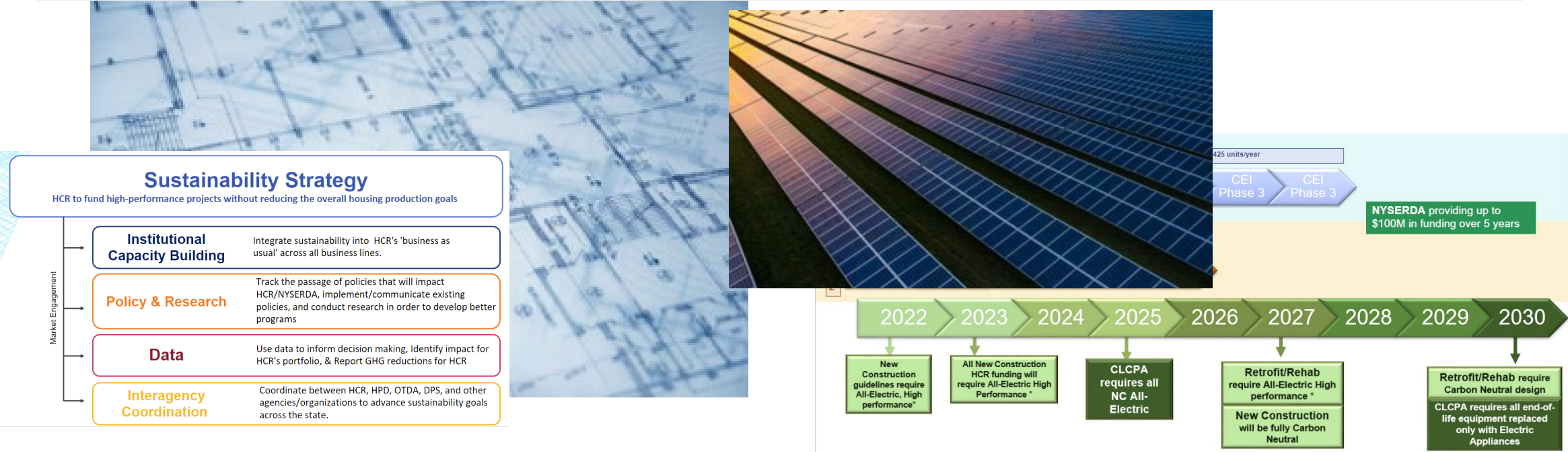
- The State of New York Mortgage Agency (SONYMA)
- Housing Finance Agency (HFA)
- Housing Trust Fund Corporation (HTFC)
- Affordable Housing Corporation (AHC), and
- Division of Housing and Community Renewal (DHCR)



# NYSERDA & HCR Partnership

## Five Key Work Areas

- **Capacity Building:** Create a process for NYSERDA/Energy funding to be utilized as a source (aka directly injected) into HCR pipeline
- **Technical Support:** Provide TAP support for both new construction and existing buildings (preservation and adaptive reuse)
- **Process:** Roll out a set of Guidelines for Sustainability within HCR
- **Data & Research:** Create a process for carbon accounting with HCR. Support HCR with research and developments of new decarbonized technologies.
- **Strategy:** Ensure the HCR roadmap is aligned with the State's Carbon Reduction goals as defined in the CLCPA and 2 Million Homes Action Plan




# Sustainability Guidelines



**HCR  
SUSTAINABILITY  
GUIDELINES:  
NEW CONSTRUCTION**

HCR.NY.GOV  
SPRING 2022

**SECTION 1  
CORE SUSTAINABILITY  
REQUIREMENTS**

Section 1 of the New Construction Sustainability Guidelines outlines core project requirements and eligible third-party certification programs that must be met by all projects.

At a minimum, projects must meet the all-electric standard and comply with one of the [Baseline Requirement](#) third-party certifications. Projects are encouraged to select a third-party certification from the [Stretch Goal](#) section, while still meeting the all-electric standard. Projects that commit to compliance with criteria listed in the [Stretch Goals](#) in Section 1 of these Guidelines shall be considered automatically in compliance with Section 2 and can skip directly to Section 3 of these Guidelines.

**GENERAL CONSIDERATIONS**


Code compliance takes precedence for all building systems and design. If a conflict exists between building/energy codes or HCR sustainability requirements, a design waiver should be requested from HCR.

Please be advised that energy code requirements and the corresponding energy efficiency strategy must be considered when planning a Project's development schedule. Projects will be responsible, without any additional cost to HCR programs, to comply with the applicable energy efficiency standard and all energy code requirements.

Nonresidential projects, or nonresidential spaces in a mixed-use project, shall incorporate comparable energy efficiency strategies as those required for residential projects to achieve similar energy savings.

**Baseline Requirements:**

**A. All Electric:** All projects must utilize high-performance all-electric heating/cooling and domestic hot water equipment and other in-unit or shared appliances such as dryers and cooktops, ovens or ranges, and:



*Ulloa Crescent Brooklyn, NY*



**HCR  
SUSTAINABILITY  
GUIDELINES:  
EXISTING BUILDING**

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SPRING 2022

Adaptive Reuse	Substantial Rehab	Moderate Rehab Level II	Moderate Rehab Level I
No IPNA Required	No IPNA Required	IPNA Required	IPNA Required
<b>Baseline:</b> <ul style="list-style-type: none"><li>All-electric</li><li>Choose from NYSEDA NC-H, 2020 EGC, LEED v4.1, Well or National Green Building Standard</li></ul>	<b>Baseline:</b> <ul style="list-style-type: none"><li>20% energy reduction in project</li><li>Choose from 2020 EGC or LEED v4.1</li></ul>	<b>Baseline:</b> <ul style="list-style-type: none"><li>IPNA</li><li>20% energy reduction in project</li></ul>	<b>Baseline:</b> <ul style="list-style-type: none"><li>IPNA</li><li>Retro-commission central plant systems</li><li>Mandatory water and lighting efficiency (Section 2)</li><li>Insulate existing DHW and HVAC</li></ul>
<b>Stretch:</b> <ul style="list-style-type: none"><li>LEED v4.1 BD&amp;C Zero</li><li>2020 EGS Plus</li><li>Passive House</li></ul>	<b>Stretch:</b> <ul style="list-style-type: none"><li>Passive House envelope</li><li>Electrification</li><li>2020 EGC Plus or <a href="#">EnerPHit</a></li></ul>	<b>Stretch:</b> <ul style="list-style-type: none"><li>Passive House envelope</li><li>Electrification</li><li>2020 EGC Plus or <a href="#">EnerPHit</a></li></ul>	<b>Stretch:</b> <ul style="list-style-type: none"><li>20% energy reduction</li><li>Path to electrification</li><li>Electric ready</li></ul>

## STRUCTURE SUSTAINABILITY GUIDELINE REQUIREMENTS

This booklet is divided into three sections:



Section 1:  
Core Sustainability  
Requirements



Section 2:  
Building Performance  
Requirements



Section 3:  
Additional Sustainability  
Requirements

# Overview: NYS Clean Energy Initiative (CEI)



On August 2021, NYS Homes and Community Renewal (HCR) and the NYS Energy Research and Development Authority (NYSERDA) announced the availability of state funding for a new Clean Energy Initiative, designed to create energy-efficient, all-electric affordable housing units.

1. Promote ease of access to affordable housing owners/developers through one application and source
2. Minimize issues with incentive-based payments
3. Inject clean energy funding within the capital stack

# Overview NYS CEI: Program Development

Phase	Phase 1A (\$7.5M)	Phase 1B (\$25M)	Long Term CEI Program
<b>Hard Cost funding</b>	\$10,000/unit to offset the incremental capital costs of pursuing the scope of work	Up to \$22,500/unit - EB Up to \$10,00/unit - NC	Split funding amounts NC \$5,500/unit NC Boost: \$7,500/Unit Adaptive Reuse: \$12,500/unit
<b>Soft cost funding</b>	\$2,500/unit to fund integrated design	Up to \$2,500/unit not to exceed \$150,000/project	EB: Max (all three scope items) \$25,000/unit  *includes eligible amount of UP TO \$1,000/unit in soft cost, not in addition to ** Max awards per type of funding
<b>Eligible Projects</b>	New Construction & Adaptive Reuse under 200 units	New Construction, Adaptive Reuse and Existing Buildings, under 250 units	New Construction, Existing Buildings, Adaptive Reuse
<b>Requirements</b>	All projects must pay into SBC Cannot receive NYSERDA MPP, NC-H, or BOE funding for construction		

# Role of Technical Assistance Providers (TAP)

We heard from the market, navigating the technical space of heat pump type selection, certification process with green energy performance programs, and the integrated design process can be confusing, especially for first time decarbonization teams.

- Provide direct support for Clean Energy work scope items
- Expertise in Passive House and high-performance building standards
- Compliance with the CEI Program



# Project Example: Tailor Square—Adaptive Reuse of Hickey Freeman

- Green Building and Energy Incentives and Funding:

- CEI—\$1.675 million
- RGE—\$695,800
- Solar Credits/Geothermal/NYSERDA—\$230,000
- LIHTC—30% of Cost
- Federal Historic Tax Credits —15% of Cost
- State Historic Tax Credit — 5% of Cost

- Economic Development Goals:

- \$84 Million Total Investment
- 77,000 sq ft Manufacturing
- 250 Jobs Preserved



# Questions

# Thank you

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