

BUILDINGENERGY BOSTON

Going Deep and Going Broad: The Next Generation of Multifamily Energy Programs

**Jon Braman (Bright Power), Matt Brown (NYSERDA),
Samantha Pearce (New York State Homes and Community Renewal)
Molly Simpson (Fannie Mae), Darien Crimmin (WinnCompanies)**

Curated by Geoff Gunn (Arup)

Northeast Sustainable Energy Association (NESEA)

February 28, 2022

Who we are

Panelists:

- **Molly Simpson**, Program Manager, Multifamily Green Financing Business, Fannie Mae
- **Samantha Pearce**, Vice President of Sustainability, Office of Housing Preservation, NYS Homes and Community Renewal
- **Darien Crimmin**, Vice President of Energy and Sustainability. WinnDevelopment

Moderator

- Jon Braman (moderator) EVP Strategic Initiatives, Bright Power

Why Deep? Why Broad?

MA Decarbonization Roadmap (Dec 2020) aims to “ensure Massachusetts reduces greenhouse gas emissions by at least 85% by 2050 and achieves net-zero emissions.”

- “just under three million housing units will need... heating system retrofit
- “Ideally, almost every building would also get some degree of envelope improvement, with at least two-thirds receiving deep energy efficiency improvements.”

How many existing MF properties need to be decarbonized to hit these goals?

Format

- Panelist intro presentations
- Moderated discussion on 5 themes
 - Going deep
 - Going broad
 - Impact transparency
 - Financing strategies
 - Interplay with BPS policies
- Wrap up

*1-2 audience questions per topic

We hope you will learn:

- Technical and incentive strategies for achieving **deep** energy savings/ electrification/ decarbonization.
- Program design strategies for delivering retrofits **broadly**, to over 1000 properties per year.
- Best practices for ensuring results through **transparent** measurement and verification.
- Strategies for leveraging capital sources to **finance** multifamily energy efficiency and decarbonization.
- Ideas for how energy programs can work in tandem with ambitious **Building Performance Standard** policies from cities or states.

Challenge to panelists

Share what you've seen that works, and be honest about roadblocks that remain.

What strategies already used in your current programs or experience could be part of how we achieve full MF building sector decarbonization in the next 30 years?

“Confront the brutal facts but never lose faith.”



Fannie Mae Green Financing Building Energy Boston 2022

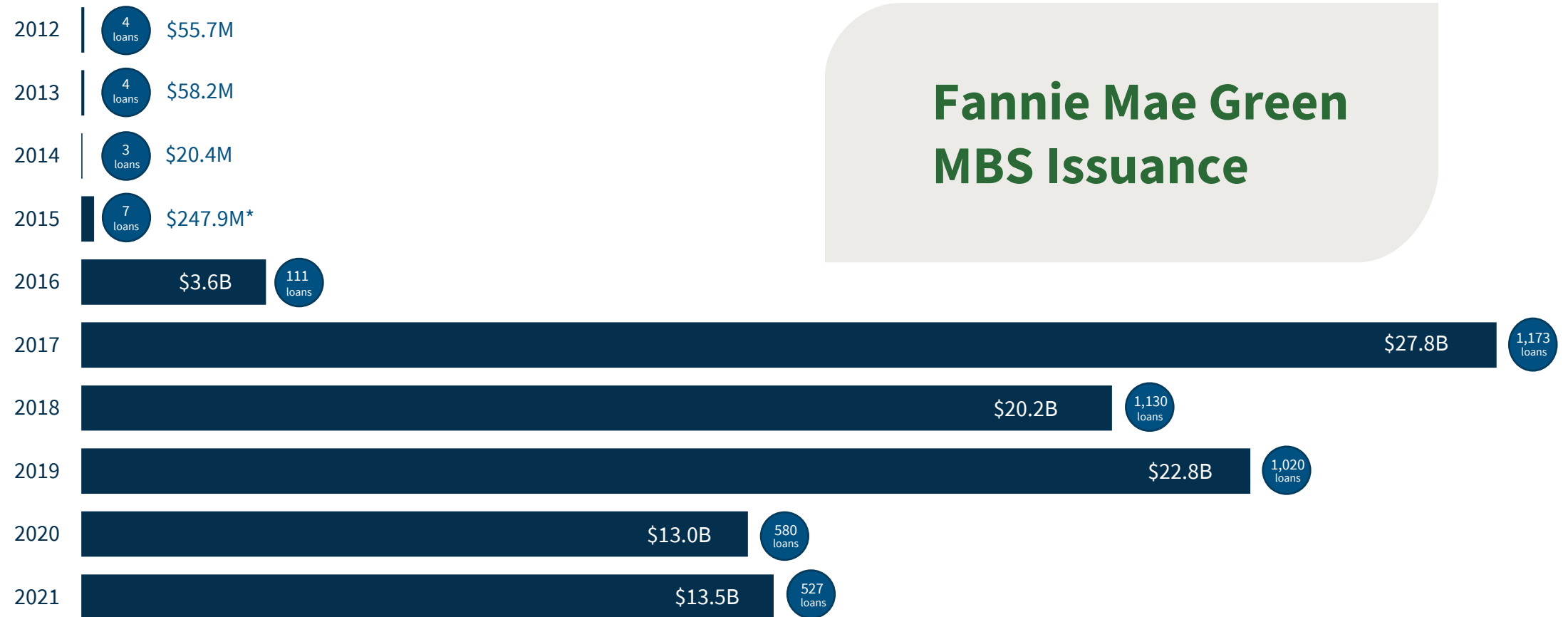
February 28, 2022



Fannie Mae®

Fannie Mae Green Financing Volumes

Fannie Mae Green Financing has grown to a total of more than \$100 billion in Green MBS Issuance



*Includes one cash loan

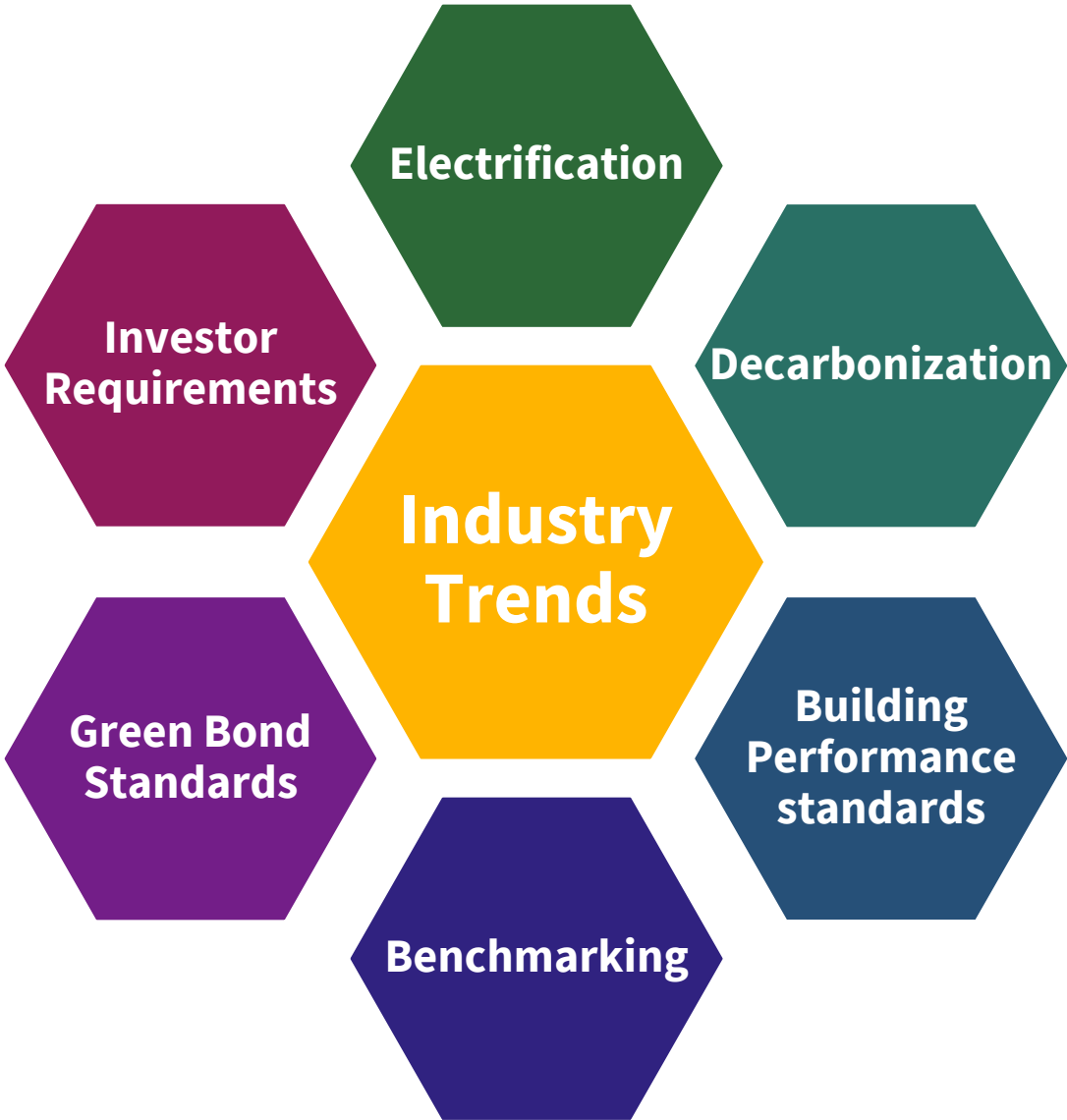
Source: Fannie Mae



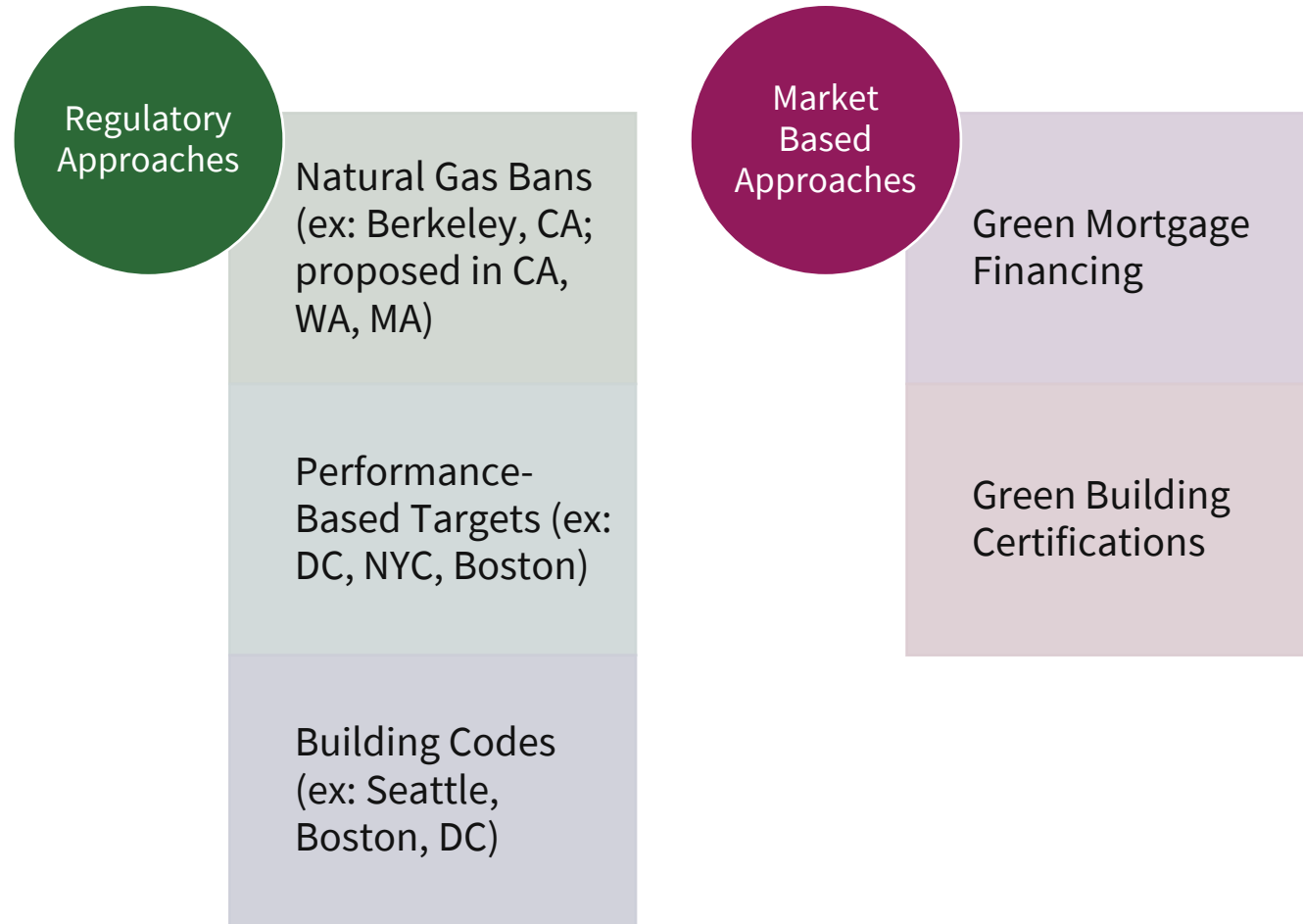
Current Trends in Greening the Built Environment

Increasing worldwide focus on climate continues to spur investor interest in Green bonds.

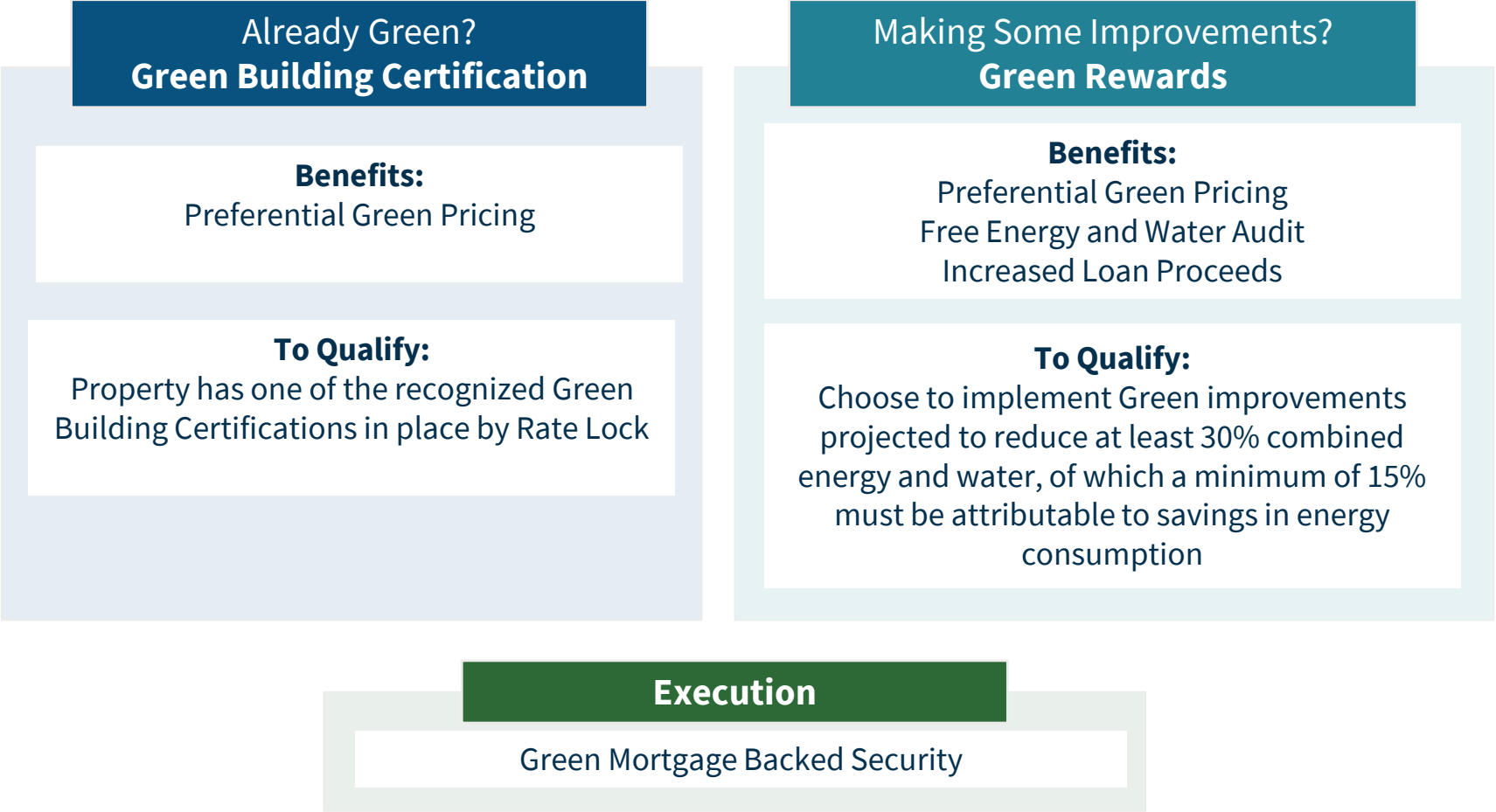
As a result, the green financing industry is rapidly changing.



Approaches to Net Zero

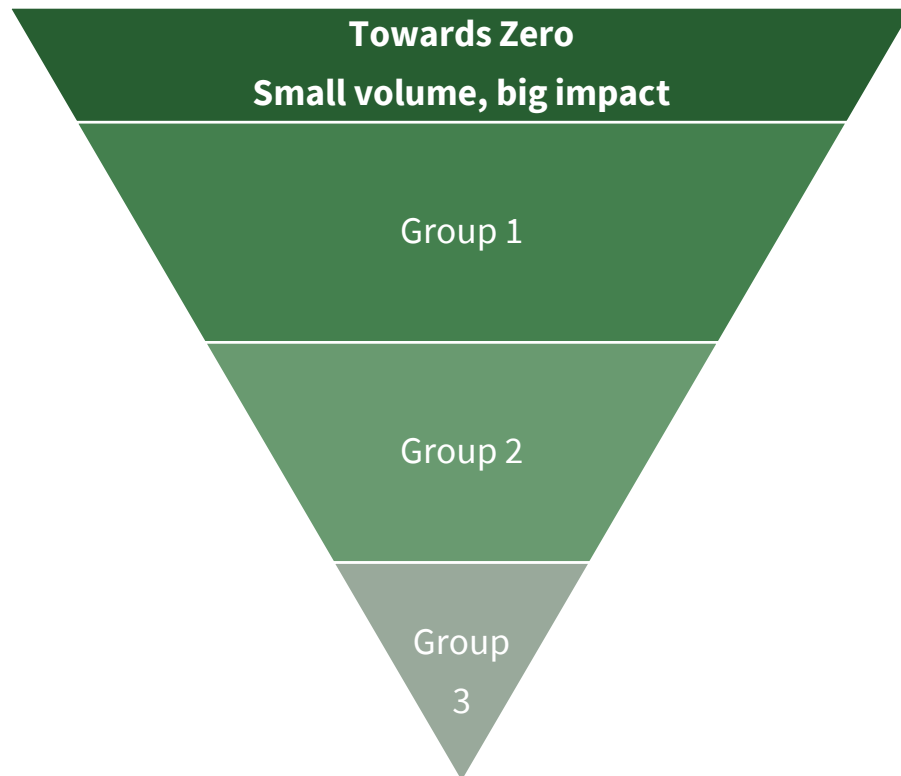


Two Paths to Green Financing



Efforts Towards Zero

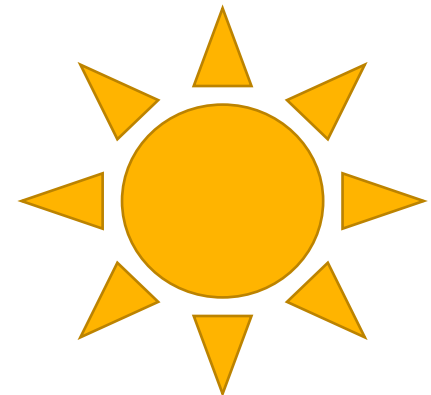
Green Building Certification *Towards Zero* Group



Green Rewards



Renewable Energy Generation



Pax Futura Seattle, WA

Lender: JLL Real Estate Capital

Financing: Green Building Certification preferential pricing

Developer: Sloan Ritchie

CASE STUDY



2018
Year built



\$5.92M
Loan amount



36
Units



Green Building Certification delivers sustainability and energy efficiency

Pax Futura, designed by NK Architects, combined highly efficient construction and deep energy efficiency features. The property received PHIUS + certification from Phius (Passive House Institute U.S.)

This made it eligible for preferential Green Building Certification pricing under Fannie Mae's Towards Zero certification group, resulting in a lower all-in interest rate for the life of the loan.

This property's resource conservation, solar thermal hot water system, and durable construction is a great example of how a Towards Zero green building certification can provide benefits to both borrower and tenants.



Fannie Mae[®]



**Homes and
Community Renewal**

Going Deep and Going Broad: The Next Generation of Multifamily Energy Programs

February 24, 2022

Samantha Pearce
Vice President of Sustainability

Office of Housing Preservation
NYS Homes and Community Renewal

NYS Climate Leadership and Community Protection Act

New York's Nation-Leading Climate Targets

85% Reduction in GHG Emissions by 2050

100% Zero-emission Electricity by 2040

70% Renewable Energy by 2030

9,000 MW of Offshore Wind by 2035

3,000 MW of Energy Storage by 2030

6,000 MW of Solar by 2025

22 Million Tons of Carbon Reduction through Energy Efficiency and Electrification

NEW YORK'S CLIMATE LEADERSHIP and COMMUNITY PROTECTION ACT



New York's landmark new law, the Climate Leadership and Community Protection Act (Climate Act), is demonstrating to the nation how to confront the greatest threat facing life as we know it — a rapidly changing climate. Signed into law in July 2019, the Climate Act will empower every New Yorker to fight climate change and provide the opportunity to improve all our daily lives.

This is our planet. This is our time to fight for it.

By 2040: achieve 100% zero-emission electricity | By 2050: reduce emissions at least 85% below 1990 levels

Achieving the ambitious goals of this law will mean transforming the way we generate and use electricity, the way we heat our homes, and the way we get to school and work. New Yorkers will tackle climate change and create new opportunities for our children and grandchildren. Through thoughtful planning, this effort will breathe life into our economy with well-paying clean energy jobs, new industries and business opportunities, and improved health and quality of life for New York families and communities. New York's course on climate action also means spending less on fossil fuels and keeping our energy dollars in the local economy, and in the pockets of hardworking New Yorkers.

For more information visit:

<https://Climate.NY.Gov>

Clean Energy Initiative

HCR and NYS Energy Research & Development Agency have partnered on a pilot initiative designed to create all-electric and electric ready, or Climate Friendly affordable housing units. The **Clean Energy Initiative** will allow more New York families to benefit from healthy, clean energy homes, while providing housing developers with streamlined access to technical assistance and affordable housing finance opportunities.



Phase	Phase 1A (\$7.5M)	Phase 1B (\$25M)
Hard Cost funding	\$10,000/unit to offset the incremental capital costs of pursuing the scope of work	Up to \$22,500/unit - EB Up to \$10,000/unit - NC
Soft cost funding	\$2,500/unit to fund integrated design	Up to \$2,500/unit not to exceed \$150,000/project
Eligible Projects	New Construction & Adaptive Reuse under 200 units	New Construction, Adaptive Reuse and Existing Buildings, under 250 units