

# Climate Smart Communities Webinar

## Telephone call-in number

- 1-866-394-2346
- Code: 1982360347#
- No audio signal will be transmitted over the Internet



# Welcome

**Kim Farrow**

**Environmental Program Specialist**

**Office of Climate Change**

**New York State**

**Department of Environmental Conservation**



# Climate Smart Communities Webinar

## E-Mail Addresses



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# Climate Smart Communities Webinar

**Website Address**



<http://www.dec.ny.gov/energy/50845.html>

# Climate Smart Community Webinars

Schedule: <http://www.dec.ny.gov/energy/86246.html>

- September 11, 10:30 a.m. *Climate Smart Community Certification.*
- October 9, 10:30 a.m. *Community Energy Options: Combined Heat and Power Plants, and Distributed Generation.*
- November 11, 10:30 a.m. *Community Energy Options: Microgrids and Community Choice Aggregation.*

## Coming Events

- September 12, 8:30 a.m. *Westchester Climate Change Summit.* The Judicial Institute at Pace Law School, White Plains.  
<http://www.law.pace.edu/westchester-climate-change-summit>
- October 2-4. *Conference on the Environment.* Doubletree Hotel, Binghamton. <http://www.nysaccny.org/2014-conference>



# Energize NY Finance

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CLIMATE SMART COMMUNITIES WEBINAR

AUGUST 14, 2014

# EIC

## Energy Improvement Corporation

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- Not-for-profit, Local Development Corp.
- Mission to increase Energy Efficiency & Renewable Energy
- Funded by NYSERDA, DOE, revenue from financings
- Serve property owners with four programs
  - Energize NY Residential
  - Energize NY Commercial
  - Energize NY Finance
  - Solarize Westchester

# The Problem

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- NYS emits 210.85 million metric tons of carbon dioxide annually
- We spend \$61 billion on energy annually
  - \$35 billion in building sector
  - \$21 billion **leaves** the state
  - \$10.5 billion spent on **wasted** energy
- Commercial properties need access to capital for energy projects

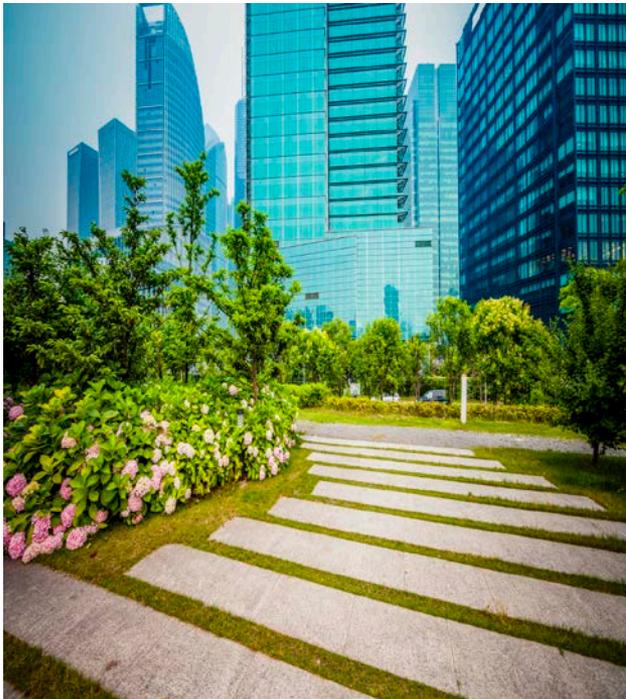
# A Solution



- Provide low-cost, long-term financing for clean energy projects in commercial sector
- Support property owners, service providers and municipal leaders through the clean energy upgrade process
- Follow up with measurement and verification



# Energize NY Finance



New way to pay for energy efficiency or renewable energy projects in commercially owned buildings.

- Healthcare
- Hospitality
- Industrial
- Multifamily
- Manufacturing
- Not-for-profit
- Office
- Retail

# Eligible Measures



- Efficiency: Lighting, insulation, air sealing, HVAC, chillers, controls, windows, pumps, etc.
- Renewable: Solar PV, solar thermal, geothermal, wind, etc.



# PACE Finance

Property Assessed Clean Energy



- Energize NY (ENY) Finance is NY State's PACE program



- NY passed PACE legislation in 2009
- Repayments collected by municipality via property tax bill charge
- Senior lien status

# Benefits of ENY Finance



- Based on property's ability to carry tax charge
- Covers up to 100% of project cost
- Long terms with competitive rates
  - Rates at 3.75% - 6.75%
  - Terms up to 20 years
  - Deeper upgrades
  - Positive cash flow
- Automatically transfers to next property owner



# Financing Criteria

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- Estimated annual energy savings from improvements must be greater than annual finance payments
- Improvements have savings-to-investment ratio  $> 1$
- Property's existing loan-to-value is no greater than 80%
- Financing up to 10% of value of benefitted property
- No bankruptcy within last 7 years
- At least 3 year history of timely property tax payments
- Existing lender consent required
- Recent property appraisal required

# Economic Development



- Savings on energy bills = money that stays in local economy
  - Community stakeholders have increased dollars
  - Spending and reinvestment in local economy



- Energy upgrade projects = jobs creation
  - Increased demand for skilled building professionals

# Municipal Role

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## Municipality must join EIC to use ENY Finance

1. Municipality passes local law establishing program within municipal borders
  - Template legislation completed
2. Sign IMA that codifies the tax repayments to be transferred to EIC's trustee
  - Template IMA completed
3. Formally request EIC membership through letter to EIC Board



# Municipal Tax Collection



1. Municipality adds PACE Finance charge to the annual tax bill for eligible property owners.
  - The tax charge will be recorded on the land record for the term of the financing. It is pari passu with other line item tax bill charges, such as sewers, water districts, schools, etc.
2. Municipality collects the annual Energize NY PACE Finance tax charges from property owners.
3. Municipality remits total annual Energize NY PACE Finance tax charges to EIC's trustee regardless of tax delinquency.
  - EIC protects Municipality from permanent losses from defaulted tax bill charge payments through Municipal Loss Reserve fund.

# Municipal Costs

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Municipality incurs no variable cost as a member of EIC.



- No fees to join
- No membership fees

# Current Members



Bedford

Croton-On-Hudson

Greenburgh (Town)

Lewisboro

New Rochelle

North Salem

Ossining (Town)

Peekskill

Pound Ridge

Somers

White Plains

Yorktown

Orange County

**Member  
Population:  
750,000**

**Prospective  
Member  
Population:  
4,725,000**

# Prospective Members

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Albany (County)

Binghamton (City)

Buffalo (City)

Dutchess (County)

Erie (County)

Onondaga (County)

Poughkeepsie (City)

Putnam (County)

Rest of Westchester Co.

Rockland (County)

Rensselaer (County)

Saratoga (County)

Syracuse (City)

Suffolk (County)

Sullivan (County)

Troy (City)

Ulster (County)

\*NYPA Five Cities Program

# Case Study: Orange County



**“I’m proud to say that Orange County is the first county that signed up for this program.”**

– County Executive, Steve Neuhaus,  
June 2014, Orange County Chamber of  
Commerce Launch Event

“Orange County is ready to further assist commercial property owners in addressing a critical cost component in the operations of their buildings: energy. It’s all about cutting the costs of doing business here, so we can grow existing job creators and attract new ones.”

– County Executive, Steve Neuhaus



County of Orange  
Office of County Executive Steven M. Neuhaus  
**NEWS RELEASE**

For Immediate Release  
July 11, 2014

Contact: Dain Pascoello  
845.291.2700, 845.545.5225 e

**Neuhaus Announces Program to Help Orange County Commercial  
Property Owners Reduce Energy Costs**

*First County in State to Launch Energize NY*

# EIC Member Services



## MEMBER SERVICES

- Launch & event planning for municipality
- Website communications for municipality
- Training services for local contractors/solar developers
- Outreach & marketing support for municipality

## PROPERTY OWNER SERVICES

- Support with NYSERDA
- Application support
- Finance analysis tools
- Contractor qualification
- Property owner summits
- Measurement & verification

# EIC Member Testimonial

## White Plains

Beth Smayda

White Plains Common Council

Bsmayda@Gmail.com



# EIC Member Testimonial

## Orange County

Kate Schmidt

Orange County Planning Department

[KSchmidt@orangecountygov.com](mailto:KSchmidt@orangecountygov.com)



# Energize NY

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