NYCHA BEGINS WORK ON LARGEST PUBLIC HOUSING ENERGY SAVINGS PROGRAM IN THE NATION

Work is underway on the first phase of a large-scale Energy Performance Contract (EPC), which will reduce annual utility costs by more than $3.5 million and benefit more than 45,000 residents at 16 NYCHA developments citywide.

This is part of a series of EPCs worth $300 million to upgrade and retrofit up to 120,000 apartments, benefiting nearly 262,000 NYCHA residents.

NEW YORK—The New York City Housing Authority (NYCHA), the nation’s largest public housing authority, announced today that work is underway on its first ever large-scale Energy Performance Contract (EPC), which will reduce annual utility costs by more than $3.5 million by improving energy and water efficiency. The $56 million project includes lighting, water conservation and heating upgrades targeting nearly 20,000 apartments at 16 public housing developments in Manhattan, Brooklyn, and the Bronx. These upgrades will benefit more than 45,000 public housing residents and contribute to New York City and NYCHA’s sustainability efforts.

The EPC, facilitated by the U.S. Department of Housing and Urban Development (HUD), is part of the Mayor’s sweeping green buildings plan and commitment to an 80 percent reduction in greenhouse gas emissions by 2050. New York City is the largest city in the world to make that commitment.

Bomee Jung, NYCHA Vice President of Energy and Sustainability, said, “At a time when NYCHA is facing steep budget cuts and 17 billion dollars in unmet capital needs, these Energy Performance Contracts redirect energy cost savings into energy efficiency upgrades that improve resident quality of life. Every dollar saved will help us preserve and maintain public housing.”
Mirza Orriols, HUD Deputy Regional Administrator for New York and New Jersey, said, “HUD’s Energy Performance Contracts incentivize housing authorities to invest in energy efficiency measures that will make their buildings greener and healthier for residents. These forward-looking investments by NYCHA, financed entirely through public-private partnerships, will ultimately save taxpayer dollars.”

Mark Chambers, Director of the Mayor’s Office of Sustainability, said, “As the largest public housing authority in North America, NYCHA represents a unique opportunity to scale up reductions in greenhouse gas emissions across its portfolio of buildings. The launch of this first phase of the EPC is a critical step forward in improving the energy efficiency of our buildings for all New Yorkers while cutting costs for residents, and is a key element in delivering on our ambitious OneNYC goal of reducing the city’s greenhouse gases 80 percent by 2050. I applaud NYCHA for their commitment to sustainability and look forward to continued collaboration.”

Jainey Bavisihi, Director of the Mayor’s Office of Recovery & Resiliency, said, “NYCHA residents witnessed some of the worst impacts from Hurricane Sandy, and demonstrated the best of our city in its aftermath. “In the years since, NYCHA has consistently demonstrated leadership and vision in reimaging a stronger and more inclusive NYC. The progress they announced today to improve energy efficiency and reduce costs across their building portfolio illustrates those innovative efforts to deliver inclusive climate solutions, and in doing so, help the City chart a course toward a more just, resilient, and sustainable city that is better equipped to withstand the existential threats we face from climate change.”

NYCHA, which received HUD approval for its first large-scale EPC in December 2016, has 4 EPCs in the works worth approximately $300 million, representing the largest energy savings program for any public housing authority. Together, they will enable NYCHA to upgrade 120,000 apartments at up to 130 developments, or 67 percent of the Authority’s building portfolio, benefiting nearly 262,000 residents. The benefit of an EPC is that it enables housing authorities to achieve energy and water savings without having to provide up-front capital dollars. In an EPC, a private lender provides construction funds for the installation of these measures and the debt is repaid by the utility savings generated by the work over a period of up to 20 years. This project will generate more than $3.5 million in annual electricity cost savings, which NYCHA will use to repay the 20-year loan from Bank of America Merrill Lynch, who financed the $56 million in construction funds. The Authority selected Ameresco, Inc. as the performance contractor, or Energy Service Company (ESCo) to install the efficiency measures.

David J. Anderson, Executive Vice President of Ameresco, said, “Ameresco is pleased to continue our relationship with NYCHA as a key energy services partner for the City’s and NYCHA’s NextGen initiative. This first phase will also provide employment opportunities for NYCHA residents as well as local businesses, thereby contributing to construction jobs that remain in the community. This entire initiative will improve efficiency as well as resident security and comfort while supporting NYCHA’s sustainability goals.”

Chris Giuliano, head of Energy Services Finance for Bank of America Merrill Lynch, said, “As one of the leading providers of energy efficiency financial products in the United States, we are delighted to be able to continue to support the New York City Housing Authority’s energy efficiency initiative. Energy efficiency is a key business focus and an important part of Bank of America’s $125 billion environmental business commitment to address climate change and demands on natural resources.”

The scope of work for this first EPC includes apartment and common area lighting upgrades – replacing less efficient compact fluorescent bulbs and fixtures with light-emitting diode (LED) lights; the
installation of water-conserving fixtures such as aerators and showerheads, and comprehensive heating upgrades at Whitman Houses, including boiler room replacement.

Lighting upgrades are currently underway at the first of 16 developments (see list below) and all work is expected to be complete by the summer of 2018. Heating upgrades at Whitman Houses will begin this summer.

NYCHA is committed to providing job-training and connections to career opportunities. Young residents who have graduated from the Green City Force (GCF) program will be hired to assist in the first phase of apartment lighting upgrades, which includes replacing all interior light bulbs with LED bulbs. GCF is a nonprofit organization that empowers and trains NYCHA residents between the ages of 18-24 year for green sector jobs. GCF Corps members learn about energy efficiency and weatherization up close by serving their communities.

Fifteen residents are already working on the project, and as work progresses over the next 12 months, the contractor will hire more residents through Section 3, a federal mandate that requires employment and other economic opportunities generated by federal assistance to public housing authorities be directed, whenever possible, to public housing residents and other low- and very-low-income individuals. Additionally, the contractor will hire residents for outreach and education on the benefits of the energy efficiency measures that will be installed.

Geraldine Hopper, Resident Association President at Clason Point Gardens, said, “I am so happy with this initiative. These lights are much brighter and safer. It’s a tremendous difference. You can see better and it’s easier to move around. This will improve the quality of life of residents, especially the seniors.”

Linda Taylor, Resident at Clason Point Gardens, said, “I love how brighter they are, and they look better. You say they are more efficient? Well, that’s just great!”

The energy savings resulting from this project will contribute to the greenhouse gas emission-reduction goals of the NYC Carbon Challenge and OneNYC, as well as HUD’s Better Buildings Challenge. This project will reduce NYCHA’s annual CO2 emissions by 15,665 tons, which is equivalent to taking 2,603 cars off the road.

Since the release of NYCHA’s comprehensive Sustainability Agenda last year, the Authority has been working with government and private sector partners to provide better service for residents, reduce energy and costs, and curb the effects of climate change. In addition to the EPCs, work is underway to upgrade heating, hot water, interior and exterior lighting, and ventilation systems in buildings across the city through various energy programs.

Council Member Ritchie Torres, Chair of the Committee on Public Housing, said, “These conservation and sustainability efforts to reduce utility costs are much needed and are innovative ways to improve living standards. I look forward to more progress being made on sustainability and energy usage in public housing as more EPCs are initiated.”

Council Member Jumaane D. Williams, Chair of Committee on Housings and Buildings, said, “Improving energy efficiency is a significant component in working toward the City’s goal of reducing greenhouse gas emissions 80 percent by 2050. Not only will it reduce our carbon footprint, but it will also save millions of dollars in utility costs. I applaud the Administration for making environmental sustainability and energy conservation a priority.”

Council Member James Vacca, said, “I’m encouraged that NYCHA is taking a proactive approach in dealing with energy consumption. It’s critical that we do everything we can do to reduce our carbon
footprint. By going forward with this EPC, NYCHA is utilizing a public-private partnership to come up with a novel method to save energy and reduce costs. I’m glad that NYCHA is looking towards innovative solutions to solve problems and make NYCHA a better place for everyone.

**State Senator Daniel Squadron** said, "Increased energy efficiency brings benefits for NYCHA’s tenants, its future, and our planet. This is a positive step for Vladeck Houses in my district, and NYCHA developments citywide -- I look forward to continuing to partner with NYCHA and community members. Thank you to NYCHA, HUD, the City, Vladeck Houses TA, and my colleagues in government."

**State Assembly Member Walter T. Mosley** said, “I applaud New York City Housing Authority (NYCHA) for their Energy Performance Contract (EPC) initiative. This bold program addresses the need to reduce our carbon output and it is vital to preserving the precious green spaces here in the city. The Energy Performance Contract will also help to reduce the cost of energy production which is important in the face of proposed federal cuts. I pledge to continue to work with NYCHA and state officials to ensure the preservation of our public housing stock for the next generation.”

List of developments

- Carver
- Clason Point Gardens
- Eastchester Gardens
- Edenwald
- Farragut
- Glenwood
- Ingersoll
- Marcy
- Pelham Parkway
- Taft
- Tompkins
- Vladeck I
- Vladeck II
- Washington
- Whitman
- Wyckoff Gardens

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