

## HPD's Green Building Policy FAQ's

### Why is HPD instituting a green building policy?

A uniform green building policy ensures the City's investment is going towards buildings that have deeper affordability through lowered utility bills and healthier living environments while balancing maximum benefit to tenants and owners with low upfront costs.

In addition, the recent Housing Vacancy Survey showed that between 2005 and 2008, citywide contract rents only increased 1.6% in real dollars, while median gross rents increased by 4.2% over the same period. This difference can be attributed to rising utility costs and demonstrates the need for more efficient energy use, which can be a burden to renters and homeowners. The maintenance and operating savings derived from energy efficiency measures will not only reduce the City's resource consumption and promote a cleaner environment but will ensure the physical and financial sustainability of individual developments.

### Which projects are required to abide by the policy?

- Green Communities certification is a threshold requirement for award of Low-Income Housing Tax Credits (LIHTC) through the 2010 Qualified Allocation Plan (QAP).
- Projects receiving HPD financing and closing starting in Q1 2011 will be required to achieve Green Communities Certification. This includes:
  - All New Construction projects
  - Supportive Housing Loan Program projects
  - Substantial Rehabilitation projects as defined below. In addition, substantial rehabilitation projects must comply with HPD's 2010 Standard Specification for Preservation as it relates to each project's scope of work.

### How is a Substantial Rehab defined?

Projects that include all three items within their scope of work are considered a Substantial Rehab:

1. Replace heating system, and
2. Work in 75% of units including work within the kitchen and/or bathroom, and
3. Work on the building envelope, such as replace/add insulation, replace windows, replace/add roof insulation, new roof or substantial roof repair.

### Why Green Communities?

Enterprise's Green Communities program is the only national, green building criteria designed specifically for affordable, multi-family housing. The criteria balance the goals of green building (efficiency, healthy indoor air quality, responsible use of resources, clean environment) with cost-effectiveness and simplicity. Enterprise offers free technical support to help developers comply with the criteria and a free certification program.

## What are the steps required to achieve certification?

All the information required to comply will be included in HPD's website and is currently available here: [http://www.greencommunitiesonline.org/tools/certification/nyc\\_hpd\\_certification.asp](http://www.greencommunitiesonline.org/tools/certification/nyc_hpd_certification.asp)

- The first thing developers should do is register at Enterprise's website by filling out the **Green Communities Certification Form**. In the form, you will be asked to provide information about the development team and general information about the project being developed. Filling out the form should not take more than 15-20 minutes.
- Developers complete the **Project Overview** and **Intended Methods** tab in the **Certification Workbook** and submit it to HPD for review. HPD's Planning unit will conduct the review of the workbook. HPD highly recommends this information is submitted concurrently with the first submission to DAE (formerly DACE).
- Once HPD approves the Certification Workbook, the developer follows Enterprise's two-step review process towards certification.

### Step 1

- Developer submits to Enterprise the following documentation during the design phase, as plans and specs are being developed.
  - Certification Request Form
  - Certification workbook (only the Project Overview and Intended Methods tabs for this need to be completed in Step 1)
  - Site Plan: This plan must indicate utilities and sidewalk connections as appropriate.
  - Context Map: This map must indicate locations of minimally required community amenities and their distances from project boundaries.
  - Energy Improvement Report: Required for Moderate and Substantial Rehabilitation Projects only. The report must provide the results of modeling the current and projected energy performance of the building.
- Once all submittals required under Step 1 are complete, Enterprise will conduct an initial review of the materials and provide feedback on the submission as necessary. Enterprise then issues a Letter of Satisfaction which is a requirement for closing on the HPD financing and/or applying for tax credits.

### Step 2

- Project team completes online final certification form within 60 days of construction completion.
  - Final Certification Form Certification workbook (complete only the Cost Development and Compliance Report tabs for this step)

- Energy Modeling Report: Project teams should submit results of energy modeling in the format provided by modeler that indicates the percentage improvement as compared to the baseline building. Enterprise does not require a standard form for this submittal.
  - Project photos: Project photos should show project before, during and after construction.
  - Utility Release Form
- Enterprise conducts final review and determines whether project can be certified as meeting the Green Communities Criteria. Enterprise sends Notification of Certification to project contact via email within 30 days of receiving completed submission.

**Are there any additional steps or considerations for projects receiving tax credits through HPD?**

At Application

- Projects applying for both 4% and 9% must submit a Letter of Satisfaction from Enterprise Green Communities along with the original tax credit application. The Letter of Satisfaction is the end point of Step 1 described above.

At 8609

- All projects must submit Enterprise Green Communities Certification before HPD issues the 8609. Developers should commence the Step 2 process described above as soon as the project is near completion. Projects can commence the process prior to TCO as long as the building is close to being completed and there will be no major deviation from the plan to achieve Green Communities. Enterprise will issue the Certification of Notification within 30 days of receiving a complete package at Step 2. Owners must submit the notification of Certification along with the original Financial Update for 8609 submissino.

**Will there be on-site verification by a third-party provider?**

Approximately 10% of the projects will be subject to on-site verification by a third-party provider. Projects will be selected for on-site verification on a quarterly basis, using a random sampling approach based on the number of certification requests submitted in a given quarter. Enterprise will direct a consultant to conduct the on-site verification, monitor the consultant for quality assurance, and cover the costs to complete the verification.

**Will HPD provide additional subsidy to pay for compliance?**

Supported by research from HPD’s Department of Architecture and Engineering (DAE) and findings from NYSERDA’s and Green Communities’s programs, we believe buildings can comply with these standards at little to no incremental cost and they should be able to do so within their existing program subsidy. In cases where the project cannot achieve compliance within the program subsidy, HPD will consider a waiver request.

## How Do Projects Apply for a Certification Waiver?

- The criteria for a waiver from Green Communities Certification include:
  - A. Approval by HPD that the project is achieving a comparable green building standard through another program, such as LEED Silver or LEED Gold, without significant cost to HPD.
  - B. Project is too far along on the design phase – for example, it has completed ULURP and/or filed with DOB.
  - C. Financial hardship as determined by verification from HPD that the project cannot accommodate Green Communities compliance within the project budget. In this case, the project must still comply with as much of the Green Communities criteria as is financially feasible and relates to scope of work.

## Enterprise is updating the Green Communities Criteria in early 2011. Which one will my project need to follow?

Throughout all 2011, developers will have the option to follow Green Communities 2008 OR Green Communities 2011.

## What financial resources may be available?

### New Construction

- NYSERDA:  
<http://www.getenergysmart.org/MultiFamilyHomes/NewConstruction/BuildingOwner.aspx>

### Rehabs

- NYSERDA:  
<http://www.getenergysmart.org/MultiFamilyHomes/ExistingBuilding/BuildingOwner.aspx>
- Con Ed: [http://www.coned.com/energyefficiency/residential\\_multifamily.asp](http://www.coned.com/energyefficiency/residential_multifamily.asp)
- National Grid: <https://www.powerofaction.com/unyenergywise/>
- Weatherization Assistance Program:  
<http://www.dhcr.state.ny.us/programs/weatherizationassistance/>