

HPD FUTURE HOUSING INITIATIVE: FUTURE HOUSING INITIATIVE RIDER TO CONTRACT between Owner and Contractor

General:

This Rider (“Rider”) is annexed to and made a part of the Agreement (“Agreement”), dated _____, between _____ (“Owner”) and _____ (“Contractor”) for certain work described therein (“Work”) at _____ (“Project”).

The Agreement, this Rider, and any conditions, drawings, specifications, addenda, other documents listed in the Agreement (collectively, the “Contract”) shall not be modified or amended without the prior written approval of the City of New York Department of Housing Preservation and Development (“HPD”).

Contractor acknowledges that:

Owner has obtained a grant (“Grant”) from NYSERDA to finance all or part of the cost of the Future Housing Work (the “Approved NYSERDA Scope”) and as such, the Contractor is obliged to meet certain requirements outlined in this Rider.

Building Performance:

- Project must be designed and certified to one of the following
 - PHI Classic
 - PHIUS+ 2018 Core or PHIUS+ 2021
 - PHIUS Prescriptive
- At least one person from the contractor team, and preferably all key supervisors must have received Passive House consultant, builder or verifier training or must attend a Passive House 101 training prior to the Construction Kickoff Meeting.
- Contractor must also commit to identifying a Future Housing Initiative “project champion” as the key point of contact with the Program Technical Assistance Provider “TAP” team throughout the construction process.

High Performance Electric Equipment:

- Project must include the following equipment:
 - Electric high-performance heat pumps for space heating, cooling and domestic hot water
 - Electric cooking appliances, including induction stoves where permissible
 - High-performance electric laundry equipment as defined in the Program Requirements or approved by the Program TAP team
 - Energy Recovery Ventilation (ERV)
 - Solar and/or green roof (unless granted an exception from HPD for technical feasibility)
- All Systems and system components must be installed in accordance with manufacturer specifications and installation requirements, and in compliance with all applicable laws, regulations, codes, licensing and permit requirements including, but not limited to, the New York State Environmental Quality Review Act, the Statewide Uniform Fire Prevention and Building Code and State Energy Conservation Construction Code, the National Electric Code, Fire Codes and all applicable State, city, town, or local ordinances or permit requirements.

Technical Requirements:

- In addition to items listed above and all HPD requirements, Contractor must agree to follow the HPD-NYSERDA Future Housing Technical Requirements (“The Requirements”) located on the Future Housing Initiative webpage.
- All projects will be subject to System Commissioning, per The Requirements.
- **IMPORTANT:** The NYSEDA HPD Future Housing Initiative is directing a very high priority to preventing refrigerant leaks. Refrigerant leaks contribute substantially to global warming, will increase energy use in the building, and could place resident health at risk through inadequate heating and cooling. All technicians working with refrigerant charging and connecting refrigerant piping shall review and certify in writing that they have received and read HPD’s Refrigerant Charging and Leak Prevention Requirements, and shall attend the project kickoff meeting, and shall sign the refrigerant charging report.

Equipment Use & Maintenance:

Contractor shall provide the following set up and maintenance items:

- Preset all thermostats according to set-points and limits outlined in The Requirements
- Provide an optional maintenance contract to owner for all Systems specific to the NYSEDA Approved Scope that is fair and reasonable, and meets the minimum standards recommended by the System manufacturer(s).
- Participate in at least one meeting with owner team and TAP to develop relevant training and documentation for building residents on the use of in-unit HVAC systems and related equipment (e.g., heat pumps, thermostats, ERVs).
- Participate in at least one meeting with owner team and TAP to develop relevant training and documentation for building staff on operation and maintenance of all Systems.
- Provide a detailed manufacturer’s operation handbook as well as a maintenance manual containing information on the Systems and related components and a schedule of required system maintenance, including maintenance and testing requirements of antifreeze solutions used on the project and any start-up/commissioning documentation for the system(s). For commercial-grade VRF systems or systems over 5-tons, the O&M manual must include as-built drawings.

System Warranties:

- Contractor shall provide for all Systems:
 - 10-year or longer parts warranty
 - 1-year or longer labor warranty

Access, Reviews, Site Visits & Inspections:

- The TAP may conduct the following site inspections, at minimum, alongside HPD or the Bank Engineer:
 - Commencement (“kick-off” meeting),
 - Open Wall (at completion of System rough-in),
 - Final (substantial completion)
- The TAP shall be entitled to make additional visits as deemed necessary
- The TAP shall be entitled to inspect, review and approve or reject the Work on behalf of HPD or the approved representative and NYSEDA as necessary

Incentive Payment Structure:

NYSERDA funds shall be allocated towards construction and completion of the Approved NYSERDA Scope, as approved by NYSERDA, the TAP and HPD, and outlined in the Incentive Award Letter and the Rider between the owner and the contractor, which together describe the process for submitting requisitions as well as other program requirements.

Owner acknowledges that payment of the NYSERDA incentive will be made upon the TAP's approval of the Approved NYSERDA Scope items in accordance with the terms of this Agreement and the HPD loan documents.

Funding will be paid out in the milestones described below; provided that the milestones or the percentage of funds being disbursed may be modified, subject to the prior approval of HPD, NYSERDA and the Senior Lender:

1. After Closing: For projects where funding includes soft costs, the amount of soft costs shall be released to the owner after the closing of the HPD loan. Soft costs may not constitute more than 5% of the total incentive amount.
2. At completion of "rough ins": 40% of funds will be released
3. At Substantial Completion: 40% of funds will be released
4. At Final Completion: All remaining funds will be disbursed at proof of Final Completion.

Note that the portion of the retainage associated with the incentive will be released upon satisfaction and TAP approval of all commissioning requirements.

Owner shall comply with the requirements regarding disbursements in the HPD financing documents in order to requisition for HPD loan proceeds for the HPD portion of the Approved NYSERDA Scope items.

Owner acknowledges that any change order requests to the Approved NYSERDA Scope must be reviewed and approved by HPD, NYSERDA and Senior Lender, if any, and if so approved, NYSERDA may revise the Final Incentive Amount if a portion of the Approved NYSERDA Scope is removed or changed. Any relevant documentation should be included in a request. (AIA G701, similar)

Bidding Requirements:

The contractor is required to separately itemize all costs specifically related to the project's Approved NYSERDA Scope. The following items must be itemized in the contractor's bid and on all subsequent payment requests:

- Itemized costs for the following:
 - Passive House Certification Fees
 - Supply and Install of all Space Heating systems ("Systems") where applicable including all components, including interconnecting refrigeration piping, pipe insulation, and controls, and testing & commissioning of System, including refrigerant charging and refrigerant leak testing/prevention, and training of the owner in the controls.
 - Supply and Install of all Hot Water systems ("Systems") where applicable including all components, including interconnecting refrigeration piping, water piping, pipe insulation, and controls, and testing & commissioning of System, including refrigerant charging and refrigerant leak testing/prevention, and training of the owner in the controls.
 - Supply and install cost for all electric appliances
 - Supply and Install of all Ventilation systems ("Systems") where applicable
 - Supply and install cost of all windows, doors, skylights and other specialty products required to achieve Passive House certification
 - Cost for all additional filing, permitting and testing specific to the NYSERDA Approved Scope
- Additional Items that must be submitted along with bid:
 - Proposed construction schedule noting Passive House inspections and testing

- List of mock-ups that will be provided
- Cut Sheets for HVAC equipment, domestic hot water equipment, and windows/door including energy performance specifications.

The contractor is required provide the following items specifically related to the project’s Approved NYSERDA Scope during construction:

- Prior to Construction:
 - Identify project “champion” that has, at minimum, completed a Passive House 101 training
 - Construction schedule including Passive House required inspections and testing
- Items that will be required to be submitted to TAP during construction:
 - Blower Door Test Plan
 - Cut sheets for all System substitutions being proposed, if any, for TAP approval
 - Shop drawings related to any NYSERDA approved scope items
 - Submittals
 - Site inspection reports and issue logs
 - Commissioning reports and issue logs
- Items that will be submitted at construction completion prior to tenant lease-up/ move-in:
 - Documentation of O&M Training to staff and residents
 - Operation and Maintenance manual including project specific information and setpoints
 - As-built drawings

AGREED TO AS OF: _____

OWNER: By: _____
 Name:
 Title:

CONTRACTOR: By: _____
 Name:
 Title: