



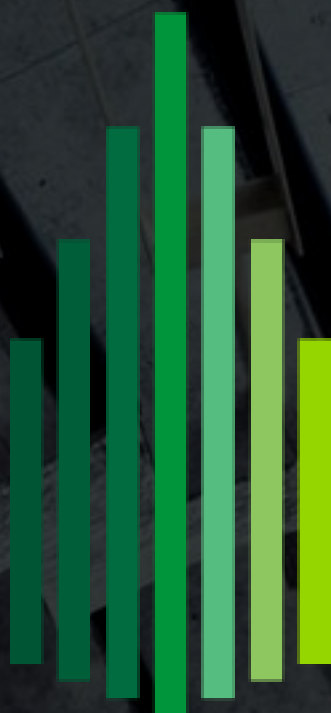
# NYCEEC

BUILDING FINANCIAL SOLUTIONS

ENERGY EFFICIENCY & CLEAN  
ENERGY FINANCING

May 2018





WHO WE ARE





Our mission is to innovate and deliver energy efficiency & clean energy financing solutions for buildings





# WHO WE ARE



- We're a 501(c)3 non-profit launched in 2011 by the NYC Mayor's Office
- Our main activity is making loans
- We lend exclusively to energy efficiency and clean energy projects in buildings; our primary geographic focus to date is New York City
- We're different than a bank – we are funded with a blend of public, private and philanthropic resources to deliver creative financial solutions that have real and measurable environmental impact
- We're flexible, innovative and market-responsive; we seek to engage other lenders and increase capital flow to emerging efficiency markets

# OUR IMPACT

March 2018



**\$134** MILLION  
CLEAN ENERGY  
PROJECTS  
FINANCED

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**7** LENDING  
PARTNERSHIPS




**9.3** million  
SQUARE FEET  
IMPACTED

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**196**  
BUILDINGS  
UPGRADED



**750,000**  
MTONS OF



**ELIMINATED**

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**21.0** million  
MMBtus OF ENERGY SAVED



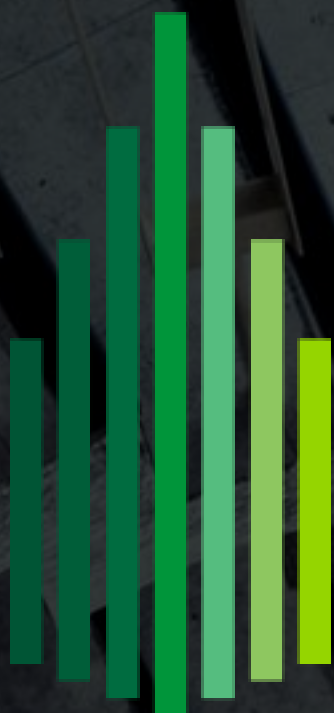
**4,660**  
AFFORDABLE  
HOUSING UNITS



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**1,456**  
JOBS  created

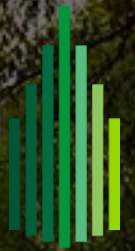




WHAT WE DO



# NYCEEC'S RANGE OF FINANCING SOLUTIONS



We provide loans ranging generally from \$100,000 to \$6M+ to meet market demand



Equipment and  
Pre-development  
Loans



PPA and ESA  
Loans

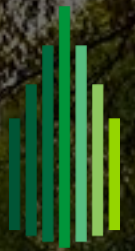


Construction and  
Green Mortgage  
Loans

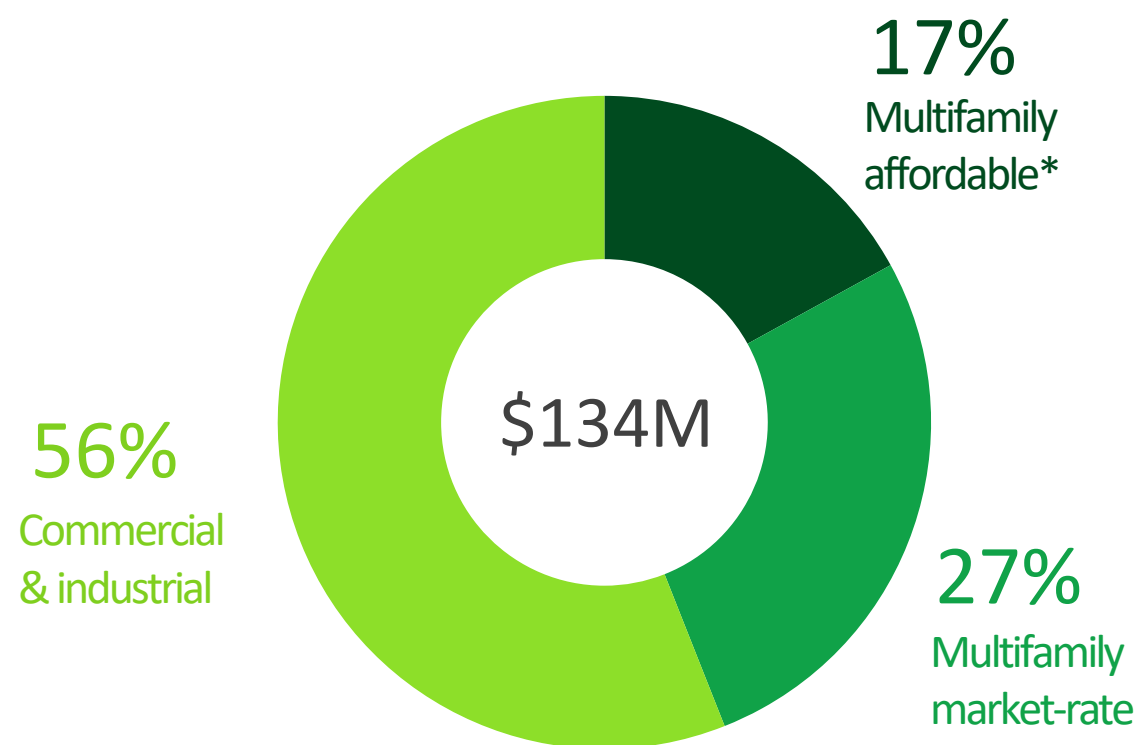


Credit  
Enhancement

# NYCEEC-FINANCED PROJECT METRICS

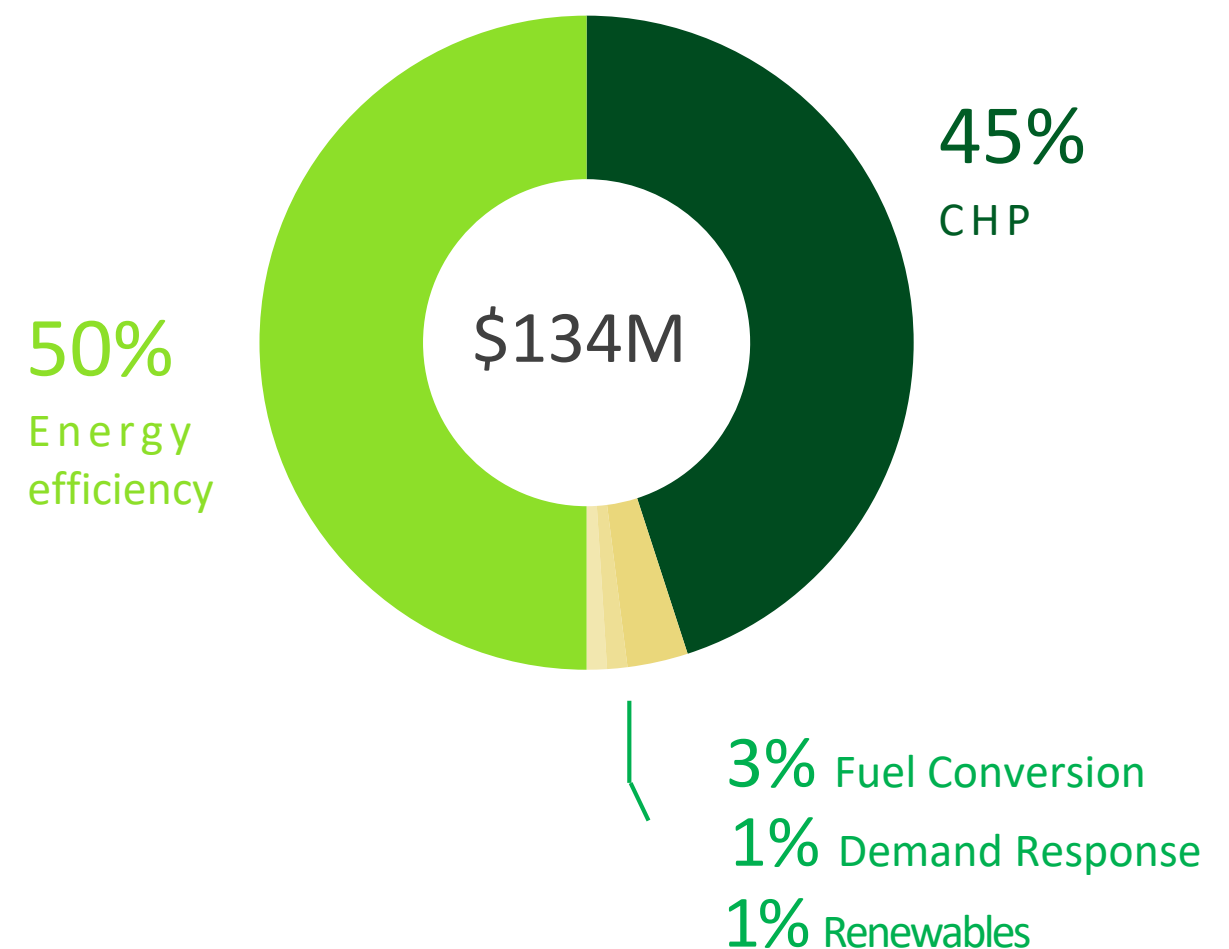


**Property types**  
(% of total project investment)



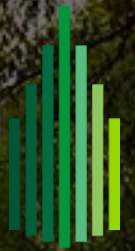
\* Affordable multifamily residential properties account for 68% of our transactions

**Technology**  
(% of total project investment)

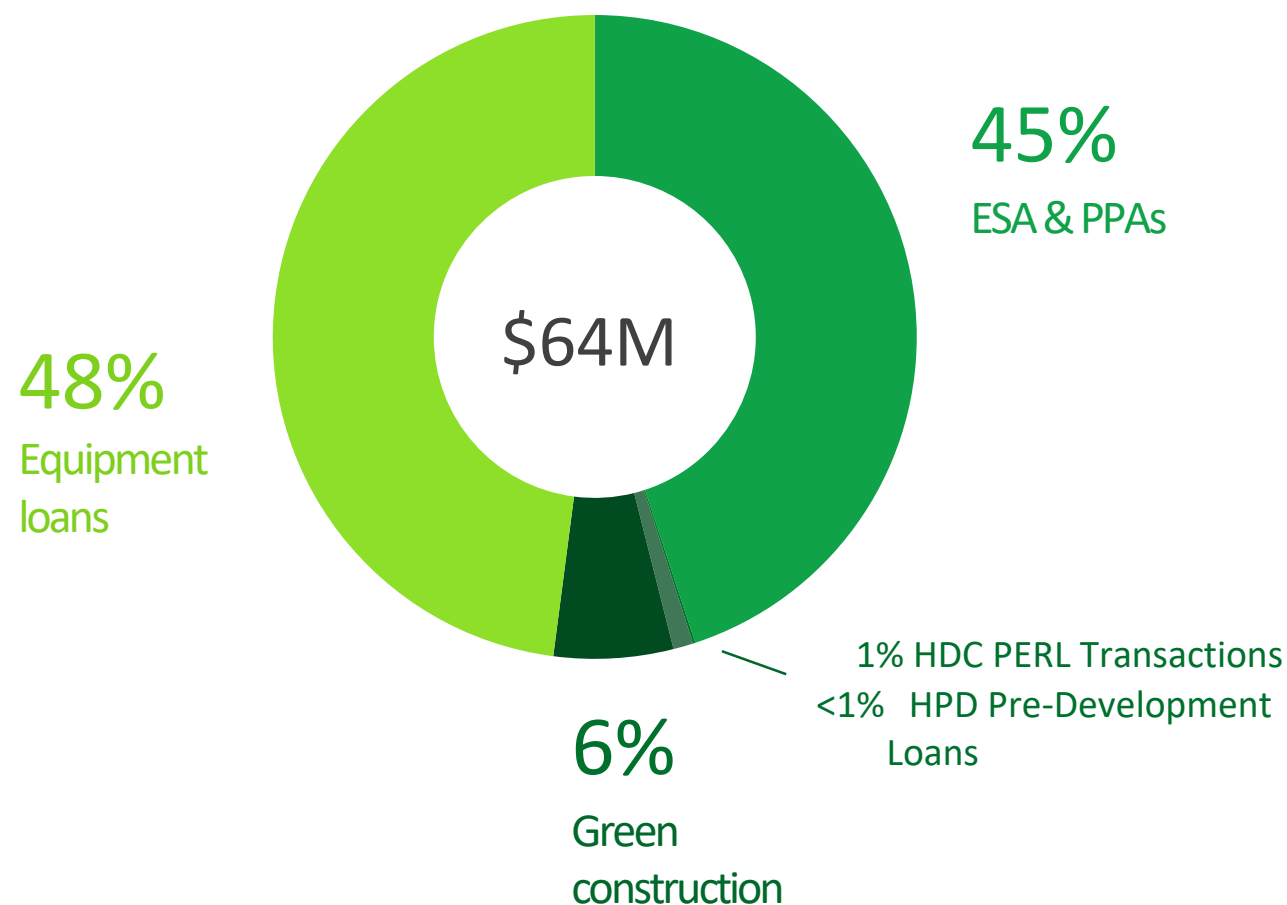




# NYCEEC PORTFOLIO INVESTMENT METRICS



## Financial Product (% of NYCEEC capital commitment)



Capital	Loans: \$64M Credit enhancement: \$1M
# of transactions	68
# of buildings	198
Weighted avg interest rate	6.6%
Weighted avg term	8.0 years
Geography	NYC: \$57M (89%) Outside NYC: \$7M (11%)



# TRANSACTION HIGHLIGHTS



## TRANSACTION HIGHLIGHTS



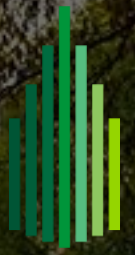
<b>East 24th Street</b> Manhattan, NY <b>\$4,400,000</b> 36% GHG savings Heat & Power <b>AFFORDABLE MULTIFAMILY EQUIPMENT LOAN</b>	<b>Elmo House</b> Brooklyn, NY <b>\$201,576</b> 16% GHG savings Solar <b>AFFORDABLE MULTIFAMILY EQUIPMENT LOAN</b>	<b>Marcus Garvey Apartments</b> Brooklyn, NY <b>\$1,319,081</b> 21% GHG savings Battery Storage <b>AFFORDABLE MULTIFAMILY EQUIPMENT LOAN</b>	<b>Millenium Hilton</b> Manhattan, NY <b>\$3,750,000</b> 33% GHG savings Heat & Power <b>COMMERCIAL POWER PURCHASE AGREEMENT</b>
<b>Stratford Road</b> Brooklyn, NY <b>\$8,000</b> Energy Efficiency <b>AFFORDABLE MULTIFAMILY PRE-DEVELOPMENT LOAN</b>	<b>Winters Passive House</b> Queens, NY <b>\$860,000</b> 72% GHG savings Energy Efficiency <b>AFFORDABLE MULTIFAMILY GREEN CONSTRUCTION</b>	<b>River Arts</b> Manhattan, NY <b>\$350,000</b> 30% GHG savings Energy Efficiency <b>AFFORDABLE MULTIFAMILY EQUIPMENT LOAN</b>	<b>125 Maiden Lane</b> Manhattan, NY <b>\$3,800,000</b> 33% GHG savings Energy Efficiency <b>COMMERCIAL ENERGY SERVICES AGREEMENT</b>
<b>Franklin Plaza</b> Manhattan, NY <b>\$3,800,000</b> 32% GHG savings Energy Efficiency <b>AFFORDABLE MULTIFAMILY GREEN CONSTRUCTION</b>	<b>Spencer Place</b> Brooklyn, NY <b>\$55,000</b> 23% GHG savings Energy Efficiency <b>AFFORDABLE MULTIFAMILY EQUIPMENT LOAN</b>	<b>Roosevelt Landings</b> Manhattan, NY <b>\$7,400,000</b> 17% GHG savings Heat & Power <b>AFFORDABLE MULTIFAMILY ESA &amp; PPA</b>	<b>Constitution Health Plaza</b> Greater Philadelphia <b>\$2,650,064</b> 33% (projected) GHG savings Energy Efficiency <b>COMMERCIAL ENERGY SERVICES AGREEMENT</b>

Transaction figures are total project cost.





# GEOGRAPHIC ELIGIBILITY



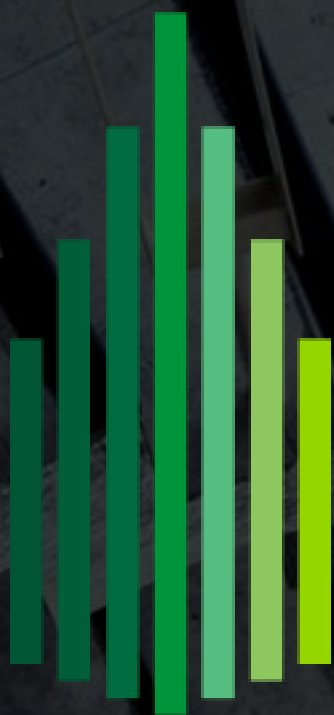
**NYC -- primary focus**

New eligible territory includes 8 states

Developing financing partnerships with regional vendors and contractors

Game-changing approach to scaling our platform





# OUR WORK IN AFFORDABLE HOUSING



# OUR FOCUS ON AFFORDABLE HOUSING



Direct lending solutions



Partners



Field advancement

Affordable  
multifamily loans

Energy services  
agreements

Pre-development  
loans



Case studies

Green lending  
best practices

efficienSEE™  
calculator

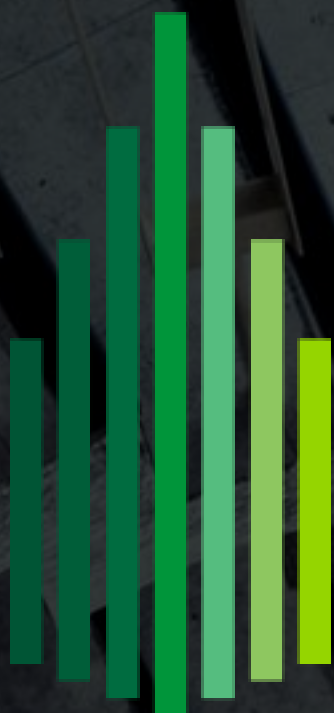


# AFFORDABLE MULTIFAMILY PORTFOLIO



	Affordable MF	All MF (incl. affordable)	Total portfolio
# of units	4,666	6,563	6,563
Square footage	4.2M	5.2M	9.3M
# buildings	170	178	198
# financing transactions	46	53	68
Total project costs financed	\$22M	\$59M	\$134M
NYCEEC capital allocation	\$10M	\$26M	\$64
Approximate average rate	5%	6%	6.5 - 7%
Approximate average term	7	7	8





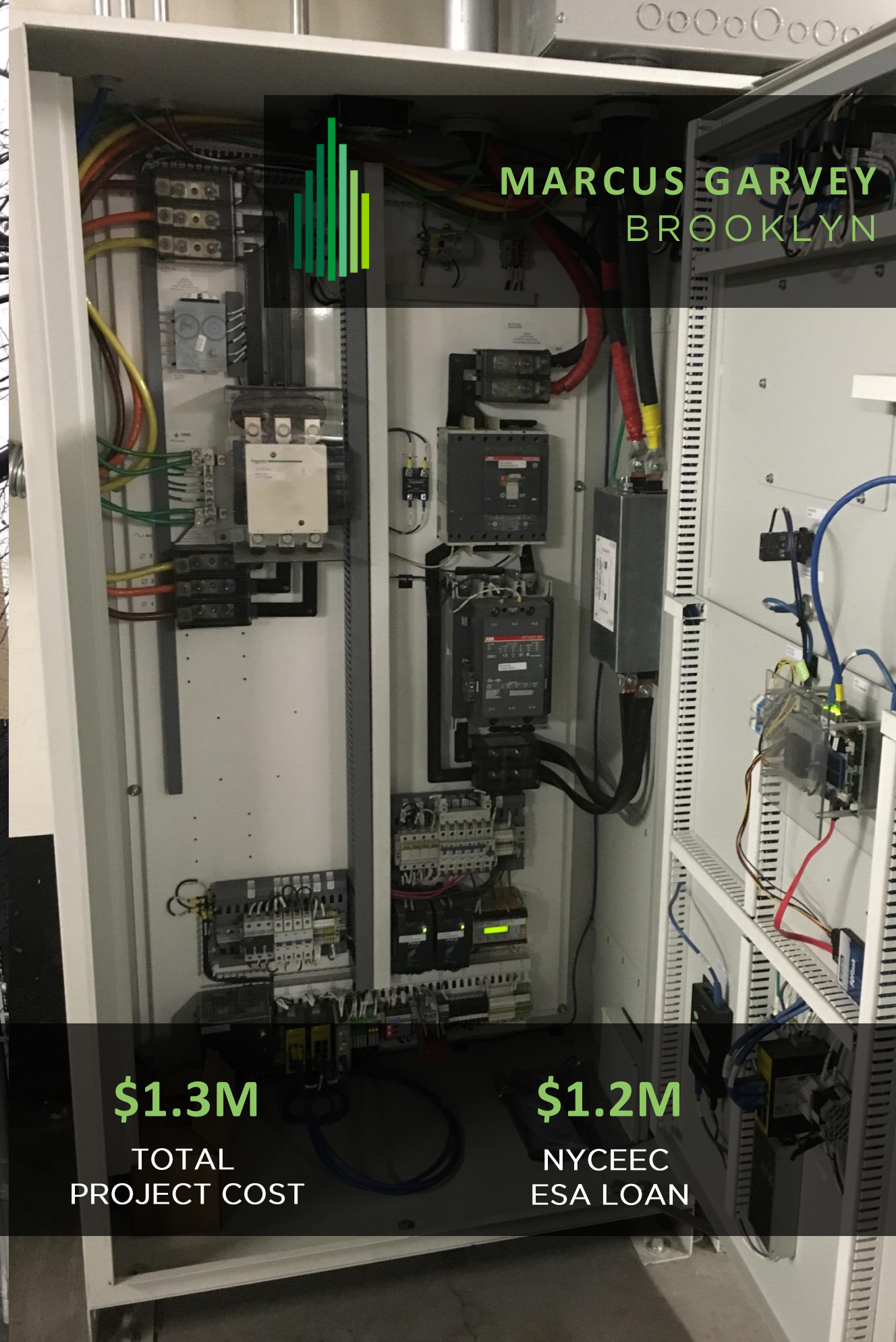
# CASE STUDIES





**AFFORDABLE  
MULTIFAMILY**  
100 BLDGS / 625 units

**ENERGY  
STORAGE**



**\$1.3M**  
TOTAL  
PROJECT COST

**\$1.2M**  
NYCEEC  
ESA LOAN





# MARCUS GARVEY



## BY THE NUMBERS

**\$1.3 million**

ENERGY STORAGE

**\$1.2 million**

NYCEEC  
ESA LOAN

**\$26,268**

ANNUAL COST  
SAVINGS

**15%**

REDUCTION  
IN PEAK DEMAND

**207kW**

AVG REDUCTION  
IN PEAK DEMAND

## THE CLIENT CHALLENGE

Demand Energy was looking to expand into new markets. They opened conversations with L+M Development Partners about a battery system to take full advantage of solar PV and fuel-cell generation at Marcus Garvey Apartments in the grid constrained Brooklyn-Queens Demand Management (BQDM) area.

Con Edison was prepared to offer significant incentives. Financing, however, appeared to be a major obstacle.

## THE SOLUTION

NYCEEC devised a financing approach that would allow a new business entity to own and operate the energy storage system profitably, while deriving additional cash flows from demand response.

Because the energy storage system is part of a long-term energy services contract with Demand Energy, L+M did not have to pay any upfront investment.

## THE RESULTS

- First battery storage micro-grid installation at a low-income property in greater NY
- Lower operating costs at Marcus Garvey Apartments
- Con Edison can better meet peak energy demand in BQDM and provide emergency back-up power
- Improvements: 300kW lithium ion battery system





ROOSEVELT  
LANDINGS  
MANHATTAN

MIXED INCOME  
MULTIFAMILY  
1,002 UNITS

ENERGY  
EFFICIENCY  
& COGEN

**\$8,000,000**  
TOTAL  
PROJECT COST

**\$4,500,000**  
NYCEEC  
ESA & PPA LOAN





# ROOSEVELT LANDINGS



## BY THE NUMBERS

**\$8.0 million**

EE + COGEN PROJECT

**\$4.5 million**

NYCEEC  
ESA & PPA LOAN

**\$1.1 million**

ESA & PPA  
YEAR 1 REVENUE

**114%**

PROJECTED  
ESA & PPA REVENUE

**21%**

YEAR 1  
ENERGY SAVINGS

**20%**

YEAR 1  
GHG SAVINGS

## THE CLIENT CHALLENGE

Roosevelt Landings is a mixed-income MF complex, 9 buildings and 1,000+ units. The owner wanted to upgrade outdated systems and improve the complex's resiliency.

The project's technical complexity and long payback meant that traditional loans were not available.

## THE SOLUTION

NYCEEC's expertise was key to structuring a financing strategy that made sense for Roosevelt Landings and unlocked significant cost savings.

NYCEEC provided a \$5 million loan to fund an energy services agreement (ESA) for the efficiency measures and power purchase agreement for the cogeneration project.

## THE RESULTS

- Projected completed with no upfront cost to the building owners
- Building's cash reserves preserved
- Pioneering use of ESA to finance EE in multifamily sector
- Largest multifamily air sealing project in NYC to date
- Improvements: Cogeneration, whole-building air sealing, floor slab insulation, networked programmable thermostats and high-efficiency boilers



# QUESTIONS?



**Susan Leeds**  
Co-CEO  
sleeds@nyceec.com  
(646) 797-4618

**Curtis Probst**  
Co-CEO  
cprobst@nyceec.com  
(646) 797-4629

## Business development

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**Posie Constable**  
Director  
pconstable@nyceec.com  
(646) 797-4615

**Erangi Dias**  
Associate Director  
edias@nyceec.com  
(646) 797-4622

[www.nyceec.com](http://www.nyceec.com)