

## Low Carbon Pathways for Multifamily Buildings

Program Opportunity Notice (PON) 4701

**(Up to \$7.8M available)**

*The New York State Energy Research and Development Authority (NYSERDA) reserves the right to extend and/or add funding to the solicitation should other program funding sources become available.*

**Applications accepted on a first-come, first-served basis dependent on funding availability through December 31<sup>st</sup>, 2025 by 3:00 PM Eastern Time\***

**Program Summary:** This program supports multifamily building owners and property managers in preparing their buildings for the implementation of low carbon technologies and electrification by providing funding for installation of low carbon measure packages that will help multifamily portfolio building owners and managers take a step-by-step approach towards achieving deep carbon reductions and electrification over time leveraging existing capital improvement points such as equipment end of life, tenant turnover, local law compliance, etc. Under this solicitation, eligible building owners and property managers can apply for incentives for one or more required measures including building envelope improvements, ventilation, heating/cooling, or domestic hot water packages.

**Application Submission:** All application and program materials should be emailed to [MFLowCarbonPathways@nyserda.ny.gov](mailto:MFLowCarbonPathways@nyserda.ny.gov). Proposers may submit Word, Excel, or PDF files (file formats include: csv, doc, docx, gif, jpeg, jpg, pdf, png, ppt, pptx, pps, ppsx, tif, txt, xls, xlsx, and zip). Individual files should be 25MB or less in file size. Proposal PDFs should be searchable and should be created by direct conversion from MS Word, or other conversion utility. Files should not be scanned. For ease of identification, all electronic files must be named using the proposer's entity name in the title of the document. NYSERDA will also accept proposals by mail or hand-delivery if online submission is not possible.

**Program Questions:** Customers, Service Providers, or Consultants with Program questions should contact [MFLowCarbonPathways@nyserda.ny.gov](mailto:MFLowCarbonPathways@nyserda.ny.gov). No communication intended to influence this procurement is permitted except by contacting the Designated Contact at [MFLowCarbonPathways@nyserda.ny.gov](mailto:MFLowCarbonPathways@nyserda.ny.gov). All contractual questions should be directed to Elsyda Sheldon (866-NYSERDA ext. 3232, [MFLowCarbonPathways@nyserda.ny.gov](mailto:MFLowCarbonPathways@nyserda.ny.gov)). Contacting anyone other than the Designated Contacts (either directly by the proposer or indirectly through a lobbyist or other person acting on the proposer's behalf) in an attempt to influence the procurement: (1) may result in a proposer being deemed a non-responsible offerer, and (2) may result in the proposer not being awarded a contract.

**\* All applications must be received by 3pm Eastern Time on the date noted above. Late, faxed, or emailed proposals will not be accepted.** Incomplete proposals may be subject to disqualification. It is the proposer's responsibility to ensure that all pages have been completed/included in the application. If changes are made to this solicitation, notification will be posted on the "Current Opportunities" section of NYSERDA's website (<https://www.nyserda.ny.gov/Funding-Opportunities/Current-Funding-Opportunities.aspx>).

## I. Introduction

The Multifamily Low Carbon Pathways Program offers incentives to existing multifamily building owners and portfolio managers (Applicant) who pay into the System Benefits Charge ([SBC](#)) / NYSERDA Clean Energy Fund on their electric utility bill.<sup>1</sup> The incentive measure packages are designed such that they can be implemented independently of each other, while taking into consideration health and safety concerns and future retrofits. Applicants can choose to implement one or more incentive measure packages concurrently or sequentially, depending on their buildings' needs. The packages break down a whole-building retrofit into smaller measure packages that can be implemented over time, leveraging existing building capital planning cycles.

### Glossary of Terms

Term	Definition
Applicant	NYS Multifamily building owner or multifamily property manager submitting an application on behalf of an owner who pays into the System Benefits Charge/NYSERDA Clean Energy Fund on their electric utility bill and meets other listed eligibility requirements.
Participant	An Applicant that has submitted and received approval for the required application materials.
Applicant or Participant Representative	Representative of the Applicant or Participant who is authorized to act on behalf of the Applicant or Participant
Project	Building or buildings and measures included in a Participant's approved application.
Program	Low Carbon Pathways for Multifamily Buildings Program

<sup>1</sup> Customers of the following utilities pay the SBC:

- Central Hudson (Central Hudson Gas & Electric Corporation)
- Con Edison (Consolidated Edison Company of New York, Inc.)
- National Fuel (National Fuel Gas Distribution Corporation)
- National Grid (Niagara Mohawk Power Corporation)
- National Grid-Long Island (KeySpan Gas East Corporation)
- National Grid New York (Brooklyn Union Gas Company)
- NYSEG (New York State Electric and Gas Corporation)
- Orange and Rockland Utilities, Inc.
- RG&E (Rochester Gas and Electric Corporation)

## II. Program Guidelines

### A. Eligibility Requirements

The eligibility requirements listed in this section are not comprehensive. Special circumstances may be reviewed on a case-by-case basis. Contact NYSERDA at [MFlowCarbonPathways@nyserda.ny.gov](mailto:MFlowCarbonPathways@nyserda.ny.gov) for a review.

#### Eligible Buildings

- Existing New York State Multifamily buildings<sup>2</sup> that are New York State electricity customers who pay into the System Benefits Charge ([SBC](#))/NYSERDA Clean Energy Fund on their electric utility bill are eligible to participate in this program.<sup>3</sup>
- New facilities or those that have undergone substantial renovations must be in operation for more than one year prior to submission of the Program Application to be eligible for funding under this solicitation.

#### Eligible Multifamily Owners and Property Management Firms

This program is available to multifamily building owners and/or property management firms that meet **at least one of the following criteria**:

- Own or manage 10 or more existing multifamily buildings OR**
- Are an active member in at least one real estate organization** that congregates owners and /or property managers on a semi-regular basis through meetings or calls and/or has a means of disseminating information among members (i.e. through newsletters, emails, flyers, etc.).
  - Examples of eligible building/industry organization include, but are not limited to, the following organizations:
    - Citizens Housing and Planning Council (CHPC)
    - Council of New York Cooperatives & Condominiums (CNYC)
    - New York State Association for Affordable Housing (NYSFAFH)
    - Real Estate Board of New York (REBNY)
    - Rent Stabilization Association (RSA)
    - Urban Homesteading Assistance Board (UHAB)
  - To confirm if an organization meets the criteria established by NYSERDA, please contact NYSERDA at [MFlowCarbonPathways@nyserda.ny.gov](mailto:MFlowCarbonPathways@nyserda.ny.gov).

#### Eligible Consultants/Service Providers

Participants must work with a [NYSERDA FlexTech Consultant](#) or a NYSERDA [Multifamily Building Solutions Network \(MFBSN\) Provider](#) to be eligible.

#### Ineligible Project Types

The following project types are not eligible for the Program:

- New construction projects
- Substantial renovations (gut rehabs), as defined by projects with the following characteristics:

<sup>2</sup> A Multifamily building is defined as a building that has five or more residential units, and where the predominant building use type is for residential purposes. Buildings may contain nonresidential commercial space if that space does not consist of more than 50% of the gross heated square footage of the entire building.

<sup>3</sup> Commercial facilities, such as motels/hotels, group homes, dormitories, shelters, monasteries, nunneries, assisted living facilities, and nursing homes are not eligible for the Program.

- Change of use and reconstruction of an existing building or space within; or
- Construction work of a nature requiring that the building or space within be out of service for at least 30 consecutive days; or
- Reconstruction of a vacant structure or space within.
- Projects that do not meet the following minimum occupancy requirements:
  - A minimum of 7 or 10% (whichever is more) occupied units for all buildings with 15 or more units.
  - A minimum of 50% (rounded down) occupied units for all buildings with 5-14 units.

## B. Measure Package and Incentives Overview

- Participant must choose at least one of the low carbon measure packages to install as listed in *Table 1* on the next page.
- Participant can choose to install more than one measure package in a project and be eligible to receive additional corresponding incentives.
- **Required Measures:** To receive the incentives for each package, the Participant is required to install all Required Measures and follow the minimum installation standards in **Attachment A: Measure Package Requirement Details**.
- **Recommended Measures:** In addition to the Required Measures, Participant can choose to install one or more of the Recommended Measures listed within the corresponding measure package for additional bonus incentives. To receive the bonus incentive(s), a Participant is required to follow the minimum installation standards for the corresponding Recommended Measures as outlined in **Attachment A: Measure Package Requirement Details**.
- **Previously Installed Measures:** Measures installed and operating prior to entering the program cannot be incentivized retroactively. Only new measures are eligible for program incentives. Only new measures can be included in the project workscope and count towards the total project cost.

### Incentive Cap

- NYSERDA incentives through Low Carbon Pathways will not exceed 50% of the total costs of eligible measures in an individual project OR \$1.5M in incentives across the corporate parent entity's portfolio, whichever is less. For the purposes of calculating the incentive cap, the total project cost includes the total cost of measures as noted in their respective workscope tools and invoice documentation. Consulting fees, including construction management, are not included in the total project cost for the purposes of calculating the incentive cap.
- In instances where projects are layering Low Carbon Pathways incentives with additional incentives available through other offerings (e.g. New York State Clean Heat Program, Federal Weatherization Assistance Program, etc.), Low Carbon Pathways incentives will be adjusted to ensure that the total combined incentives for measures incentivized through Low Carbon Pathways do not exceed the total cost of these specific measures. To ensure compliance with this requirement, NYSERDA requires a copy of the executed award letter(s) from all other offerings in which the project is receiving funding from.

### Incentive Recipient

Participant can designate whether incentives should be provided to Participant, a consultant, or other entity.

	Envelope Package		Ventilation Package		Heating & Cooling Package		Domestic Hot Water (DHW) Package
<b>Required Measures</b>	<p>Meet specified area weighted U-value target based on climate zone and building typology. Owner to select which envelope upgrades to make to reach this goal.</p> <p>Provide code-compliant ventilation for each bathroom and kitchen OR demonstrate existing ventilation system is operational to required specifications.<sup>4</sup></p>		<p>Provide balanced ventilation with heat/energy recovery to each apartment.</p>		<p>Installation of heat pump technology for in-unit heating and cooling, including:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Variable Refrigerant Flow (VRF)</li> <li><input type="checkbox"/> Low-temperature hydronic with</li> <li><input type="checkbox"/> Air-to-Water Heat Pump (AWHP)</li> <li><input type="checkbox"/> Packaged Terminal Heat Pump (PTHP)</li> <li><input type="checkbox"/> Mini/Multi-split Air-Source Heat Pump (ASHP)</li> <li><input type="checkbox"/> Water-to-Water Heat and Ground Source Heat Pump</li> <li><input type="checkbox"/> Single Package Vertical Heat Pump (SPVHP)</li> </ul>		<p><input type="checkbox"/> <b>Buildings with existing central DHW systems:</b> Use displacement approach to provide at least 30% of annual DHW consumption usage via heat pumps.</p> <p><b>OR</b></p> <p><input type="checkbox"/> <b>Buildings with existing unitized DHW systems:</b> Provide 100% DHW load via heat pumps.</p>
<b>Required Measure Incentives</b>	<p><b>\$3,750/dwelling unit</b></p> <p>+ Bonus <b>\$1,250/dwelling unit</b> if this is first package implemented and none of the other required measure packages described in this table have been implemented<sup>5</sup></p>		<p><b>\$750/dwelling unit</b></p>		<p><b>\$750/dwelling unit<sup>6</sup></b></p>		<p><b>\$700/dwelling unit<sup>6</sup></b> for buildings with existing central DHW systems</p> <p><b>\$750/dwelling unit<sup>6</sup></b> for buildings with existing unitized DHW systems</p>
<b>Recommended Measure and Bonus Incentives</b>	Air sealing of repeatable penetrations	<b>\$50/dwelling unit</b>	Air sealing of repeatable penetrations	<b>\$50/dwelling unit</b>	Air sealing of repeatable penetrations	<b>\$50/dwelling unit</b>	
	Steam heating system upgrades	<b>\$250/dwelling unit</b>			Convert existing gas stoves to induction stoves	<b>\$100/dwelling unit</b>	

Table 1: Measures Package and Incentives Overview

<sup>4</sup> Implementing the Ventilation Package can fulfill the ventilation requirements in the Envelope Package as well.

<sup>5</sup> As part of or separately from PON 4701: Low Carbon Pathways for Multifamily Buildings Program

<sup>6</sup> In addition to any applicable NY Clean Heat incentives

### C. Project Milestones and Incentives Payment Schedule

The Participant will receive the eligible incentives for their project after each milestone has been approved by NYSERDA. Incentive payments at each milestone are a set percentage of the total approved incentive. The incentive schedule for each measure package is shown in *Table 2* below. For more details about the requirements of each milestone, please refer to **Attachment A: Measure Package Requirement Details**.

Project Milestones and Incentives Payment Schedule			
Measure Packages	Pre-Construction <i>(Capped at \$75,000 for each package. Remaining incentive amount will be reallocated to later payment milestones)</i>	Partial Installation <i>(At 30% of measure installation; Required for Envelope Package; Optional for all other packages)</i>	Construction Complete
Envelope Package	10%	40%	50%
Ventilation Package	10%	40%	50%
Heating & Cooling Package	10%	40%	50%
DHW Package	10%	40%	50%
Bonus measures (air sealing, steam upgrades, induction stoves)	NA	NA	100%

*Table 2: Project Milestones and Incentive Payment Schedule*

## III. Application Requirements and Program Processes

### A. Application Materials

Applicants should review **Attachment D: Terms and Conditions** and submit the following documents as part of a complete application to [MFLowCarbonPathways@nyserda.ny.gov](mailto:MFLowCarbonPathways@nyserda.ny.gov):

- Attachment B: Low Carbon Pathways Application Form** – Signed document containing basic information about Applicant, Applicant’s portfolio, participant eligibility, the proposed building, and proposed measure package. By signing this form, the Applicant agrees to the Terms and Conditions in **Attachment D**.
- Attachment C: Letter of Commitment** - Confirms the Applicant’s commitment to consider replicating a successful project in other buildings within their portfolio or sharing project results with peers to encourage others’ ability to take on similar projects.
- W-9 Form**

A consultant may assist in the completion of the documents. All applications will be reviewed on a first-come, first-served basis dependent on funding availability.

### B. Project Timeline and Milestones

*Table 3* below provides an overview of the project milestones for each project. Please refer to **Attachment A: Measure Package Requirement Details** for more information on deliverables required and NYSERDA reviews.

Application Submittal	Kickoff Meeting	Project Milestones		
		Pre-Construction Deliverables	Partial Installation Deliverables <sup>7</sup>	Construction Complete Deliverables
Will be reviewed on first-come, first-served basis	Scheduled upon approval of application	Due 90 days from receipt of NYSERDA award letter	<i>Upon installation of 30% of measure package<sup>7</sup></i>	Due 2 years from Kickoff meeting
		NYSERDA reviews to confirm workscope eligibility	<i>NYSERDA conducts field inspection<sup>7</sup></i>	NYSERDA conducts final field inspection

Table 3: Project Timeline and Milestones Overview

#### Kickoff Meeting:

- Upon receipt of a complete application, NYSERDA will schedule a project kickoff meeting with NYSERDA, Applicant representative, and the consultant to review the scope of work and portfolio information. After the kickoff meeting, NYSERDA will confirm eligibility and the project can proceed into pre-construction.

#### Quarterly Check-in Meetings

- At minimum, NYSERDA will schedule quarterly check-in calls or meetings with the Applicant representative and the consultant to get a progress update and discuss any questions.

#### Project Milestones and Deliverables:

- Each milestone payment is associated with deliverables that will be used to ensure measures are adhering to minimum standards, as detailed in **Attachment A: Measure Package Requirement Details**. Milestone payment will be provided upon verification of associated deliverables and/or inspections.
  - **Partial Installation:** NYSERDA will review the deliverables and, if necessary, schedules a site inspection. NYSERDA reserves the right to conduct a field inspection if it is deemed necessary.
  - **Construction complete:** NYSERDA will review the deliverables and, if complete, schedules a site inspection. On a case-by-case basis, if the Provider submits quality inspection documentation, NYSERDA will waive the 100% field inspection and will instead conduct a desk review. The building owner can request a final field inspection if they choose.
- Deliverables will need to be submitted based on the deadlines stated above. Projects that do not meet these deadlines may be terminated from the Program and unpaid incentives forfeited. The deadlines can only be extended by written or emailed request from the Applicant or Applicant representative to NYSERDA that is approved in writing by NYSERDA.

## IV. Attachments

- Attachment A: Measure Package Requirement Details
- Attachment B: Low Carbon Pathways Application Form
- Attachment C: Letter of Commitment
- Attachment D: Terms and Conditions

<sup>7</sup>Required for Envelope Package; optional for other measure packages. Please refer to **Attachment A: Measure Package Requirement Details** for more information.