

Low Carbon Pathways for Multifamily Buildings

Program Opportunity Notice (PON) 4701

(Up to \$15.75M 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 31st, 2025 by 3:00 PM Eastern Time*

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

Application Submission: All application and program materials should be emailed to 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. No communication intended to influence this procurement is permitted except by contacting the Designated Contact at MFLowCarbonPathways@nyserda.ny.gov. All contractual questions should be directed to Elsyda Sheldon (866-NYSERDA ext. 3232, 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) in New York State. 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 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

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 for a review.

Eligible Buildings

- Existing New York State Multifamily buildings¹ that are New York State electricity customers are eligible to participate in this program.²
- 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.
- Affordable projects must meet affordability criteria detailed in Affordable Multifamily Building Guidelines available at <https://www.nyserda.ny.gov/All-Programs/Multifamily-Buildings-Low-Carbon-Pathways-Program/Documents-and-Resources-for-Providers> in order to be eligible for affordable incentive amount.

Eligible Consultants/Service Providers

Participants are encouraged to work with a [NYSERDA FlexTech Consultant](#), a NYSERDA [Multifamily Building Solutions Network \(MFBSN\) Provider](#). However, this is not a requirement for program eligibility and applicants may choose an Independent Service Provider of the applicant's choosing.

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:

¹ 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.

² 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, with the exception of garden style buildings; or
 - Reconstruction of a vacant structure or space within.
 - Projects that do not meet a minimum unit occupancy rate of 50% (rounded down) for all properties within the application**.
 - Unit-by-unit construction projects that do not include non-centralized heating and cooling system.
- **An exception may be made for affordable housing on a case-by-case basis.

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 per individual market rate project OR 75% of the total costs of eligible measures for low- or medium-income (LMI) projects up to a maximum of \$3M in incentives across a corporate parent entity's portfolio. 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 50% of the total cost of these specific measures for market rate properties OR 75% of the total cost of these specific measures for LMI properties.
- To ensure compliance with this requirement, applicants must submit to NYSERDA a copy of the executed award letter(s) from all other offerings from which the project is receiving funding. Total incentive amounts received from other programs and NYSERDA must not exceed total project cost.

Incentive Recipient

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

Table 1

Measure Package	Measure Tier*	Required Measure	Required Upgrade Incentives**	Add-On Incentives***
Envelope	Roof - Tier 1	U-Value Target of ≤ 0.025	\$250 per dwelling unit	Air sealing: \$50 per dwelling unit Ventilation: \$750 per dwelling unit Bonus \$250/dwelling unit if this is first package implemented and none of the other required measure packages described in this table have been implemented
	Roof - Tier 2	U-Value Target of ≤ 0.02	\$500 per dwelling unit	
	Wall - Tier 1	U-Value Target of ≤ 0.05	\$750 per dwelling unit	Air sealing: \$50 per dwelling unit Ventilation: \$750 per dwelling unit Bonus \$1,000/dwelling unit if this is first package implemented and none of the other required measure packages described in this table have been implemented
	Wall - Tier 2	U-Value Target of ≤ 0.03	\$1,500 per dwelling unit	
	Window - Tier 2	U-Value Target of ≤ 0.27	\$1,250 per dwelling unit	Air sealing: \$50 per dwelling unit Ventilation: \$750 per dwelling unit Bonus \$500/dwelling unit if this is first package implemented and none of the other required measure packages described in this table have been implemented Unit-by-unit construction option assessed on a project basis.

Appliances	Induction Stoves		\$700 per dwelling unit	Unit-by-unit construction option assessed on a project basis.
	Heat Pump Dryers	Must be ENERGY STAR	\$500 per dwelling unit	
Heating & Cooling	Partial Electrification - Tier 1		\$2,000 per dwelling unit In addition to any applicable NY Clean Heat incentives	Air sealing: \$50 per dwelling unit Unit-by-unit construction option assessed on a project basis. Ventilation: \$750 per dwelling unit
	Full Electrification - Tier 2		\$4,000 per dwelling unit In addition to any applicable NY Clean Heat incentives	
Domestic Hot Water	Partial Electrification - Tier 1		\$750 per dwelling unit In addition to any applicable NY Clean Heat incentives	Unit-by-unit construction option assessed on a project basis.
	Full Electrification - Tier 2		\$1,500 per dwelling unit In addition to any applicable NY Clean Heat incentives	

**Tiers 1 and 2 have different minimum U-values (a measure of insulation efficiency) for upgrade packages, with Tier 2 requiring lower U-values and greater efficiency.*

***All required upgrades within a package must be implemented and adhere to measurement & verification and quality control protocols to receive the required upgrade incentives for that package.*

****Add-on incentives are available when implementing recommended upgrades along with all required upgrades.*

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 (roof, wall/EFIS, windows)	10%	40%	50%
Appliance Electrification Package	10%	40%	50%
Heating & Cooling Package	10%	40%	50%
DHW Package	10%	40%	50%
Bonus measures (air sealing, ventilation upgrades)	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:

- 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 ³	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 package³</i>	Due 2 years from Kickoff meeting
		NYSERDA reviews to confirm workscope eligibility	<i>NYSERDA conducts field inspection³</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

³Required for Envelope Package; optional for other measure packages. Please refer to **Attachment A: Measure Package Requirement Details** for more information.