



NEW YORK
STATE OF
OPPORTUNITY

RetrofitNY

The RetrofitNY Pledge

A commitment to net-zero energy retrofits
and increasing your building's value

ADAPTING TO CHANGES IN THE LANDSCAPE

The purpose of this pledge is to mobilize the market to enable building owners to retrofit their buildings to net-zero energy (NZE) performance in a cost effective way, significantly improving their building's value and reducing its construction period and operating expenses, while improving residents' quality of life. This pledge will allow building owners to use their collective buying power to compel manufacturers to introduce new retrofit solutions into the market at no risk to themselves. As proven by the success of similar programs throughout Europe, building owners' signatures on this pledge will help dramatically increase the availability of affordable high performance retrofit solutions from which they and the entire market will directly benefit.

Typical building upgrades are capital intensive yet usually fail to substantially improve a building's performance or reduce the property's exposure to a variety of risks. Unfortunately, few alternatives are available in the U.S. Retrofit solutions that significantly reduce operating and maintenance costs are not yet viable for many building owners due to their high cost.

The RetrofitNY Pledge is designed to fill this void in the market by spurring industry to develop deep retrofit solutions with short installation times that result in sharply lower energy costs, reduced maintenance costs and improved net operating income and valuations.

Building owners spend billions each year on renovations and it will be difficult to improve returns on those investments without better retrofit solutions.

GROWING RISKS & COSTS

Building owners face a variety of growing risks and costs that NZE retrofits can significantly mitigate. These include increased insurance premiums, rising energy and water costs, unpredictable maintenance expenses, increased health concerns regarding air quality, and shortage of skilled construction labor. In addition, long construction periods impose high interest costs on projects and limit the amount of capital available to make improvements on a building.

Owners may incur severe penalties for buildings that fail to comply with new laws requiring substantial reduction in greenhouse gas emissions. In 2019, New York State signed into law the Climate Leadership and Community Protection Act which requires that the State reduce greenhouse gas emissions from 1990 levels 40% by 2030 and 85% by 2050.

New York City passed the Climate Mobilization Act (CMA) which included legislation requiring owners of buildings over 25,000 square feet to substantially reduce their greenhouse gas emissions over time enabling the City to meet its targets of 40% by 2030 and 80% by 2050. The CMA would affect 50,000 buildings in the City. This law also requires the study of a citywide emissions trading scheme for carbon credits which, if enacted, may lead to an increase in value and revenue potential for NZE buildings whose performance would meet or exceed the mandated levels. Similar high-performance standards are pending or being implemented in Massachusetts, California, Vancouver and in many other municipalities.

In a few short years the business landscape is going to be very different for building owners than it is today, and owners need to be prepared for these changes now. New retrofit solutions must be made available in order to give building owners a viable way to comply with new laws, prepare for imminent changes in the market and reduce risk in their building portfolios, while enhancing the performance and value of their building assets.

THE COMMITMENT

Ease of Application

The onsite portion of the retrofit must be completed in a sharply reduced timeline relative to conventional construction, resulting in no resident relocation and minimal tenant disruption—as well as lower construction interest and reduced on-site labor costs and risk.

Ease of Maintenance and Operation

The retrofit must lower operating expenses and avoid high maintenance obligations.

Attractive Design

The retrofit design must meet or exceed owner and resident expectations regarding safety, accessibility comfort, and aesthetics.

No Use of Fossil Fuels

After the retrofit, the building must avoid the use of fossil fuels by using reasonable and commercially available alternatives.

Net-Zero Energy Performance

After the retrofit, the building must be modeled to achieve net zero or near NZE performance, delivering to building owners and residents the important benefits that come with NZE buildings (such as lower operational and maintenance costs).

Affordable [or Cost Effectiveness]

The NZE retrofit must be cost effective and commercially viable, leveraging substantial energy and operational cost savings generated through the retrofit. It must also meet financing and insurance underwriting requirements, applicable building codes, and accepted engineering standards.

SIGN THE PLEDGE NOW

We commit to using a net-zero energy (NZE) retrofit solution for multifamily buildings in our portfolio if the solution meets the criteria listed above.

Organization name: _____

Number of multifamily buildings in portfolio: Total _____ NY State Only _____

Number of multifamily dwelling units in portfolio: Total _____ NY State Only _____

Reason this is important to our organization:

Authorized signatory: _____

Date: _____

Name of signatory: _____

Title of signatory: _____

BACKGROUND

The New York State Energy Research and Development Authority (NYSERDA) offers an array of programs, that advance innovative energy solutions in ways that improve New York's economy and environment, enabling building owners to respond effectively to new challenges. NYSERDA's RetrofitNY initiative is revolutionizing the way buildings are renovated in New York State. The goal is to spearhead the creation of standardized, scalable solutions and processes that will improve the aesthetic and comfort of residential buildings while dramatically improving their energy performance. RetrofitNY is working aggressively to bring a large number of affordable housing units to or near NZE use by 2025 and provide new business opportunities in the State of New York.

RetrofitNY is facilitating the development of NZE solutions that serve the needs of building owners across a number of market sectors (such as affordable housing and universities and colleges). Also partnering in this effort is the New York City Department of Housing Preservation & Development (HPD) and New York State Homes & Community Renewal (HCR).

Following a trend rolling across Europe, NYSERDA's RetrofitNY program was launched to provide a radically better retrofit solution and is currently working to make available to building owners a highly efficient, cost-effective method for delivering low cost, NZE building performance, thereby substantially improving the financial condition of the asset.

Result in an **improved financial condition of the building** (compared to a conventional renovation or retrofit)

Sharply **reduce operational costs** by delivering net-zero or near net-zero energy performance

Minimize the onsite construction period and reduce construction interest costs

Exclude the use of fossil fuels and implement all-electric solutions

Extend the period until another renovation is required (relative to the conventional retrofit), thereby **increasing the owner's IRR**

Improve the health, comfort and overall quality of life for residents

Minimize resident disruption or displacement during implementation

Additional RetrofitNY program information and resources are available at nyserdera.ny.gov/RetrofitNY

Disclaimer

By signing this Pledge, you grant NYSERDA permission to share your information publicly for purposes including but not limited to sharing with manufacturers as well as other marketing efforts and social media posts.