



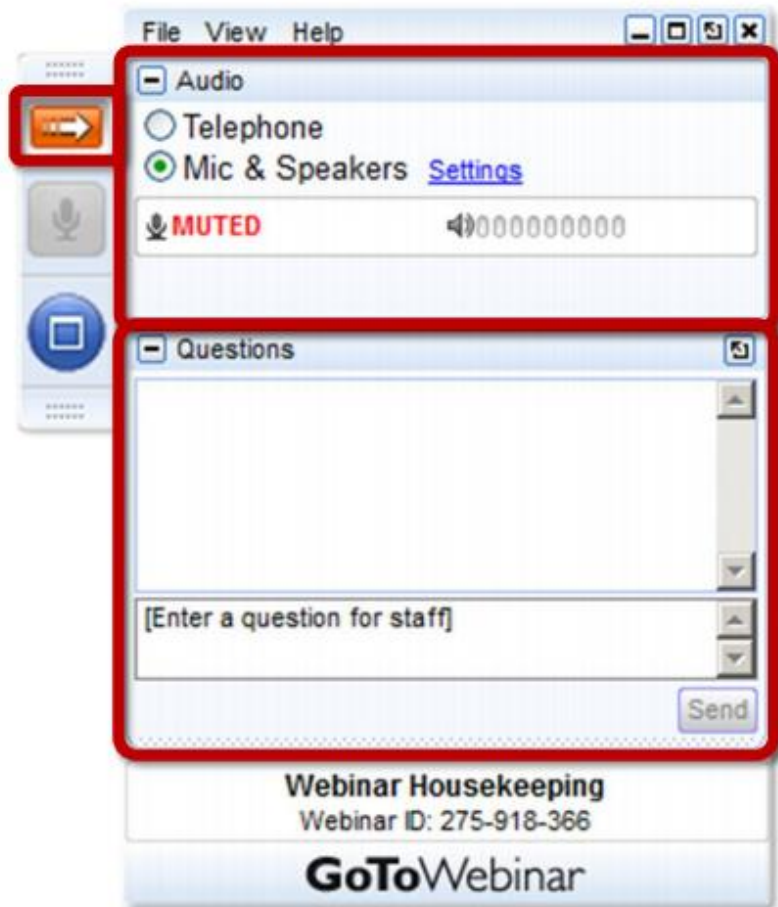
# EnergizeCT Health & Safety Revolving Loan Fund

Q&A Webinar

February 15, 2018



# Questions



- Use the orange arrow to open and close your control panel
- Type in questions/comments via the “Questions” panel
- The webinar is being recorded. Slides and webinar will be posted to [ctgreenbank.com](http://ctgreenbank.com) on the Open RFP page

# Presenters



## **Kim Stevenson**

Director, Multifamily Housing Programs

## **John D'Agostino**

Associate Director, Multifamily Housing Programs

# Background

- \$1.5 million for loans and limited grants for multifamily housing to remediate health and safety issues in conjunction with energy upgrades.
- For owners serving low- and moderate-income residents with 5+ units.
- Encourage a holistic and comprehensive approach to building energy.
- Profitable properties and financially challenged properties (or those with very high health and safety remediation costs) can apply.
- Seeking to establish a revolving loan fund.
- We will open funding rounds on a quarterly or semi-annual basis until all funds are deployed.

# Loan Eligibility

- Provides funding for measures necessary to eliminate or remediate health and safety issues prior to implementing energy improvements, thus enabling energy improvements to proceed.
- Examples of eligible H&S costs include, but are not limited to:
  - Measures to contain, address, remove, or remediate mold, sources of mold, asbestos, lead paint, or other hazards.
  - Amelioration or replacement of leaking pipes, failed roofs, defective combustion equipment, carbon monoxide sources, radon gas, knob and tube wiring, etc.
  - Costs of relevant health and safety audits and assessments, and necessary professional services.

# Loan Eligibility

- H&S work must be completed prior to, or in conjunction with the energy improvements.
- Examples of energy measures include one or more of the following:
  - Measures incented by the electric/gas utilities criteria for rebates.
  - Eligible measures under other Green Bank financing products
  - Work associated with implementation of the State's Comprehensive Energy Strategy.
  - Fuel conversions and associated improvements.
  - Energy storage.
  - Electric vehicle charging stations.
  - Other energy upgrades with a commercial track record of realized savings, as approved by the Green Bank.
- We encourage owners to take a holistic, comprehensive approach to building improvements

# Loan Eligibility

- Applications can request H&S Revolving Loan funds only, or combine funding from the H&S Revolving Fund with other Green Bank programs and/or other funding sources.
- Properties must have at least sixty percent (60%) of the units serving low income residents (defined as households with incomes at 80% of Area Median Income (AMI) or less).
- Eligible ownership structures include private or non-profit owned properties, housing authorities, condos, or co-ops. Assisted living and supportive housing communities are eligible.

# Grant Eligibility

- Up to 25% of H&S Revolving Loan funding available as grants to eligible applicants that demonstrate the financial need.
  
- On an exception basis, more than 25% of H&S Revolving Loan funding available to the following entities that demonstrate financial need:
  - Non-profit corporations,
  - State or federal housing authorities,
  - Cooperatives or condominiums



# Loan Terms & Structure

Loan Size:	\$10,000 to \$300,000 (waivers for larger loans are possible).
Loan Term:	Up to 20 years (plus construction period).
Loan Amortization:	Interest-only during construction and fixed for the remaining term of the loan (other amortization structures may be considered at the Green Bank's sole discretion).
Interest Rate:	0 to 6% per annum.
Prepayment:	No penalty.

## Loan Terms & Structure (continued)

- Security:** Loans less than \$50,000 will be unsecured. Security on loans greater than \$50,000 will be sought by the Green Bank, with exceptions determined in the Green Bank's sole discretion.
- Loan Fees:** 0.5% of funding amount, may be funded out of loan proceeds.
- Audit Requirement:** Multifamily property owners must complete a whole building energy audit satisfactory to the Green Bank.
- Energy Monitoring:** Applicants are required to monitor energy usage during the term of the loan (or two years whichever is greater) and provide the Green Bank online access to the data using WegoWise or similar system compatible with EnergyStar Portfolio Manager

# Funding Limitations

- Health and safety costs funded by the H&S Revolving Fund are intended to enable implementation of **energy improvements**.
- They cannot exceed 50% of “Total Project Costs” and cannot exceed 75% of TPC if “Substantive Energy Improvements” are planned
- “Total Project Cost” is equal to all costs necessary to implement an energy project
  - Generally includes pre-development costs, financing costs, energy measures, remediation of health & safety obstacles, commissioning and post implementation monitoring and verification.)
- “Substantive Energy Improvements”
  - Reduce projected energy usage intensity (EUI) 10% from baseline, or
  - For heating and hot water systems only, must be 10% more efficient than systems being replaced and meet specs required to qualify for utility incentives

# Project Requirements

- **Set-Aside for Small Contractors and Minority Business Enterprises** - applies to projects greater than \$50,000 and sub-contractors only.
- **Air Quality** - Projects located within 500 yards of highways, diesel rail lines or railway switching lines shall comply with the Connecticut Green Bank Air Filtration Policy for Multifamily Properties.
- **Permits obtained**
- **QA/QC & Inspections**

# Evaluation Criteria

## Threshold Criteria

- **Complete application**
- **Compliance with program guidelines**
- **Ability to comply with Contracting and Documentation Requirements**

# Evaluation Criteria

## Competitive Criteria

- Ability to repay the proposed loan as demonstrated by:
  - Borrower financial strength
  - Project financials including debt service coverage ratio and energy cost reduction
- Loan terms requested – interest rate and term
- Percentage of grant funds requested

# Evaluation Criteria

## **Contribution to program goals:**

- Projected energy savings and deployment of renewable energy. Holistic,
- comprehensive projects are strongly encouraged.
- Health impact on residents and extent of health and safety hazards to be removed.
- Number of moderate, low and very low-income households served.

## **Timing of, and ability to, implement proposed upgrades as indicated by:**

- Committed funding from other sources, necessary to advance project.
- Extent of completion of bid documents (as necessary and appropriate).
- Bids in place for work (as necessary and appropriate).
- Owner and consultant experience.
- Projected schedule.

# Key Dates

## Project Milestone

RFP Responses Due

Notification to Successful Applicants

## Estimated Date

March 12, 2018 by 12:00 PM

March 19, 2018 by 5:00 PM

**Please send proposals to [RFP-Responses@ctgreenbank.com](mailto:RFP-Responses@ctgreenbank.com)**



**Questions?**

# Thank You!

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