

## **NOTICE OF ADOPTION OF FINAL RULE**

### **Mayor's Office of Long-Term Planning and Sustainability**

**NOTICE IS HEREBY GIVEN PURSUANT TO THE AUTHORITY VESTED IN THE OFFICE OF LONG-TERM PLANNING AND SUSTAINABILITY** by Section 1043(a) of the New York City Charter, that the New York City Mayor's Office of Long-Term Planning and Sustainability has amended its rules by adding a new chapter to establish a re-grant program to implement a New York State Energy Research and Development Authority grant. The re-grant program will fund energy efficiency upgrades and community campaigns to advance energy efficiency. The new chapter was proposed and published in the City Record on January 17, 2025, and a public hearing was held on February 27, 2025. One comment was received and was supportive of the rule.

### **Statement of Basis and Purpose**

The New York City Mayor's Office of Long-Term Planning and Sustainability (OLTPS) is proposing to add a new Chapter 23 to Title 43 of the Rules of the City of New York to establish a re-grant program to implement a New York State Energy Research and Development Authority (NYSERDA) grant. The re-grant program will be administered by a contractor, Solar One and ICF Resources, LLC., with guidance from OLTPS. This rule codifies through the City Administrative Procedures Act (CAPA) the criteria and procedures, described below, that will be used to select re-grantees and that will control the distribution of awards. Re-grantees will receive funds to perform energy efficiency upgrades or conduct community campaigns to advance energy efficiency.

NYSERDA's Clean Energy Communities program provides recognition and grant funding to local governments for clean energy projects intended to reduce greenhouse gas emissions and contribute to New York's clean energy goals. In January 2023, NYSERDA notified New York City that it was selected for a \$160,000 Clean Energy Communities grant. \$95,000 of the grant award is for community-based organizations (CBOs) to perform clean energy campaigns and \$65,000 of the grant award is for building owners to complete energy efficiency upgrades. Pursuant to the grant award, OLTPS will provide re-grant awards to CBOs and building owners (the "Clean Energy Communities Re-Grant Program" or "CEC Re-Grant Program"). CBOs will receive re-grant awards up to \$15,000.00 to complete clean energy campaigns. Building owners will receive re-grant awards up to \$25,000 to complete energy efficiency upgrades. The term "grant" refers to the \$160,000 grant award from NYSERDA to New York City. The term "re-grant" refers to the awards from New York City to CBOs and building owners to complete clean energy campaigns and energy efficiency upgrades, respectively.

The application to apply for funding opened to CBOs and building owners on February 27, 2023. OLTPS, through its contractor, invited eligible CBOs and building owners to apply for re-grants to support clean energy campaigns or energy efficiency upgrades. The initial application

deadline was April 14, 2023 for CBOs and April 21, 2023 for building owners but was subsequently extended to April 24, 2023 for both CBOs and building owners.

Applications were reviewed and evaluated by members of the Steering Committee, which included representatives with expertise in the clean energy field. Two CBOs and six building owners applied for the CEC Re-Grant Program. The Steering Committee met to review each application. The Steering Committee reviewed the applications based on the criteria articulated in this rule and a set of guidelines providing more detailed direction that were published in conjunction with the launch of the application process in February 2023. The Steering Committee used the criteria and guidelines to determine which applicants would receive re-grants.

The standards set forth in this rule will govern the award and distribution of re-grants to program participants going forward.

The rule is authorized by Section 1043 of the Charter of the City of New York.

The text of the Rule follows.

Section 1. Title 43 of the Rules of the City of New York is amended by the addition of a new chapter 23, to read as follows:

#### Chapter 23: Clean Energy Communities Re-Grant Program

##### § 23-01 Purpose.

The objective of the Clean Energy Communities Re-Grant Program (“CEC Re-Grant Program”) is to address the clean energy and energy efficiency needs of New York City and reduce greenhouse gas emissions by providing funds to community-based organizations for clean energy campaigns and funds to building owners for energy efficiency upgrades.

##### § 23-02 Definitions

Affordable Multifamily Housing. “Affordable multifamily housing” means buildings that have regulatory agreements with a housing agency or in which at least 25% of the units are, or are expected to be, occupied by households earning not more than 80% of Area Median Income or State Median Income, whichever is greater.

Applicant. “Applicant” means a person or organization that is applying for the CEC Re-Grant Program.

Application. “Application” means a written request in a form satisfactory to OLTPS, supplemented by all requested supporting documents, made by an applicant to OLTPS or Contractor to determine the eligibility of the applicant for a grant.

Application deadline. “Application deadline” means April 24, 2023.

Awardee. “Awardee” means an applicant determined to receive a re-grant.

Building. “Building” means an enclosed structure including service equipment therein. The term is to be construed as if followed by the phrase "structure, premises, or part thereof" unless otherwise indicated by the text.

City. “City” means the City of New York.

Clean Energy Campaign. A coordinated effort to promote the use of the NYC Accelerator.

Community-Based Organization. “Community based organization” means a not-for-profit organization.

Energy Efficiency Upgrade. “Energy Efficiency Upgrade” means the following measures:

1. Installation of Solar Panels
2. Weatherproofing
3. Boiler plant
  - a. Conversion to cleaner fuels
  - b. Right-sizing boiler
4. Building Envelope
  - a. Air-sealing
  - b. Window upgrades
  - c. Wall and roof insulation
  - d. Cool or green roof
5. Cooling equipment and distribution
  - a. High-efficiency packaged terminal air conditioners or window AC units
6. Decarbonization studies
7. Distributed generation
  - a. Solar Photovoltaic
8. Domestic hot water
  - a. Pipe insulation
  - b. Higher efficiency hot water systems (tankless, heat pump, solar, thermal, etc.)
9. Elevator systems
  - a. Upgrade elevators (motor efficiency improvements only)
10. Heat pumps
  - a. Mini-splits, packaged terminal air conditioners, variable refrigerant flow systems
11. Heating distribution system
  - a. One-Pipe Steam/Two-Pipe Steam/hydronic/package terminal air conditioners heating distribution system optimization
12. Heating equipment
  - a. Install higher efficiency condensing boiler (92% minimum)
13. HVAC sensors
  - a. Install/upgrade boiler management system
14. Lighting
  - a. LED lighting upgrades and sensors
15. Plug loads

- a. Replace all refrigerants greater than 15 years old
- b. Cooking electrification
- c. Replace appliances with ENERGY STAR models
- d. Sub-meter master metered buildings
- e. Upgrade laundry rooms with ENERGY STAR washers

Energy Savings. “Energy Savings” means a more than de minimis reduction in the amount of energy consumed as measured in therms for natural gas or kilowatt-hours for electricity, as calculated by comparing baseline energy consumption prior to the implementation of the Energy Efficiency Upgrade with energy consumption after the completion of the Energy Efficiency Upgrade. For Energy Efficiency Upgrades that are improvements to the building envelope, energy savings are calculated based on thermal transmittance.

Grant. “Grant” means the \$160,000 award provided by the New York State Energy Research and Development Authority to the City to carry out the CEC Re-Grant Program pursuant to this chapter.

Grant Agreement. “Grant Agreement” means the agreement between the New York State Energy Research and Development Authority and the City to carry out the CEC Re-Grant Program.

Guidelines. “Guidelines” means the materials published by OLTPS and Contractor regarding the CEC Re-Grant Program application.

NYC Accelerator. “NYC Accelerator” means the free resources, training, and expert guidance to help building owners and industry professionals improve energy efficiency and reduce carbon emissions from buildings in New York City provided by OLTPS.

Owner. “Owner” means a person having legal title to premises; a mortgagee or vendee in possession; a trustee in bankruptcy; a receiver or any other person having legal ownership or control of premises.

Owner-Occupied. “Owner-Occupied” means a property occupied by its owner.

OLTPS. “OLTPS” means the Mayor’s Office of Long-Term Planning and Sustainability.

Re-Grant. “Re-Grant” means funding for a Clean Energy Campaign or Energy Efficiency Upgrade provided to an Applicant pursuant to this chapter.

Re-Grant Agreement. “Re-Grant Agreement” means the agreement between an Awardee and Contractor to conduct a Clean Energy Campaign or Energy Efficiency Upgrade pursuant to this chapter.

Thermal Transmittance. “Thermal Transmittance” means the rate of transfer of heat through a structure divided by the difference in temperature across that structure.

Contractor. “Contractor” means ICF Resources, LLC. and CEC Stuyvesant Cove, Inc. (“Solar One”).

## § 23-03 Applicant Eligibility

1. Clean Energy Campaigns. To be eligible for a Re-Grant to carry out a Clean Energy Campaign pursuant to this chapter, an applicant must:

- a. Be a Community Based Organization, and
- b. Demonstrate administrative and programmatic operations within one or more of the following Community Districts:
  - i. Manhattan 9, 10, 11 and 12,
  - ii. Brooklyn 3, 4, 5, 8, 9, 16 and 17,
  - iii. Bronx 1, 2, 3, 4, 5, 6, 7 and 9.

2. Energy Efficiency Upgrades. To be eligible for a Re-Grant to implement an Energy Efficiency Upgrade pursuant to this chapter, the applicant's building must satisfy all of the following criteria:

- a. Be affordable multifamily housing;
- b. Have five or more units;
- c. Be owned by a not-for-profit or be owner-occupied;
- d. Be less than 25,000 square feet; and
- e. Be located in one or more of the Community Districts specified in subdivision 1 of this section.

#### § 23-04 Application Requirements.

1. Clean Energy Campaigns. Applications for CEC Re-Grant Program funds to conduct a Clean Energy Campaign must demonstrate the applicant's ability to comply with the requirements set forth in section 23-05(1) of this chapter, and include the required materials described in section 23-06(1) of this chapter.

2. Energy Efficiency Upgrades. Applications for CEC Re-Grant Program funds to implement an Energy Efficiency Upgrade must include one or more proposed projects that comply with the requirements set forth in section 23-05(2) of this chapter, and include the required materials described in section 23-06(2) of this chapter.

#### § 23-05 Project Qualifications.

1. A proposed project for a Clean Energy Campaign must:

- a. Include a virtual event and/or in-person workshop to promote the NYC Accelerator;
- b. Include posting on a social media channel about the NYC Accelerator at least six times in a 3-month period;
- c. Provide a testimonial or participation in a media interview about the importance of energy efficiency and/or promoting the NYC Accelerator;
- d. Make a good faith effort to connect a minimum of 15 building owners to the NYC Accelerator; and
- e. Be within the applicant organization's administrative capacity as determined by the Steering Committee established pursuant to section 23-07 of this chapter.

2. A proposed project for an energy efficiency upgrade must:

- a. Meet the qualifications of an Energy Efficiency Upgrade as that term is defined in section 23-02 of this chapter, and
- b. Be reasonably expected to result in Energy Savings.

#### § 23-06 Application Materials

1. Materials required for applications to conduct Clean Energy Campaigns. If an Applicant proposes a Clean Energy Campaign, the application must include the following:

- a. Background materials that describe the Applicant's previous experience in similar campaigns, including whether the Applicant has been involved in prior campaigns to support renters or building owners through education or outreach related to low-income housing, climate justice, homeownership, financial literacy, tenant organizing, or related areas, and a description of those prior campaigns;
- b. A description of why the Applicant is interested in supporting the NYC Accelerator;
- c. A description of the Applicant's use of social media as an engagement tool and how the Applicant's social media efforts increase the organization's exposure;
- d. Identification of staff member(s) or other persons who will support or implement the Applicant's proposed Clean Energy Campaign; and
- e. A description of the need for the Clean Energy Campaign proposed by the Applicant.

2. Materials required for applications to implement an Energy Efficiency Upgrade. If an Applicant proposes an Energy Efficiency Upgrade, the application must include the following for each proposed project:

- a. Building information:
  - i. Building Owner Name;
  - ii. Building Address;
  - iii. Borough;
  - iv. Number of Units;
  - v. Building square footage;
  - vi. Number of buildings owned by building owner; and
  - vii. Number of occupants enrolled in a utility-assistance program.
- b. A description of the existing conditions of the proposed property including annual energy used, energy costs, and type of energy used (electric, gas, oil);
- c. Whether tenants have received previous weatherization assistance; and
- d. A description of the project, including:
  - i. The proposed Energy Efficiency Upgrade project scope;
  - ii. Estimated cost and budget plan; and
  - iii. Service provider proposal or quote.

#### § 23-07 Steering Committee Review.

1. OLTPS will organize and oversee a Steering Committee review process to evaluate CEC Re-Grant Program applications in accordance with this section.

2. The Steering Committee will include at least six members.

3. Steering Committee members must have a minimum of one year of experience in one of the following fields: sustainability, climate justice, environmental justice, renewable energy, energy efficiency, battery storage, workforce development related to clean energy, engineering, building operations/facility management, retrofitting, construction, architecture, community engagement related to clean energy, clean energy policy, data analytics, data science or related areas.

4. Only Steering Committee members may determine awardees.

#### § 23-08 Scoring and Fund Allocation

1. CEC Re-Grant Program funds will be awarded in accordance with the following procedure:

- a. Step one. Each application will be reviewed by the Steering Committee. Steering Committee members determine whether each applicant meets the eligibility requirements set forth in section 23-03 of this chapter and provide comments on the applications.
- b. Step two. Subject to available grant funds, applicants that meet the eligibility requirements set forth in section 23-03 of this chapter and submit the required application materials set forth in section 23-06 of this chapter will be selected as awardees.

#### § 23-09 Re-Grant Administration and Payment.

1. Re-Grant Agreement. If an Applicant is awarded funds, OLTPS or its Contractor will prepare a re-grant agreement based on the project proposed in the application. The Applicant must sign such re-grant agreement to receive such funds.

#### 2. Payment.

- a. An Applicant's re-grant agreement must include a payment schedule that is based on the services provided pursuant to the Clean Energy Campaign or Energy Efficiency Upgrade implemented and associated costs.
- b. Final payment is contingent on submission and OLTPS approval of final documentation submitted by the Awardee demonstrating that the project was completed. An Awardee that has completed an Energy Efficiency Upgrade must submit documentation of make and model numbers for equipment that was replaced and make and model numbers for equipment that was installed. Final payment is also contingent upon completion of any other reporting required by the Grant Agreement and Re-Grant Agreement.

3. Verification of Energy Savings for Energy Efficiency Upgrades. Contractor will review the documentation submitted by the Awardee and calculate Energy Savings. Contractor will inspect Awardee's building to verify that the Energy Efficiency Upgrade was installed.