



**Testimony to the  
New York City Council Committee on Environmental Protection  
On an Amendment to the Administrative Code of New York City  
To Require Energy Audits, Retro-Commissioning and Retrofits of Building  
Systems**

**June 26, 2009  
City Hall, New York, NY**

Good morning. My name is Nicole Branca and I represent the Supportive Housing Network of New York, a statewide member organization that represents more than 180 nonprofit agencies that build, operate and provide services in housing for homeless, disabled and at-risk New Yorkers. Our members offer permanent, affordable apartments with on-site social services to individuals and families living with mental illness, people living with HIV/AIDS, survivors of domestic violence, homeless veterans, youth aging out of foster care and other vulnerable populations. There are nearly 40,000 households living in supportive housing statewide, including 25,000 here in New York City.

I am here today to discuss Intro 967, a bill that would require energy audits, retro-commissioning and retrofits of building systems in New York City.

The supportive housing community embraces efforts to make New York City more energy efficient. Indeed, our members have been at the forefront of the movement to develop green buildings in New York City and across the state, with many winning awards for their innovative efforts. Almost all supportive housing buildings currently in construction contain green elements; many are LEED certified. In a recent survey of our members, 66% of the respondents reported utilizing environmental design elements such as water-conserving faucet fixtures, sensor-operated lights, Energy Star appliances to reduce electricity waste, and

non-toxic construction materials that reduce pollution in the surrounding environment.<sup>1</sup> In addition, many of our members are currently working with NYSERDA to retrofit their older buildings.

The Network supports the overall goals of Intro 967, as long as it does not have an adverse affect on the affordability of housing for low-income families and individuals, in particular, the formerly homeless people with disabilities and other barriers to independence housed and served in supportive housing. The Network represents over 80 nonprofit supportive housing providers in the City who are already struggling with rising operational costs and declining building income. Many of the City, State and Federal operating contracts that make it possible to house and serve vulnerable, extremely low-income tenants fail to keep up with inflation, and the financial stability of some of our residences is already at risk. We urge the City Council to only require nonprofits to meet the requirements of this bill if there is sufficient financing available to assist them.

There are three ways our members are affected by this bill.

- First and foremost, we estimate that 38 supportive housing residences in the City are larger than 50,000 square feet and are therefore covered under this bill.
- In addition, our members have nearly 10,000 supportive housing tenants living in individual scattered-site apartment buildings across the City. It is difficult to estimate how many of these reside in larger buildings covered by the legislation, but for those who do, we are concerned that the landlords could pass on the costs to the tenants – and therefore the nonprofits, since most are living on fixed incomes.
- Lastly, all of our members have office space and are tenants themselves. We are equally concerned that landlords could pass the costs onto them through their own leases.

We do not want an exemption for our members; on the contrary, supportive housing developers proudly embrace efforts to improve their housing for their tenants and their

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<sup>1</sup> Community Benefits Report 2009 <http://www.shnny.org/resources.html>

community. Plus, they welcome the return on investment that retrofitting and re-commissioning offers. However, to make this a viable option for them, and other non-profits across the City, we urge City Council to:

1. **Shorten the payback period to five years instead of seven.** This amendment is only a floor for what building owners can do. Most do or will realize the enormous savings certain energy efficiency improvements will have on their buildings. However, it makes sense to set a reasonable minimum and let the market take it from there. Plus, starting off with a smaller mandate would give the market time to develop its capacity to meet large-scale energy efficiency jobs; most of the banks are still figuring out lending models for auditing and retrofitting, and there are goals and funding for developing a green workforce. Nevertheless, as it stands today, few people in New York have received the training necessary to perform the audits and work that this legislation requires.
2. **Use the federal stimulus funding to develop a loan program specifically for non-profit building owners.** Financial intermediaries such as Enterprise Community Partners, the Corporation for Supportive Housing, National Equity Fund and others have the infrastructure in place to do this lending and have a proven success record working with the City with the NYC Acquisition Fund. The revolving loan program now being discussed as part of this legislation can leverage the much larger level of funding necessary from banks and other sources by using these Community Development Financial Intermediaries (CDFIs).
3. **Amend this bill to prevent landlords from being able to pass any of the costs onto their tenants.** It is our understanding that much of the work recommended by the energy audits does not fall under the NYS Division of Housing and Community Renewal's (DHCR) definition of Major Capital Improvements (MCIs) and therefore cannot be passed on to tenants. Nevertheless, we ask that this prohibition be explicitly included in the bill language and added to DHCR's weatherization rules.

4. **Ensure that nonprofit vendors, and residents of New York’s low-income communities have access to the new jobs created by this initiative.** Presently, weatherization retrofitting efforts are usually provided through New York City’s nonprofit community development organizations, using people who often do not have access to good-paying jobs to do the work. We urge that safeguards be put in place in the legislation to ensure that low-income New Yorkers benefit from the new economic activity generated by this legislation.

Thank you for holding this hearing and giving us the opportunity to testify.

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