COMMUNITY DEVELOPMENT FINANCE AUTHORITY

SUPPORTING THE CREATION OF STRONG, RESILIENT AND VIBRANT COMMUNITIES

Upper Valley Landlords Meeting
Thursday, October 17th, 2019
What are your most common building concerns/issues?

High Energy Bills
Tenant Comfort
Health and Safety
Building Durability
Equipment/System Maintenance Costs
Clean Energy/Climate Change
Why is CDFA interested in Clean Energy?

Lower long term operating costs improves economic sustainability –
Frees up resources for organizations/businesses to keep focused on their mission.

Household Energy Burden disproportionately impacts communities CDFA serves

<table>
<thead>
<tr>
<th>Energy Burden:</th>
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<tbody>
<tr>
<td>Annual Household Energy Cost</td>
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<tr>
<td>Annual Income</td>
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<tr>
<td>Affected by: – Income – Energy use – Energy rate</td>
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</tbody>
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- Rural renters experience a median energy burden 29% higher than that of owners
- Households living in rural, small & large multifamily buildings experience above-average energy burdens
- Rural, Low-income household energy burdens are almost 3x higher than non-low-income rural households
- Utility costs impact food and medicine purchases
CDFA RESOURCES

- Grants
- Loans
- Tax Credit Equity

Technical Assistance
SFY2019 IMPACTS

$16 million infused into New Hampshire communities

80 projects and initiatives supported

189 business donors engaged
Clean Energy Fund

Finance energy efficiency and renewable energy projects that:

1. Reduce operating costs
2. Reduce energy use and its related environmental/climate impacts
3. Improve non-energy benefits
Clean Energy Fund

Loan Amount
$30,000 to $500,000.

Loan Term
Up to 10 yrs.

Interest Rate
2.5% - 4.5%

Collateral/Guaranty
Security required on all loans.
   Subordinated position may be acceptable
CDBG Planning Program

- Grants up to $25K
- Energy audits, capital needs assessments, & other economic analysis of the property
- Municipality is applicant
- Precursor to apply for the CDBG Housing & Public Facilities program
- Rolling applications
- For profit and non-profit eligible

CDBG = Community Development Block Grant
CDBG Housing program

- Grants up to $500K
- Renovation projects
- Municipality is applicant, then grants to non-profit/for-profit
- Projects or community must meet LMI requirements
- Federal Program with Federal requirements including:
  - Davis Bacon wages, Environmental Review, Procurement requirements
- Applications due January and July
NH State Tax Credit Program

- Competitive Community Development Investment Program
- Grants (typically $100K-$500K) in the form of tax credit equity
- Non-profits and Muni’s eligible
- Has supported Rail Trails, Theaters, Shelters, Workforce Housing
- Applications due early March
Multifamily Project Examples
6 Unit Residential - Berlin

6,000 SF property – LMI residents

Measures
• Conversion to wood pellet boiler
• weatherization,
• new windows/doors
• insulation/siding
• wall and floor repairs.

<table>
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<th>Sources</th>
<th>Amount</th>
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<tr>
<td>Clean Energy Fund Loan:</td>
<td>$119,000</td>
</tr>
<tr>
<td>Biomass Grant:</td>
<td>$10,000</td>
</tr>
<tr>
<td>Utility Rebates</td>
<td>$24,000</td>
</tr>
</tbody>
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Estimated energy savings: ~80% (existing building very leaky!)
Maple Manor - Newport, NH
42 units of low-income elderly and disabled housing

Weatherization, Air Source Heat Pumps, Solar

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<tr>
<td>CDBG</td>
<td>$407k</td>
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<tr>
<td>Clean Energy Fund Loan</td>
<td>$270k</td>
</tr>
<tr>
<td>Utility Rebates</td>
<td>$135k</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$812K</strong></td>
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</table>

Results:
- Savings (est.): $34k/year
- Payback: 7.9 years
- Energy Cost Reduction: 46%
Funding/Financing Considerations

Consider energy efficiency early in project development (retrofit or new construction)
Consider funding application timeframes
Consider time needed for studies/energy audits

Without grants energy projects can still result in significant return on investment
QUESTIONS

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Additional Incentives

Energy Efficiency
Utility - Standard Rebates/Incentives
Utility HEA/Community Action Program - Specific Rebates for LMI energy upgrades

Solar
Tax Credits (For Profit)
NHCF solar grants (Non-profit)
PUC low income solar RFP (Non-profit)
Renewable Energy Certificates
Utility incentives won’t cover:

• Lighting upgrades when changing from CFL to LED
• Fuel conversion to electric heat pumps
• Repairs/roof leaks/roof replacement
• Flat roof rigid insulation
• Asbestos removal, Structural, drainage, mold remediation
• Significant wiring
• Solar / Combined Heat & Power (CHP)
• Municipal utility service area
• Non-Eversource service areas might have limited EE budgets