

Financing Resources

Local Law 97 of 2019 (LL97) places limits on carbon emissions for New York’s large buildings starting in 2024. Buildings that include affordable or rent-regulated housing may qualify to comply with one of three pathways, depending on the type of building and its financing structure. There are several resources at the City, State, and Federal levels to help building owners unlock the funding they need to comply with LL97. The following programs are some of the funding and financing opportunities currently available to affordable housing and rent-regulated buildings. Please refer to each of the programs for active updates and further details.

City Programs

administrator	scope	amount	eligibility
Green Predevelopment Loans ↗			
NYCEEC NYC HPD	Predevelopment project financing for specific HPD eligible programs	Up to \$40,000 for 1 building and \$60,000 for 2 buildings for up to 18 months. Loan amounts for projects involving 3 or more buildings determined on a case-by-case basis.	Buildings covered by or applying to: — Green Housing Preservation Program — HUD Multifamily Program — LIHTC Preservation Program — Multifamily Housing Rehabilitation Program — Multifamily Preservation Loan Program — Neighborhood Pillars Program — Participation Loan Program
Green Housing Preservation Program ↗			
NYC HPD	Low or no-interest affordable housing loans for energy efficiency, water conservation, and moderate rehabilitation	Up to \$50,000 per residential unit for buildings requiring moderate rehabilitation work and up to \$60,000 per residential unit for 3 – 15 unit buildings with substantial lead-based paint hazards	Multifamily buildings between 3 units and 50,000 square feet (~50 units) with project scopes that will save 20+% in annual energy usage
Retrofit Electrification Pilot ↗			
NYC HPD NYSERDA	Funding for electrification of heat and/or hot water	Up to \$26,300 per unit and \$1 million total per project. Up to \$2 million total for oil-heated projects	Multifamily buildings in HPD preservation financing pipeline

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State Programs

administrator	scope	amount	eligibility
Climate Friendly Homes Fund ↗			
NYSHCR Community Preservation Corporation	Funding to electrify heating, DHW, and energy conservation measures when done in conjunction with electrification work	Approximately \$25,000 per unit	Regulated and unregulated (located in a low-to-middle income census tract or in a disadvantaged community) affordable multifamily buildings
Clean Energy Initiative ↗			
NYSHCR NYSERDA	Financial and technical assistance funding for all-electric or electric-ready retrofits	Up to \$12,500 per unit and \$2.5 million total for adaptive reuse projects — Up to \$25,000 per unit and \$12.5 million total for existing building projects — Up to \$5,500 per unit and \$1.375 million total for new construction project	Affordable housing applying for and receiving either HTFC/DHCR 9% LIHTC RFP, HFA 4% LIHTC Tax-exempt bond financing, or HCR Subsidy Financing through HCR's pipeline
Community Decarbonization Fund (CDF) ↗			
NY Green Bank	Debt financing pathway available to CDFIs and mission-driven lenders to provide more capital for eligible emissions-reducing building projects that benefit residents of disadvantaged communities	\$2 million up to the lesser of \$25 million or 20% of an eligible applicant's total capitalization	Certified CDFIs, specialty lenders, or for-profit subsidiaries of any of the previous categories provided the for-profit subsidiary is operating exclusively in support of the tax-exempt or municipal mission of the parent entity
Flexible Technical Assistance Program (FlexTech) ↗			
NYSERDA	Cost-share funding for energy audits and clean energy analyses for electrification upgrades	Cost-share for affordable housing up to 75% of study cost. Up to \$500,000 or up to 20% Annual Energy Expenditure, whichever is less	Multifamily buildings that pay into the electric System Benefits Charge (SBC)/NYSERDA Clean Energy Fund on their electric utility bill. There is limited funding for affordable multifamily buildings that do not pay into the SBC

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State Programs

administrator	scope	amount	eligibility
Multifamily Buildings Low-Carbon Pathways Program ↗			
NYSERDA	<p>Incentives for implementing flexible packages of energy upgrades to envelope, appliances, heating and cooling, and DHW</p> <p>See program page for more details</p>	<p>Envelope: Up to \$500 per dwelling unit for roof, up to \$1,500 per dwelling unit for walls, \$1,250 per dwelling unit for windows. Additional bonuses available for first implementation</p> <p>Appliances: \$700 per dwelling unit for induction stoves, \$500 per dwelling unit for heat pump dryers</p> <p>Heating & Cooling: Up to \$4,000 per dwelling unit depending on load</p> <p>DHW: Up to \$1,500 per dwelling unit depending on load</p>	All multifamily
Solar Energy System Equipment Tax Credit ↗			
NYS	Credit for purchasing solar energy system equipment, leasing such equipment, or purchasing power generated by such equipment	25%, up to \$5,000	All single and multifamily
Weatherization Assistance Program ↗			
NYS HCR DOE	Funding for energy-conservation measures to improve energy efficiency and for electric-ready and electrification measures. Paired with LIHEAP funds	Approximately \$8,000/unit	Single and multifamily with income at or below 60% of the NYS median income level Note: Income thresholds based on household size
4% Low-Income Housing Tax Credit ↗			
NYSHCR NYSHFA	Tax exempt bond financing that generates "as of right" credits for finance residential rental development or rehabilitation projects. Projects also subject to green building and sustainability standards	Construction loan adequate to fund >50% of costs and permanent loan up to 80% loan-to-value of as-built appraised value	Individuals, corporations, limited liability corporations, limited partnerships, and nonprofits
9% Low-Income Housing Tax Credit ↗			
NYSHCR	Dollar-for-dollar reduction in federal income tax liability generates investor equity financing for developing or rehabilitating low-income rental housing with incomes up to 60% (80% in some instances) of area median income. Projects also subject to green building and sustainability standards	Up to \$27,000 per unit. Up to \$2.2 million per project and up to \$3.028 million per project in which 50% or more of the units are households with 5+ persons	Individuals, corporations, limited liability corporations, limited partnerships, and nonprofits

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State Programs

administrator	scope	amount	eligibility
<p>NY-Sun ↗</p>	<p>Incentives and financing for purchasing and installing solar</p> <p>Incentives:</p> <p>Provided directly to NYSERDA-approved participating contractors, and additional incentives for single-family households earning less than 80% of area median income and multifamily regulated affordable housing</p> <p>Financing:</p> <hr/> <p>On-Bill Recovery Loan:</p> <hr/> <p>Loans to cover solar installation costs paid as a line item on your utility bill. Participating utilities: Central Hudson Gas & Electric, Con Edison, PSEG-Long Island, Upstate National Grid, O&R, RGE</p> <hr/> <p>Smart Energy Loan:</p> <hr/> <p>Loans repaid to NYERSDA's loan servicer</p> <hr/> <p>Renewable Energy Tax Credit Bridge Loan:</p> <hr/> <p>Short-term loans to finance federal and state tax credits for eligible renewable energy system products</p>	<p>Renewable Energy Tax Credit Bridge Loan: Between \$1,500 to \$25,000 for 2 years but cannot exceed 30% federal income tax credit for systems installed in 2023, state income tax credit for project costs equal to the lesser of \$5,000 or 25%, and NYC Real Property Tax Abatement of 5% of project costs</p> <hr/> <p>Between \$1,500 to \$25,000 for 5, 10, or 15 years</p> <hr/> <p>Between \$1,500 to \$25,000 for 5, 10, or 15 years</p> <hr/> <p>Between \$1,500 to \$25,000 for 2 years but cannot exceed 30% federal income tax credit for systems installed in 2023, state income tax credit for project costs equal to the lesser of \$5,000 or 25%, and NYC Real Property Tax Abatement of 5% of project costs</p>	<p>All single and multifamily</p>

Financing Resources

Utility Programs

administrator	scope	amount	eligibility
Clean Heat Program ↗			
Con Edison	Rebates for heat pump installations for heat and hot water	Up to 50% of project costs or \$1 million cap, whichever is lower. See full list of incentives for more details	All single and multifamily buildings with 5+ units and an eligible Con Edison electric account
Limited-Time Offer: NYC HPD Multifamily Buildings ↗			
Con Edison HPD	Financing incentives for the installation of the Prescriptive Energy Conservation Measures required by Article 321 of LL97	Vary by building heating system type and per measure installed per dwelling unit. See program page for more details	<ul style="list-style-type: none"> HPD-subsidized housing — Buildings between 25,000-75,000 sq ft — Buildings with 5+ units — Buildings with >35% rent-regulated units — HDFC co-ops — Buildings with HUD-based project assistance — Buildings that participate in NYCHA RAD/PACT — Meet Con Edison's eligibility requirements
New York State Affordable Multifamily Energy Efficiency Program ↗			
Joint Utilities of NY NYSERDA	<p>Funding for energy efficient installations. Participating utilities: Central Hudson, Con Edison, National Fuel, National Grid, NYSEG, O&R, RGE.</p> <p>Comprehensive pathway available for whole building retrofit projects, with requirements to meet a minimum scoring threshold based on intended measures. Non-comprehensive pathway available for smaller upgrades and projects that do not meet the minimum scoring threshold for the comprehensive pathway</p>	\$1,500 per dwelling unit for Tier 1 (100 point minimum) and \$2,000 per dwelling unit for Tier 2 (150 point minimum)	Affordable multifamily buildings with 5+ units

Financing Resources

National Programs

administrator	scope	amount	eligibility
Home Energy Performance-Based Whole-House Rebates ↗			
DOE NYS	Rebates for whole-home energy efficiency and energy usage reduction retrofits	Details currently pending. Refer to NYSERDA's Inflation Reduction Act guide for updates to be published	All multifamily
High Efficiency Electric Homes Rebate Program ↗			
DOE NYS	Rebates for electrification and appliance upgrades.	Details currently pending. Refer to NYSERDA's Inflation Reduction Act guide for updates to be published	All multifamily
Green and Resilient Retrofit Program ↗			
HUD	Grants and loans for energy and water efficiency upgrades and electrification. Three funding cohorts:		HUD-assisted multifamily buildings
	Elements:		
	Next application review period January 4, 2024	Up to \$40,000 per unit or \$750,000 per property	
	Leading Edge:		
Next application review period January 31, 2024	Up to \$60,000 per unit or \$10 million per property		
Comprehensive:			
Next application review period November 30, 2023	Up to \$80,000 per unit or \$20 million per property		
Section 45L (New Energy Efficient Home Credit) ↗			
IRS	Credit for new or substantially reconstructed and rehabilitated homes that meet certain ENERGY STAR or DOE's Zero Energy Ready Home energy efficiency standards	Between \$500 to \$5,000 per dwelling unit	Contractor of the project

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National Programs

administrator	scope	amount	eligibility
Section 179D (Energy Efficient Commercial Buildings Deduction) ↗			
IRS	Tax deduction for the installation of energy efficient building envelopes, heating, ventilation, HVAC, hot water, or lighting systems that generate at least 25% energy and power cost savings	For systems installed in 2023 or later: The lesser of the cost of the installed property or up to \$1.00/sq ft for 50% energy savings For systems installed in 2022 or earlier: Up to \$1.80/sq ft for 50% energy savings	Commercial and multifamily buildings greater than 3 stories
Section 48 (Residential Clean Energy Credit) ↗			
IRS	Credit for the installation of new, clean energy property, including solar panels, solar water heaters, wind turbines, geothermal heat pumps, fuel cells, battery storage	Equal to 30% of the cost of the equipment, not exceeding \$1,667 for each half kilowatt of capacity for fuel cells	All single and multifamily
Section 48(e) (Low-Income Communities Bonus Credit Program) ↗			
IRS	Increased credit for the installation of solar and wind property that are part of a qualified low-income residential building	Equal to 50% of the cost of the equipment, with an annual capacity limitation of 200 megawatts	Affordable multifamily

Financing Resources

Glossary of Terms

DOE	United States Department of Energy
EPA	United States Environmental Protection Agency
IRS	Internal Revenue Service
HDFC	Housing Development Fund Cooperative
HUD	United States Department of Housing and Urban Development
NYCEEC	New York City Energy Efficiency Corporation
NYCHA	New York City Housing Authority
NYC HPD	New York City Department of Housing Preservation & Development
NYSHCR	New York State Division of Housing and Community Renewal
NYSHFA	New York State Housing Finance Agency
NYSEG	New York State Electric & Gas
NYSERDA	New York State Energy Research and Development Authority
PACE	Property Assessed Clean Energy
PACT	Permanent Affordability Commitment Together
RAD	Rental Assistance Demonstration
RGE	Rochester Gas and Electric