

## **Certified Green Homes Earn Big Incentives in New York State**

As New York State gears up for what promises to be a busy construction season in the wake of an economic downturn that has hit the building industry hard, builders may be asking, "What can make my product stand out?" Many industry insiders answer that question with a color: Green. Clients are asking for it, the media is talking about it, and McGraw-Hill Construction estimates that activity in the green building sector will more than double in the 2009-2013 timeframe Ñ even under challenging market conditions.

If you already build green, or are considering it as a way to attract customers, the New York State Energy Research and Development Authority (NYSERDA) may have the right program for you. Beginning this year, NYSEDA will offer incentives for residential buildings built and certified green. A certified green residential building incorporates design, site development and construction practices that can lower energy costs for occupants, reduce waste and water use, and improve indoor air quality.

Francis J. Murray, president and CEO of NYSEDA, expressed gratitude to the State Legislature for establishing the program and to Governor David Paterson for signing it into law in September 2008.

"As a national leader in green building, New York State is the first state to offer incentives for certified green homes," Murray, said. "More businesses and consumers recognize the economic and environmental value of going green, which is why NYSEDA is taking steps to transform residential construction marketplace as a means of developing New York's clean energy economy."

The Green Residential Building Program, or GRBP for short, was developed by NYSEDA with guidance from an Advisory Group made up of builders, developers, and design and engineering professionals, as well as not-for-profit and government agency stakeholders. The GRBP will provide incentives to building owners of single-family homes, townhouses, modular/manufactured homes, or small multifamily buildings (up to eleven units), which complete construction and receive a Certificate of Occupancy on or after Jan. 1, 2010, but before Oct. 31, 2013. (NYSEDA will pay GRBP incentives only to the person or entity that owns the building on the day that the Certificate of Occupancy [C of O] is issued.)

"Thanks to guidance from the State Legislature and input from the New York State Builders Association (NYSBA) and other stakeholders, the Green Residential Building Program that NYSEDA developed is an opportunity for builders to stand out from the rest and will provide homeowners with a home that is more comfortable, valuable and sustainable," said Murray.

To qualify, a building must be third-party certified to the National Green Building Standard, or through the U.S. Green Building Council's Leadership in Energy and

Environmental Design (LEED) for Homes or LEED for New Construction programs. Low-rise buildings with one- to four-dwelling units will also be required to exceed the minimum performance requirements of the New York ENERGY STAR Homes (NYESH) program. The GRBP will promote the green design and building practices throughout New York State.

### **How Much Green Could I Get?**

Incentives available through the GRBP start at \$5,125 for a single-family home or townhouse and increase to \$13,375 for an 11-unit building. A building owner may receive up to \$120,000 per calendar year through the GRBP. Incentives are available on a first-come, first served basis as long as funds are available. While there are additional costs associated with building and certifying green buildings, the GRBP is designed to help offset these costs and get more builders and developers in New York State on board with building green.

Builders already participating in the NYESH Program may also qualify for an incentive through that program as long as they meet the criteria for Tier 2 or higher. While GRBP incentives are available to all qualifying buildings built in New York State, NYESH incentives from NYSERDA are only available for homes built in System Benefits Charge (SBC) Service Territories, meaning homes that are electric utility customers of Central Hudson, Con Edison, NYSEG, National Grid, Orange and Rockland, and Rochester Gas and Electric. Owners of buildings in SBC territories may also be eligible to participate in NYSERDA programs for renewable energy technologies or multifamily buildings, pending availability of funds for those programs.

### **How Green Are We Talking?**

To qualify for a GRBP incentive from NYSERDA, a residential building owner must achieve at least Silver level certification to the National Green Building Standard, LEED for Homes, or LEED for New Construction. Silver level certification generally means the building goes substantially beyond code requirements for energy and water efficiency, and indoor environmental quality. The GRBP goes further by requiring that each dwelling unit achieve 500 kWh in annual electricity savings through installation of ENERGY STAR qualified lighting and appliances, or Electronically Commutated Motors (ECMs) in the air-handling system. If applicable, combustion safety testing must be completed on all combustion appliances in each dwelling unit.

For buildings with up to four dwelling units, the GRBP has additional performance criteria which include exceeding NYESH standards or equivalent performance, demonstrated by achieving a minimum Expanded Home Energy Rating Systems (HERS) Score of 86 (or a HERS index of 70), as determined by a certified HERS

Rater. If a gas furnace is installed, it must be rated at 92 percent Annual Fuel Utilization Efficiency (AFUE) or better. Substantially renovated buildings may also qualify for a GRBP incentive, but one- to four-family buildings must achieve a qualifying HERS Score and an eligible green certification through the new construction path.

## **How do I Start?**

Experienced green builders emphasize setting green building goals early in the planning process, well before construction has started, and making sure that everyone on the team (owner, builder, designer and subcontractors) is committed to these goals. Another key member of the team is the technician, who will review the building plans and inspect the building at least twice during the construction process.

NYSERDA will issue a request for qualifications (RFQ) shortly to ensure that technicians working with builders on projects applying for GRBP incentives have at least 12 hours of applicable training or prior experience in green building. For instance, NYSBA will be offering NAHB Accredited Green Verifier training at several locations around the state.

The builders or general contractor on a project seeking GRBP incentives must also have at least 15 hours of training in green building fundamentals or show adequate prior experience building certified green buildings. Trainings that meet this requirement include NAHB's Green Building for Building Professionals, offered by the New York State Builders Association.

Applying for a GRBP incentive is a straightforward process that takes place after construction is complete and the building is successfully certified. The building owner must sign and submit a GRBP application form to NYSERDA, along with other required documents. After reviewing the application to determine it is complete and all program requirements are met, NYSERDA will issue a check to the building owner.

NYSERDA anticipates launching the GRBP later this spring. Please visit <http://www.getenergysmart.org/GreenBuilding.aspx> to learn more about the program and sign up to receive updates.

To raise visibility of the GRBP in New York, NYSERDA will coordinate with industry stakeholders, such as NYSBA, and initially promote this program to builders, develop the framework for messaging and branding, and raise awareness throughout New York's design and construction industry. NYSERDA will also initiate a consumer awareness campaign to attract potential homebuyers. The overall marketing will include a strategic mix of advertising, promotional materials and public relation efforts.