

# Bay Area Multifamily Capital Advance Pilot



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# This is a multifamily upgrade project



- Roof insulation
- Water heaters
- Low-flow fixtures
- Refrigerators
- Indoor lighting



52 unit low-rise

Estimated cost

\$ 100,000

# This is a multifamily upgrade project



320 unit mid-rise

- Central boiler replacement
- Boiler controls
- Garage lighting
- Common area lighting

Estimated cost

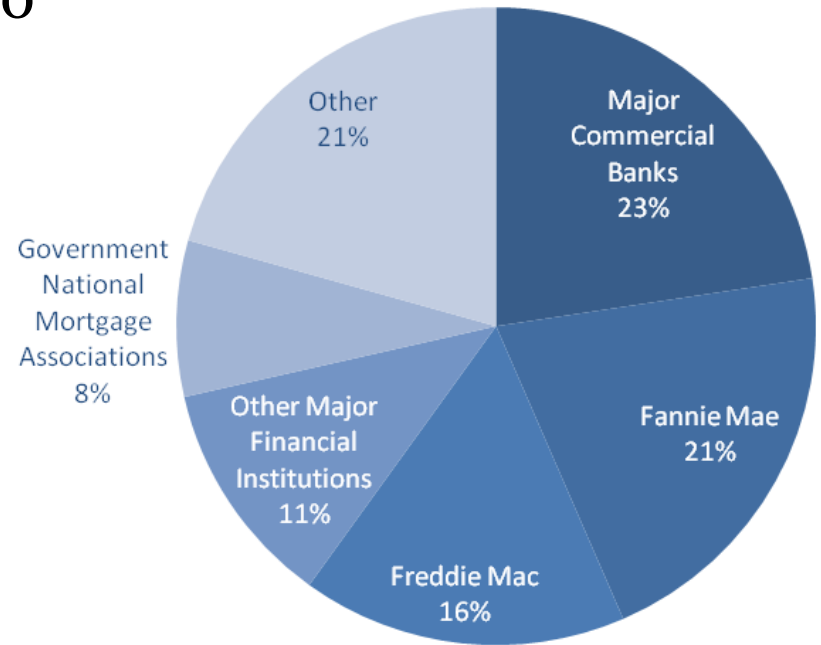
\$ 500,000

# Multifamily Lending



- Commercial enterprises:
  - Net operating income
  - Debt service coverage ratio
  - Return on investment
- First mortgage holders
- Restrictions on supplemental loans

**Multifamily Mortgage Holders**



*Data source: [federalreserve.gov](http://federalreserve.gov)*

# Programmatic Considerations



- Integrate offering with 2013-2014 EE programs
- Bay Area Multifamily Building Enhancements (BAMBE)
  - Technical assistance
  - Rebates
- Leverage EE program TA and QA
- Timing and ease of implementation

# Multifamily EE Financing Must



1. Serve a diverse range of scopes/budgets
2. Align with first mortgage holders,  
open lender model
1. Set up quickly: Leverage existing infrastructure/  
processes of lenders, programs

# Existing, Emerging MF EE Financing Tools



- Commercial PACE for 5+ units
- Statewide IOU On-bill Repayment pending
  - Master metered affordable housing
  - Legislation for tenant meters
- Pay As You Save<sup>®</sup>
- Bay Area Multifamily Capital Advance Pilot

# Green Jobs Green NY Financing



- **Total Budget of \$11.5M through 2015**
  - Revolving Loan Fund
  - Additional funds may be allocated
- **Launched ~ 2.5 years ago**
  - 14 loans to date totaling ~\$9.24 million.
  - NYSERDA portion funded ~\$2.8 million.
  - Largest Loan: \$4.4 million
  - Smallest Loan: \$75,000

Status as of June 2014





# Bay Area Multifamily Capital Advance Pilot



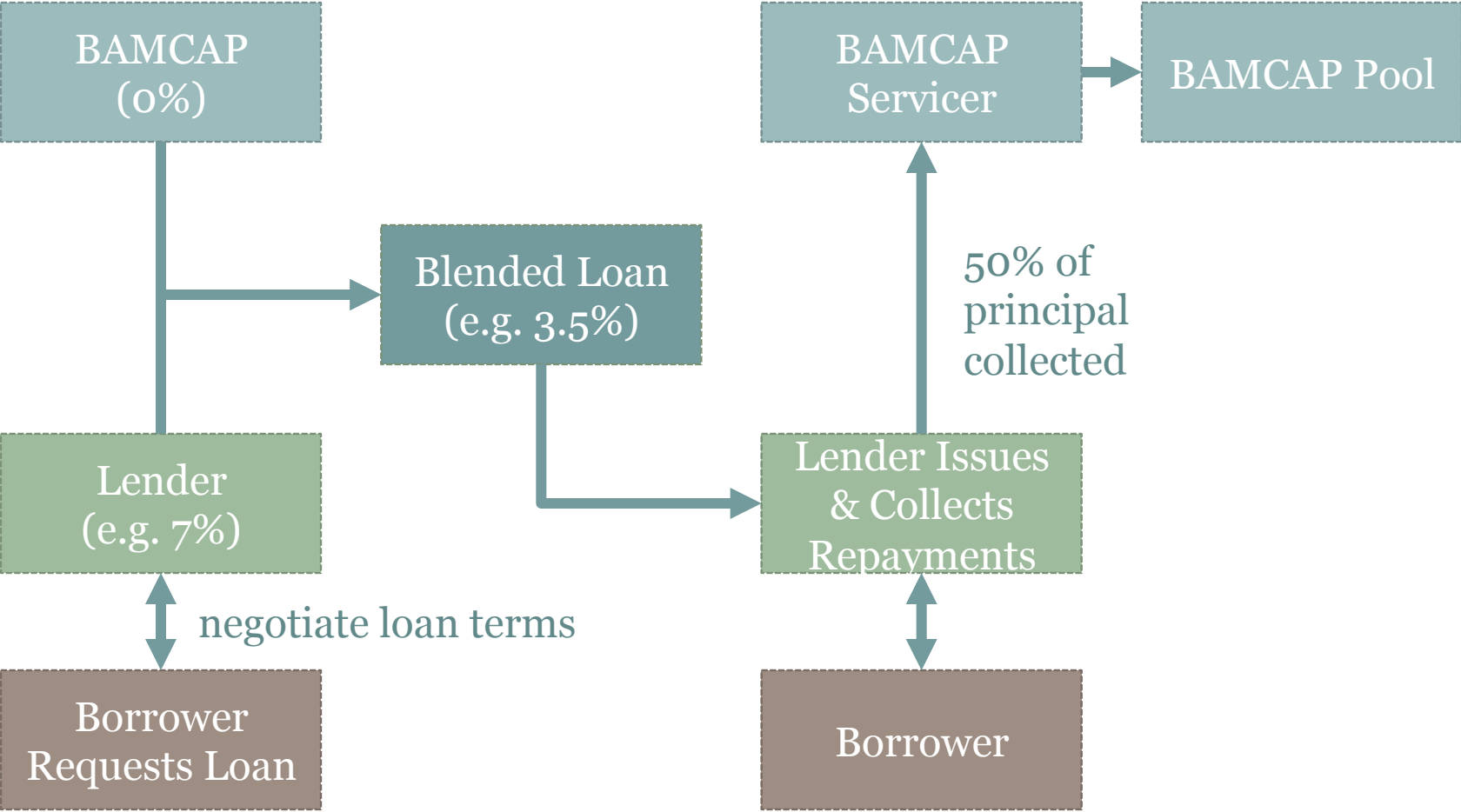
- **Total Budget of \$2M through 2015**
  - \$1.5M in capital pool
- **Launched Q1 2014**
  - Currently in recruitment phase
  - Anticipating 3 – 10 projects
  - BAMCAP portion of loan = up to \$500,000 per project

# BAMCAP Pilot Goals



- Facilitate upgrade projects
- Test whether it expands scopes, or enables projects that would otherwise not move forward
- Expose lenders to MF EE projects

# Lending Mechanism & Process



# Lending Mechanism & Process



- Technical assistance
- Approved scope
- Access rebates
- Cost net rebates:
  - Up to 50% available through BAMCAP
  - Up to \$5,000/unit or \$500,000/project
- Negotiate rates with lender
- Lender signs up to participate in program

# Recruitment Phase



- Lenders
  - Prequalified participating lender list
  - Borrowers can pick from list
- Borrowers
  - TA/rebate program pipeline
  - New participants
  - Must get lender onboard

Thank you



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