

Making  
a Difference.  
Every Day.

FirstService Residential

# ADVANTAGE

## FirstService Residential Facilitates \$739,000 in Incentives for St. Tropez Condo

*First multifamily building to reap rewards from new NYSERDA/Con Edison Demand Management Program*

The St. Tropez Condominium, a 301-unit property located at 340 East 64th Street, is currently undergoing major upgrades to improve its overall efficiency, sustainability and resilience. The project scope includes replacing boilers and absorption chillers, and installing two CHP (or cogeneration) units and a hot water fired chiller.

By providing project oversight and expert guidance on available incentives, FirstService Residential and FS Energy, the company's energy advisory subsidiary, helped

the St. Tropez realize an incredible return on investment.

This project has been in the making for over a year. "The Board of Managers had planned to replace the boilers and chillers since several engineering studies revealed the equipment was at the end of its useful life," explains Property Manager Rovena Haxhijaj. "What the Board did not plan for was the installation of the two CHP units."

That idea was proposed after the former Board President attended a CHP presentation by industry experts hosted by FirstService Residential during its 2013 Sustainability Expo. A subsequent feasibility study revealed the St. Tropez would benefit greatly from a CHP system.

"The heat generated will be utilized to run the hot water fired chiller in the summer and to supplement space heating in the winter for the residents which will result in significant energy savings," says Rovena. "The electricity generated will be used on-site and can also serve as back-up power during outages."

Seeing the potential for future savings and with space available to house the new equipment, the Board voted easily to move

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### > Message from the President

## 2015 Budget Considerations

FirstService Residential is in the midst of constructing annual operating and capital budgets for clients whose fiscal year begins on January 1. As you work with your property manager to finalize your budgets, several topics may warrant further consideration this year.



Dan Wurtzel

### Operating Expenses: Energy, Extreme Weather, and Unforeseen Circumstances

Energy costs, which can comprise up to one third of a building's budget, can be difficult to predict because they are dependent on weather as well as fluctuating market factors that can impact commodity prices. To aid in this process, the energy portion of your building's budget is guided by FS Energy's industry-leading database, which captures historical cost and consumption data for the more than 500 properties within our portfolio to more accurately forecast future costs based on two-year average usage.

Aside from increased utility costs, buildings must also be prepared for ensuing residual effects on day-to-day operations. For instance, the severity of last winter's storms saw some clients incurring unanticipated expenses from snow removal, heating plant issues, exterior building envelope repairs, equipment malfunction and staff overtime. Additionally, an

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Da-Wei Huang, FS Energy's Director of Energy Management, and Rovena Haxhijaj, St. Tropez Property Manager, helped secure substantial incentives for the building.



# FirstService Financial: A Refinancing Success Story

Did you know FirstService Financial (FFI) assists FirstService Residential clients fulfill their financing requirements with extremely competitive interest rates and terms? FFI has facilitated or assisted in loan placements in excess of \$1 billion for cooperatives and condominium associations.



The transaction outlined here illustrates why many of our clients choose to participate in FFI's programs, which provide added value based on the global purchasing power of our parent company, FirstService Corporation.

"We are thrilled with the highly favorable terms that FFI was able to secure for us," says Elsie Stark, The Howard Owners Board President. "FFI's professional guidance is a great benefit of having FirstService Residential as our management company."

## **The Howard Owners, Inc.** **483-unit cooperative in Rego Park, NY**

### **Existing Situation**

Original Mortgage:	\$22,000,000
Balance at Prepayment:	\$20,100,000
Original Interest Rate:	5.11%

Taking a proactive approach, FFI consistently reviews the loans across the FirstService Residential portfolio to identify upcoming client needs. FFI noticed The Howard Owners loan was maturing in

## The Secrets to Their Success

- ▶ FFI locked in a rate of 4.16% on a 10-year, 40-year amortizing mortgage.
- ▶ The total prepayment cost was \$1,000,000. The association was able to reduce its annual debt service payment by \$200,000 or \$2,000,000 over 10 years. It also received \$225,000 in proceeds at closing.
- ▶ Through its relationship with NCB, FFI was able to negotiate lower closing costs and a lower interest rate compared to what the co-op negotiated direct with NCB. The rate was 30 basis points lower than what NCB offered direct, saving the cooperative \$350,000 over the life of the loan.
- ▶ FFI was able to close this refinance within 40 days of engagement by the co-op, delivering on everything they discussed with the board of directors.

12 months and reached out to the property manager to initiate a conversation with the board. The manager disclosed the board was already in discussions with their incumbent bank, National Cooperative Bank (NCB), but knew FFI could add value.

The co-op was concerned about a rising rate environment and the risk of higher future mortgage payments. FFI analyzed the new loan request and uncovered the existing loan had a prepayment penalty of about \$1,000,000.

Knowing the pristine financial condition of the building, FFI approached NCB and was able to negotiate a reduction in the interest rate by over 30 basis points, saving the co-op \$350,000 over the course of the loan. In addition, the new loan reduced the annual debt service payment by \$200,000 or \$2,000,000 over 10 years. The savings more than justified the cost of the prepayment penalty.

FFI was able to close the loan within 40 days of engagement and alleviate all of the board's concerns about volatility in the capital markets.

### **FFI Solution**

New Mortgage Amount:	\$21,500,000
New Interest Rate:	4.16%

To learn how FFI's programs may benefit your property, please contact Jordan Muchnick at (484) 398-6042 or [jmuchnick@firstservice.com](mailto:jmuchnick@firstservice.com).





# Woodrow Court Demonstrates Financial and Environmental Benefits of Lighting Retrofits

New York City residents spend roughly \$3.4 billion on electricity for lighting every year, which accounts for 27 percent of the city's total electric use and 12 percent of its greenhouse gas emissions.

According to the Energy Savings Cost Council, energy-efficient lighting upgrades represent the highest return on investment of any single-technology project, with an average ROI of 45 percent. These upgrades often pay for themselves in just a few years and the payback extends into the future through reduced energy and maintenance costs.

Woodrow Court Owners Corp., a 60-unit cooperative located at 565 West 169 Street, has already recouped the cost of a hallway lighting upgrade project undertaken in May 2013.

## ► Project Scope

Twenty existing pendant fixtures each burning a single 175 watt mercury vapor lamp were replaced with decorative shade

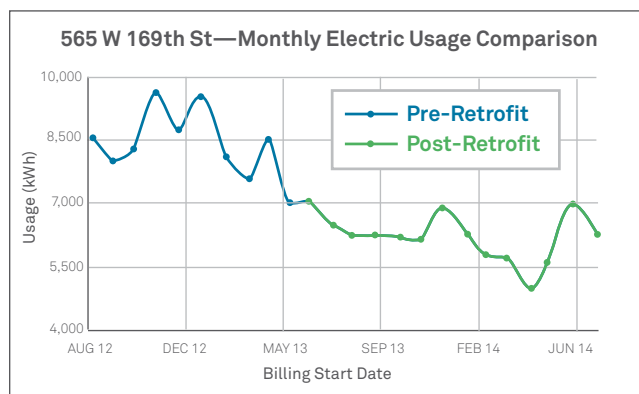
fixtures each featuring four 12 watt LED Energy Star lamps and integrated with ultrasonic occupancy sensors. Based on the location of the fixtures, 10 remain completely off when the hallway is not occupied; the other 10 keep one bulb on at all times. The sensors activate all four bulbs only when the hallway is occupied.

## ► Benefits

Comparing 12 months of electric usage before and after the lighting retrofit, the cooperative has saved \$5,322 or 25,758 kWh, in just one year.

## ► By the Numbers

Project Cost	\$9,705
Con Edison Incentives	\$4,018
Cost to Building	\$5,687
Annual Electric Savings	\$5,322
Annual Reduced Electric Usage	25,758 kWh
Payback Period	1.06 years



Financial incentives for lighting efficiency projects are available! If your building is interested in reducing its costs and energy use through a lighting upgrade, please contact Da-Wei Huang of FS Energy at (212) 634-8922 or [dawei.huang@fsenergyservices.com](mailto:dawei.huang@fsenergyservices.com).

## Reasons to Consider a Lighting Retrofit

### 1. Incentives and Rebates

Several programs currently offer financial incentives for choosing energy-efficient lighting.

### 2. Improved Safety

High quality lighting can improve safety and increase resident satisfaction. Newer technologies often have better lighting characteristics, such as improved color, reduced flicker and greater light output.

### 3. Environmental Impact

By consuming less electricity, your property can reduce its electrical load thereby reducing the demand and associated emissions from "off-site" power generation.

### 4. Reduced Utility Costs

Efficient use of energy translates to lower operating costs.

### 5. Property Valuation

Energy Star research shows that each \$1 invested in energy efficiency could increase asset value by as much as \$3.



## Lighting Essentials Training

FS Energy recently hosted an energy efficiency seminar in the FirstService Residential Learning Center. Da-Wei Huang of FS Energy and Marilyn Sloane, a lighting expert and instructor with the 32BJ Training Fund, illustrated to managers and building staff how effective lighting practices and upgrades can achieve energy savings for their properties.

# Industry Experts Provide Insight into Local Law 87 Compliance

FirstService Residential assembled a panel of experts to provide our clients with information and guidance on complying with Local Law 87—a complex and potentially costly law that requires property owners to audit energy use and retro-commission their buildings every 10 years and submit an Energy Efficiency Report to the NYC Department of Buildings (DOB) documenting the results. The law impacts buildings over 50,000 square feet. Following are key takeaways from “Plotting the Right Course: How Multifamily Properties Can Benefit from Compliance with Local Law 87.”

## What is an energy audit?

An energy audit is a systematic analysis of a building’s energy equipment and systems to identify cost-effective capital improvements that will save energy. Auditors assess systems and maintenance schedules—including heating and cooling, lighting, ventilation, hot water systems and the building envelope—and consult with maintenance personnel and residents for feedback on potential issues.

“The audit essentially provides a menu of options for improving building efficiency. From there, the board can choose to implement which items make the most sense.”

– HOLLY SAVOIA

## What is retro-commissioning?

Retro-commissioning is the optimizing and tune-up of the existing building systems to confirm they are a) operating as designed or reflect current facility requirements, and b) are performing as efficiently as possible. Retro-commissioning commonly identifies operations, maintenance, and calibration errors that are easily corrected (i.e., a boiler tune-up) and, when implemented, typically amount to significant energy savings and improvement in equipment reliability.

“While each measure, in and of itself, may not make a significant difference, collectively implementing many small initiatives will result in a significant payback over time.”

– DA-WEI HUANG

## What is an Energy Efficiency Report (EER)?

An EER consists of an ASHRAE Level II energy audit and retro-commissioning study of base building systems. Both the audit and study must be completed within four years prior to filing the EER with the Department of Buildings.



President Dan Wurtzel delivers opening remarks.

“Every single EER submitted to the DOB in 2013 that the Mayor’s Office reviewed recommended at least one efficiency measure—and some had multiple measures—that had under a three year payback. That means if implemented, the efficiency savings will pay for the capital cost in less than three years. Many of those are ‘no brainer’ measures to implement because you’ll start saving money almost immediately.

– JENNA TATUM

## When is my building due to comply?

The last digit of your tax block number determines which year your report is due. You can also complete work up to four years in advance of when your report is due, as long as you submit the report in the proper year.

Last digit of tax block number									
4	5	6	7	8	9	0	1	2	3
Year EER is due									
2014	2015	2016	2017	2018	2019	2020	2021	2022	2023

## Our Expert Panelists

- ▶ **HOLLY SAVOIA**, PE, CEM—Director of Sustainability Enforcement, NYC Department of Buildings, responsible for Local Laws 84, 87, and 88
- ▶ **JENNA TATUM**—NYC Carbon Challenge Coordinator, Mayor's Office of Long-Term Planning and Sustainability
- ▶ **STEVE WAGNER**—Board President of Southgate Owners Corp., a five-building complex with 420 units and an attorney that represents co-ops and condos
- ▶ **DA-WEI HUANG**, CEM, EBCP—Director, Energy Management, FS Energy, the energy advisory subsidiary of FirstService Residential



(L-R): Holly Savoia, Da-Wei Huang, Jenna Tatum and Steve Wagner.

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“The sooner efficiency improvements are implemented, the sooner you will begin accumulating payback and/or savings.”

– STEVE WAGNER

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### How do we select the right consultant to perform this work?

Your property manager (unless instructed otherwise by the board) will research service providers and obtain multiple quotes from consultants to conduct the audit and study. Many buildings refer to NYSERDA's Multifamily Performance Program Partners who have proven experience in performing this work. Ultimately, you should choose a consultant with experience undertaking LL87 in buildings that are similar to yours in size and type. To help gauge the quality of their work, ask potential consultants for a client list, past Energy Efficiency Reports (EERs), and examples of energy savings from clients who followed their recommendations.

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“While a cost analysis may provide preliminary guidance, it is important to consider what meets the overall needs of your building in both the short and long term.”

– HOLLY SAVOIA

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### Should we conduct the audit and study at the same time?

Because there is substantial overlap between the two, conducting them simultaneously means building staff will spend less time compiling information. Performing the energy audit and retro-commissioning at the same time will also help ensure that the capital projects are actually necessary. For example, an energy audit may suggest that you replace a piece of equipment that is underperforming whereas retro-commissioning could mandate improving the equipment performance through better operating procedures and control sequence.

### What are we required to do with the energy audit findings?

While you are not required to execute any of the efficiency findings revealed in the energy audit, it is strongly recommended that you consider implementing any conservation measures that are low-cost or have a quick payback (i.e., installing lighting sensors or replacing inefficient light bulbs.) For recommendations that will be more expensive to implement, conduct a careful analysis of the payback and borrowing costs.

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“This undertaking basically created a guidebook on what our board needs to consider regarding efficiency. At Southgate, 11 out of 17 recommended measures had a one or two year payback, so we were able to do a lot of things that were very cost effective and saved energy.”

– STEVE WAGNER

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### What are we required to do with the retro-commissioning study findings?

You are required to implement measures revealed in the retro-commissioning study prior to submitting your report by December 31 of the year in which your building is due to comply.

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“We found that almost half the buildings could save 15 percent on energy costs with less than a six year payback. That's enough to hit our Carbon Challenge goal on top of saving money and helping the city reduce greenhouse gas emissions.”

– JENNA TATUM

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# St. Tropez Incentives

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forward. Following several months of concerted efforts by the Board, management and the engineering team, Unit Owners approved the project and work commenced in June 2014.

### \$451,000 Obtained through NYSERDA

NYSERDA's Combined Heat and Power (CHP) Acceleration Program provides incentives for the installation of qualified CHP systems. CHP burns natural gas to generate heat and electricity in a single, highly efficient process. This contrasts with conventional ways of generating electricity where vast amounts of heat is simply wasted.

The St. Tropez is installing two 100kW CHP units and an 80 ton hot water fired chiller. Working in conjunction with the project's engineer and contractor, Rovenia helped to secure significant incentives via the NYSERDA program. In addition to the standard \$350,000 incentive for installing two CHP units, and the standard \$60,000 incentive for the hot water fired chiller, the St. Tropez will receive an additional 10 percent in incentives for being in Con Edison's CHP target zone—for a whopping total of \$451,000.

### By the Numbers

Project Cost	\$932,840
NYSERDA Incentives	\$451,000
Cost to Building	\$481,840
Estimated First Year Savings	\$173,290
Payback Period	2.78 years

### New NYSERDA Demand Management Program Delivers \$288,000

The Demand Management Program—a partnership between NYSERDA and Con Edison—helps properties implement energy im-



provements that will reduce costs and improve operational performance. The program provides increased funding for upgrades that accelerate and expand implementation of high-performing energy measures and reduce electric demand.

“The Board of Managers is thrilled that our energy efficiency investments are literally and figuratively paying off to the tune of nearly three-quarters of a million dollars,”

**Dr. Christopher Klein,  
Board President**

When exploring whether to upgrade the building's gas chillers versus switching to electric chillers, Rovenia turned to Da-Wei Huang, Director of Energy Management, FS Energy, for advice. “After a thorough analysis, we determined it was in the St. Tropez's best interest to continue with gas fired absorption chillers because they are less expensive to operate in the long term and won't increase the building's electric load on Con Edison's already burdened grid,” Da-Wei explains.

On top of that, Da-Wei advised that the condominium would qualify for financial incentives for retaining a non-electric chiller, thus offsetting the cost of the new chillers. Based on FS Energy's recommendation, the Board elected to proceed and has obtained approval from NYSERDA for an incentive totaling \$288,000.

### Available Demand Management Program Incentives

Project Type	Current Incentives	NEW Increased Incentives
Thermal Storage	\$600/kW	\$2,600/kW
Battery Storage	\$600/kW	\$2,100/kW
Chiller/HVAC/ BMS/Controls	\$0.16/kWh	\$0.16/kWh + \$1,250/kW
Lighting/LED	\$0.16/kWh	\$0.16/kWh + \$800/kW
DR Enablement	\$200/kW	\$800/kW
Fuel Switching: Non-Electric A/C	Steam A/C Program	\$500 – \$1,000/kW

“The Board of Managers is thrilled that our energy efficiency investments are literally and figuratively paying off to the tune of nearly three-quarters of a million dollars,” says Dr. Christopher Klein, Board President. “We are grateful for the hard work that the FirstService Residential and FS Energy team put forth in order to achieve these remarkable results.”

Is your property eligible to receive these or other incentives? Speak with your property manager or contact Da-Wei Huang, FS Energy, at (212) 634-8922 or [dawei.huang@fsenergyservices.com](mailto:dawei.huang@fsenergyservices.com). ●



## Chief Superintendent at University Towers Retires After Three Decades

Hired in 1984 as Assistant Superintendent for University Towers Apartment Corp.—a 552-unit complex in Brooklyn with three 15-story buildings spanning five acres—Juan Perez has been part of the fabric of the community ever since. “The property and its residents have seen many improvements and remained secure under the dedication and watchful eye of Juan for more than three decades,” says General Manager Michael Urena.

To illustrate one of many contributions, Perez spearheaded a surveillance camera project that entailed running over 20 electrical lines through an underground network—which he and his staff built—to connect the three buildings and a main gate, thereby saving the co-op over \$60,000.

EPA Lead certified and also having earned Certificates of Fitness to operate Boilers, Sprinklers and Standpipe Systems, Perez uses his expertise and common sense to perform jobs related to plumbing work, drain and steam lines, along with executing various carpentry, electrical, masonry, and welding tasks. “As a consummate jack-of-all-trades, Juan has helped our building and residents realize considerable savings over the years as a result of his ability to perform many services that would normally require an outside contractor,” says Francisco Franklin, Board President of University Towers. “For that, we are truly grateful.”

As a result of Perez’s desire to apply himself and develop his education in various trades and skills, he has created a reputation for continuously raising the bar for himself and his staff. He encourages his peers across the industry to make the time to take courses offered by the Local 32BJ Union as a means to expand their knowledge, add to their repertoire of skills and apply them daily.



Surrounded by some of his team, Juan Perez (center, white shirt), is a “consummate jack-of-all-trades,” says Board President Francisco Franklin.

As Chief Superintendent, he believes that every member of the community adds value to the property. Therefore, it is extremely important to gain effective communication skills in order to respectfully and skillfully interact. “Be proud of your work. Be polite and helpful to everyone requiring assistance and be diligent in every task you take on,” he says.

“When you have a trade or a certain profession, you must take pride in that trade as well as in yourself. As a Superintendent, it is our duty to protect the property and the community,” says Perez. He avails himself day and night and genuinely cares for the community, while his staff follows suit. The appearance of the building is always maintained and responsibilities are assumed without any eyes watching the clock.

Superintendents customarily take direction from the Board and management. However, General Manager Urena has had the good fortune of working with someone who is not only a member of the team but

who has presented himself as a shining representative of the corporation. Urena has witnessed Perez’s initiative in areas of contractor negotiations, proactive work methods and consistently having the co-op’s best interests at heart. In this way, Perez displayed true leadership skills and revealed the value he placed in his role.

“Juan teaches his men to be vigilant while taking ownership of their work,” says Urena. “He fosters an environment where strong work ethics are admired and the men are in perpetual motion until day’s end. He has instilled an invaluable feeling of professional pride in the staff with his instruction and praises, specifically for those individuals who shine on a daily basis.”

Reflecting on his career, Perez emphasizes his fondness for University Towers and its residents. “I have had a very happy 31 years of mingling among and serving the residents of this community,” he says. “I consider them my second family. It really feels as if I will be leaving a piece of me behind.”





## Is Your Building Prepared?

Residential buildings face the possibility of emergencies on a regular basis. Every multi-family property should have a solid Emergency Preparedness Plan in place. Although planning is a critical first step, training, drills, and regular tests of building safety features and equipment are important tools. Be sure to revisit the plan periodically to ensure it is current. FirstService Residential recommends these valuable resources:

### New York City Office of Emergency Management

[www.nyc.gov/oem](http://www.nyc.gov/oem)

- ▶ Disaster planning tips and information
- ▶ Order “Ready New York” guides for residents
- ▶ Emergency Supply Kit/Go Bag checklists
- ▶ Request a free “Ready New York” educational event for your residents
- ▶ Register to become a Community Emergency Response Team (CERT) member

### New York City Fire Department

[www.nyc.gov/fdny](http://www.nyc.gov/fdny)

- ▶ Fire safety publications and programs
- ▶ Request a free fire safety presentation for residents
- ▶ Request a fire safety inspection of your property
- ▶ Register for free CPR training
- ▶ Emergency planning videos and tutorials

### Notify NYC

[www.nyc.gov/notify](http://www.nyc.gov/notify)

- ▶ Register for text/phone alerts of public emergencies and other planned incidents

### Other Resources

- ▶ American Red Cross: [www.redcross.org](http://www.redcross.org)
- ▶ Federal Emergency Management Agency (FEMA): [www.ready.gov](http://www.ready.gov) and [www.fema.gov](http://www.fema.gov)

## Message from the President

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unusual shortage of sodium chloride (ice melt) in the northeast caused prices to nearly quadruple.

Boards should consider allocating a five percent contingency in the operating budget for unforeseen circumstances. Preparing for unanticipated expenses during a year can be the difference between coming in on, or close to, budget versus an operating loss.

### Capital Expenses: Local Laws 87 and 11

**Local Law 87** requires buildings over 50,000 square feet to file an Energy Efficiency Report (EER) with the Department of Buildings. The EER consists of an ASHRAE Level II energy audit and retro-commissioning study of base building systems. EER's are due once every 10 years based on the last digit of a building's tax block number (i.e., if the BBL is 4-05268-0085, your building is due to comply in 2015).

Even if your building isn't due to comply for several years, we recommend boards start the process as soon as possible for several reasons:

- First, it can take a consultant up to 18 months to prepare the retro-commissioning study since it must cover at least a 12 month cycle to account for seasonal changes in energy use and performance.
- Second, the report will define the specific deficiencies a building is required to correct. Understanding the scope of the efficiency measures that may be required well in advance of your filing deadline puts the board in a better position to formulate a plan of action—especially if big ticket items are revealed.
- Third, correcting deficiencies sooner than required often benefits the operating budget through decreased utility costs.

Fees for the EER vary widely by service provider and range from 5 – 15¢ per square foot to flat fees of \$3,000 – \$10,000 per building.

**Local Law 11** requires buildings taller than six stories to conduct a façade inspection every five years. The law was updated last year to include the inspection of “appurtenances” consisting of railings, handrails and guards on balconies, roofs and terraces, and enclosures and fire escapes for structural integrity and connection stability by a Qualified Exterior Wall Inspector.

While it's difficult to estimate the added costs of compliance, the more intricate a building's architecture—such as number exposures, balconies, and roof decks—the more likely the inspection will reveal additional capital work to comply with the law.

Engineers and architects charge about \$200 per hour to conduct these inspections. The additional time to inspect the railings on balconies and terraces could increase the cost of the inspection by up to 15 to 20 percent.

Even if a Critical Examination Report for Cycle 7 has already been filed for your building, a supplemental report must be filed by February 2, 2015 unless that filed report specifically addressed railings and guards.

### Your Property Manager Can Help

Consult with your property manager to see if any of these items warrant further consideration as you finalize your building's 2015 budget. ●



# Pratt Towers Welcomes Long-Overdue Play Space

For more than 20 years, Pratt Towers—a 326-unit Mitchell-Lama cooperative in Brooklyn managed by FirstService Residential—lacked a proper playground for children. Until now. In June, more than 200 volunteers built a new playground in just one day, replete with slides, rock-climbing walls, benches and a garden.

While construction took just under seven hours, the project was eight years in the making. “We appreciate the energy and enthusiasm the shareholders, the volunteers, the Pratt Towers Board of Directors and the FirstService Residential management team devoted in helping to bring this playground to fruition,” says Christine Powell, a founding member of the Pratt Towers Community Space Committee (PTCS),

whose mission is to revital-

ize a dormant, unsafe

outdoor area into a

year-round, environmentally

sustainable, multi-purpose

intergenerational space.

The FirstService Residential management team, headed by Denise

Clarke, Director of the

Mitchell Lama Division, completed applications, secured additional

insurance, and helped solicit donations. “We are overjoyed to have contributed to achieving this fabulous play space for the more than 100 children that call Pratt Towers their home,” says Clarke. “This is a tremendous achievement towards improving the quality of life for our residents and providing the children with a safe place to be active.”

Some of the design ideas for the playground were based on drawings devised by children from the building during a special Design Day event in March. Through the work of PTCS, Pratt Towers contributed a small percentage of the cost and will be responsible for maintenance and upkeep. Additional partnership support was provided by developer Forest City Ratner Companies and KaBOOM!, a national non-profit organization dedicated to bringing balanced and active play into the daily lives of all kids. ●





## Local Law 87

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### How long does an energy audit take?

An average energy audit takes 3–6 months to complete. Audits for larger and more complex buildings could take three to six additional months.

“If I could stress one thing, it’s to start the process 18–24 months before the deadline. Audits must be conducted over a portion of both the heating and cooling seasons, are time consuming and require an enormous amount of work.”

– STEVE WAGNER

### How long does a retro-commissioning study take?

The amount of time required for retro-commissioning depends on many factors, including the size and complexity of your building, seasonal considerations, and the nature and extent of any deficiencies. Our experts recommend starting the process 18–24 months in advance of your EER due date to allow enough time to correct deficiencies.

“As an engineer who has conducted dozens of LL87 projects, we often encountered issues we thought would be inexpensive and quick to implement, but turned out to be more costly and time consuming. Therefore, begin as early as possible.”

– DA-WEI HUANG



“The city has made a concerted effort to make properties aware of available financial incentives to help implement projects, bring down capital costs, and improve payback. Be sure your contract requires the auditor to provide written information on available financial incentives for each conservation measure recommended.”

– JENNA TATUM

### How can we find out about available incentives?

If your building meets certain requirements, it may be eligible for NYSERDA and Con Edison programs to help pay for the energy audit and implement the efficiency measures recommended in the audit. The consultant who performs your audit should be knowledgeable about available programs and provide a list of applicable incentives with their report. Your property manager can also consult with our FS Energy team for this information, or check the NYC Carbon Challenge Handbook for Co-Ops and Condos, available to download at [www.nyc.gov/mcc-multifamily](http://www.nyc.gov/mcc-multifamily). ●



## Gratitude from GrowNYC

“FirstService Residential certainly puts its money where its mouth is. I can’t imagine any greater acknowledgment of the work we do. The \$2,500 raised at your Sustainability Expo for GrowNYC will help us continue to make a difference in keeping New York City and the planet a cleaner, greener place. Thank you for your leadership on such an important issue. Your passion and dedication to protect the environment is commendable.”

–JOHN JOHNSON, GROWNYC





# FirstService Residential Helps Reinstate Tax Exemption for Harry Silver Housing

Following a request from the NYS Department of Homes & Community Renewal, FirstService Residential assumed management of Harry Silver Housing Company earlier this year. This six building Brooklyn complex with 288 residential units had previously left the Mitchell Lama Affordable Housing Program which resulted in revocation of its shelter rent tax exemption, known as Resolution 62.

With its sights set on reinstating the tax exemption—contingent on the property remaining in the Mitchell Lama Program—the FirstService Residential team, led by Denise Clarke, initiated a series of



Mayor Bill de Blasio and Councilwoman Darlene Mealy are among those celebrating the victory with Harry Silver board members, shareholders and the FirstService Residential team.

meetings between the board of directors, shareholders and city council members to introduce Resolution 62.

Passed on June 25, the legislation is a victory for Harry Silver shareholders and the affordable housing community. With the tax exemption reinstated, Harry Silver will see an estimated savings of \$400,000 a year in property taxes which will help preserve the affordability of this property that so many call home. ●

## More than 75 Clients Have Joined the Mayor's Carbon Challenge

Kudos to the more than 75 buildings in the FirstService Residential portfolio that have signed up to participate in the Mayor's Carbon Challenge by pledging to reduce energy use and greenhouse gas emissions by at least 15 percent in 10 years.

By participating, these buildings have an opportunity to seek the advice of a qualified team of energy experts from the Mayor's Office of Long-Term Planning and Sustainability, NYSEERDA, as well as our FS Energy team, in order to help determine the best ways for reducing energy use and emissions.

FirstService Residential has long been committed to helping our clients implement effective strategies for energy efficiency. "By integrating the tools, resources, and financial assistance provided through the Challenge into our program, our clients have an additional layer of support that will further promote the efficient use of resources and accelerate a reduction in emissions," says President Dan Wurtzel.

If your building has not yet signed up, it's not too late. Please speak with your property manager to learn more.

## Delivering Service Excellence

*FirstService Residential associates are making a difference, every day, by being genuinely helpful.*

Kudos!

"Can I just say how much I love your company? This is our third co-op and it is so nice to call someone who is so responsive and so helpful! I am never moving! I think the building management must be a large part of why this building has so little turnover."

– **New Shareholder, 125 East 84th Street, Manhattan**

"As a broker for 30 years I have worked with countless managing agents. Keith is by far the best. My fiancé and I had the pleasure of meeting him in person after months of e-mails and calls once we closed on our new home. Keith is not only extremely responsive, helpful, professional and knowledgeable, he treats everyone with respect. We feel fortunate that we have someone here we can depend on."

– **New Owner, 515 East 72nd Street**

"You've gotten high marks for your comments and presence tonight. Neighbors and fellow board members agree you are knowledgeable and above all, sweet. Thank you for being here all the way from Staten Island, two nights in a row. You are appreciated!"

– **Board Member, 372 Central Park West**

## Days of Service for Habitat for Humanity



FirstService Residential associates spent two days this summer volunteering with Habitat for Humanity in an effort to give back to local communities. More than 30 associates were dispatched to Little Ferry, NJ, where they helped to repair and restore homes that incurred flood damage during Superstorm Sandy. Labor included framing, replacing sheetrock, spackling and painting. FirstService Residential donated \$100 to Habitat for Humanity for each participating associate.



### FirstService Residential's Green Mission

Environmental responsibility is a corporate value for FirstService Residential and its subsidiaries. By striving to set a green standard for the real estate industry, our aim is to find opportunities—within our operations and for our clients—to develop innovative and cost effective solutions that promote environmentally sound practices.



### FirstService Residential

## ADVANTAGE

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Have a comment about this newsletter? Send an email to: [news.ny@fsresidential.com](mailto:news.ny@fsresidential.com).

FirstService Residential supports the highest social and environmental standards in the market. We are contributing to conservation and responsible management by using FSC-certified paper and print products.

