

BENCHMARKING SOFTWARE PROVIDER

RFQ

August 7, 2015

INTRODUCTION

NYC Mayor Bill de Blasio has made improving the energy efficiency of New York City's most vulnerable housing stock a key priority of his affordable housing agenda, as articulated in *Housing New York: A Five-Borough, Ten Year Plan*. For more information, visit: www.nyc.gov/housing. Further, in September 2014 the Mayor released *One City: Built to Last – Transforming New York City's Buildings for a Low-Carbon Future* as a comprehensive plan to improve energy efficiency in buildings and put the city on the pathway towards reducing greenhouse gas (GHG) emissions 80% by 2050 ("80 by 50"). For more information, visit: www.nyc.gov/builttolast. This "80 by 50" goal was reiterated in *One New York: The Plan for a Strong and Just City*. Because buildings are responsible for nearly three-quarters of GHG emissions in New York City, with residential buildings accounting for 34 percent of total emissions, reducing residential utility usage through building system upgrades and improved building management is essential. These efficiency improvements can also help to address the City's affordable housing crisis, as rising utility costs in recent years have contributed significantly to increased operating expenses and tenants' rent burdens.

Studies have demonstrated that benchmarking can be a valuable tool in helping building owners reduce their utility costs by monitoring utility usage and using data from benchmarking to make targeted efficiency improvements. To facilitate this effective practice in sustainable building operations and maintenance and to monitor the performance of City-financed affordable housing, the NYC Housing Development Corporation (HDC) and the Department of Housing Preservation and Development (HPD) will require benchmarking for City-financed buildings, with the help of a pre-qualified vendor who provides automatic utility retrieval and guarantees consistent data entry.

STATEMENT OF NEED

While Local Law 84 of 2009 requires buildings over 50,000 square feet to benchmark annually in EPA Portfolio Manager, affordable housing of all sizes can benefit from access to frequently updated, accessibly displayed utility usage information. HDC and HPD's objective is to ensure that data for City-financed buildings is consistently and frequently updated, but does not require significant laborious manual entry. Once implemented, this benchmarking initiative will facilitate this by having borrowers establish accounts with pre-qualified vendors who will retrieve utility information automatically on a monthly basis, and ensure that data is both uploaded to Portfolio Manager and shared with an HDC/HPD master account. As such, this benchmarking initiative will also provide the City with valuable information on utility usage and GHG emissions in the affordable housing sector, allowing HDC and HPD to precisely target future sustainability initiatives. HDC/HPD anticipates approximately 450 to 600 buildings will be financed per year.

PURPOSE OF RFQ

As one of several affordable housing initiatives designed to help achieve the Mayor's 80 by 50 goals, the New York City Housing Development Corporation (HDC) seeks to establish a pre-qualified list of building benchmarking software providers to provide hands-on benchmarking services to City-financed buildings.

The main goals of this RFQ are to:

1. Help build capacity on the building level to better understand utility usage, compare performance to similar buildings, and identify potential improvements to energy efficiency;
2. Create a reliable system for HDC/HPD to capture building performance data on an ongoing and consistent basis; and
3. Help the City document progress towards emissions targets laid out in the 80 by 50 goal.

DESCRIPTION OF HDC

HDC is a public benefit corporation established in 1971 pursuant to Article XII of the New York State Private Housing Finance Law for the purpose of financing affordable multi-family housing in the City of New York. HDC has the authority to issue obligations for the purpose of financing the construction or rehabilitation of affordable housing located within the City of New York. HDC has a multifamily mortgage portfolio of over 190,000 units.

DESCRIPTION OF SERVICES

Qualified software platforms must have the ability to perform all of the services outlined in the *Required Services* section below. Additional consideration will be given to firms that have the capability to provide the services outlined in the Additional Services section below, or are willing to add said services as desired by clients. Please refer to Attachment A for additional detail on the scope of services. Note that the annual cost of the online benchmarking software will be paid by the building owner and will be required for the term of the HDC/HPD mortgage. Additionally, recognizing the range of the City-financed pipeline, the agencies expect vendors to offer pricing efficiencies for projects within the portfolio. For example, proposals should consider scaled pricing for scattered-site projects, which refer to a portfolio of small buildings (1-25 units) over non-contiguous lots owned by a single owner that receive a loan through a singular transaction. Similarly, vendors should scale pricing for small buildings with less than 25 units.

1. Required Services:

- Initial Set-up and Automated Data Collection:
 - Provide technical assistance in the initial benchmarking setup process

- Establish monthly automated data collection from utility companies supplying heating, electric and water usage
 - In the case of oil heated buildings, demonstrate a streamlined process for intake of oil consumption data
 - Generate/provide a dashboard of building performance metrics in a format that is clear and accessible for building owner/managers
 - Upload data to EPA Portfolio Manager on an annual basis and share data with HDC-HPD master account/s
 - Demonstrate that your firm is an Environmental Protection Agency ENERGY STAR® Automated Benchmarking System (ABS) partner
 - Retroactively capture historic billing data for at least 12 months on initial account setup
 - Weather normalize data for reporting functions
 - Building categorization:
 - Categorize and label buildings by typology in NYC, to enable owners/managers to assess the relative performance of their buildings
 - Sort buildings by HDC/HPD financing programs
 - Reporting:
 - Capture pre- and post-retrofit building performance data
 - Generate automated emails on a quarterly periodic basis (or more frequently) to communicate benchmarking results to owner/managers
 - Data Storage:
 - Archive building performance data for up to 30 years and generate reports to demonstrate long term performance trend of buildings and or portfolios

2. Additional Services (as desired by client)

- Provide technical assistance to building owner/managers to help facilitate understanding of benchmarking results
- Assist owners in identifying areas of improvement in energy efficiency and water conservation
- Generate notification via email and in system of pending annual compliance deadline for HPD/HDC benchmarking (several weeks before May 1st to align with LL84)

SUBMISSION REQUIREMENTS AND GUIDELINES

Interested parties are encouraged to submit a response to this RFQ **by Friday August 28th.** Submission packages shall be sent by electronic mail to psamat@nychdc.com. Questions can be directed to Pinky Samat at psamat@nychdc.com. The subject line of the email

should reference “Benchmarking Software Provider RFQ.” A complete package shall include a cover letter, references, statements of qualification, proof of insurance, and a fee proposal, all further outlined as follows:

Cover Letter

One page letter on company letterhead that:

- Summarizes the submitter’s ability to perform such services described in the RFQ.
- Provides organizational data in the order set forth below for each firm:
 1. Legal Name of Organization
 2. Primary Contact (firm’s primary staff contact for this RFQ).
 3. Contact’s Title
 4. Contact’s Telephone and Email Address
 5. Physical Address (specify headquarters, relevant satellite offices and geographic scope of services for each)
 6. Web Address
 7. Age of Organization
 8. Legal Status of Organization
 9. Number of Employees
 10. Audited Financial Statement for the most recent year available
 11. Organizational History

Statement of Qualifications and Experience (no more than 10 pages)

Respondents must provide the following information, including information for each sub-contractor consultant participating in team to perform certain services:

1. ***Relevant Experience and Case Studies:*** Describe experience and provide case studies on how your software was used to:
 - Document performance and savings of a portfolio of buildings in NYC
 - Reduce energy costs and improve water conservation to preserve affordability
 - Document and learn from energy and water initiatives
 - Assist with budgeting
 - Ensure compliance with mandatory benchmarking laws (LL84)
 - Assist in making recommendations for operations and maintenance
 - Perform pre and post construction measurement and verification of building performance for retrofitted buildings
2. ***Sample Dashboard:*** Please attach a sample printout from an online account/ the dashboard that clients would refer to, demonstrating how summary data and rankings are displayed.

3. ***Personnel Qualifications and Resumes:*** Provide resumes of personnel who will be performing and overseeing each component of the scope of services. Also list the accreditations, if any, of participating team members.
4. ***List of References:*** Include at least three client references indicating a diversity of past projects, or references for similar projects, for each consultant
5. ***Proposal for Workforce Development*** – Consultants must propose strategies that provide employment opportunities to NYC residents. For example, consultants are encouraged to engage Workforce1 Career Centers by posting jobs and provide connections for local training and job enrichment opportunities with the NYC Career and Technical Education program or other community training programs. Consultants will provide a report summarizing workforce development efforts one year following qualification.
6. ***Statement of Good Standing:*** State whether your firm is in good standing with all divisions of City, State and Federal Government. And, if not, describe any outstanding issues in detail, including any unpaid taxes or fees owed to any governmental authority. State whether the firm, or any of its employees, or anyone acting on its behalf, ever been convicted of any crime or offense arising directly or indirectly from the conduct of the firm’s business, or has any of the firm’s officers, directors or persons exercising substantial policy discretion ever been convicted of any crime or offense involving financial misconduct or fraud. If so, please describe any such convictions and surrounding circumstances in detail.

Additional Documentation

The Respondent must include the following additional documentation:

- Proof of Professional Liability Insurance, as well as Worker’s Compensation and Employers Liability Insurance.
- Disclosure: any Conflict of Interest forms required for the firm itself, its employees, and anyone acting on its behalf.
- Fee Proposal: Provide pricing methodology and sample pricing proposal for the scope of services contained in Attachment A. Also, provide supplemental information for fee proposals and/or alternative fee structures as required. As noted above, proposals should scale pricing for scattered site projects and small buildings of less than 25 units. Fee proposal should be differentiated at a minimum by size, per the suggested categories given below:
 - Small buildings scattered-site projects
 - 1-9 units
 - 10-24 units
 - 25-49 units

- 50-99 units
- 100-299 units
- 300+ units

EVALUATION CRITERIA

HDC plans to evaluate the quality of submissions as well as respondents' experience and ability to perform all required services. Proposals with competitive pricing will be considered favorably. Qualification of a firm does not also qualify the prices provided. HDC reserves the right to request interviews with respondents to aid in the evaluation process, and reject any or all submissions in its sole and absolute discretion.

LEGAL DISCLAIMER

The issuance of the RFQ and the submission of qualifications by the Respondent or the acceptance of such submission by HDC does not obligate HDC in any manner whatsoever. HDC reserves the right to amend, modify or withdraw this RFQ; to waive or revise any requirements of this RFQ; to require supplemental statements or information from any responding party; to accept or reject any or all submissions received in response hereto; to extend the deadline for submission of qualification; to hold discussions with any responding party; and to cancel, in whole or in part, the RFQ if HDC deems it to be in its best interest to do so. HDC may exercise the foregoing rights at any time without notice and without liability to any responding party or other parties for their expenses incurred in the preparation of submissions or otherwise. Submissions in response hereto will be prepared at the sole cost and expense of the responding party.

GENERAL CONDITIONS, TERMS, AND LIMITATIONS

In addition to those stated elsewhere, this Request for Qualification ("RFQ") is subject to the specific conditions, terms and limitations stated below:

1. The information set forth in this RFQ is believed to be accurate. However, HDC, their officers, agents and employees assume no responsibility for errors or omissions contained herein.
2. Any contract entered into pursuant to this RFQ process and all services performed thereunder shall conform to, and be subject to all applicable laws, regulations, executive orders, policies, procedures and ordinances of all Federal, State and City authorities, as the same may be amended from time to time, including without limitation, equal employment laws without limitations.
3. No Respondent to this RFQ will be selected to perform any of the services listed herein if he or she, as an individual or any member or partner of the respondent's management team is determined, in HDC's sole and absolute discretion, to have

been convicted of a felony or crime involving moral turpitude, to be an organized "crime figure," to be under indictment or criminal investigation, to be in arrears or in default on any debt, contract or obligation to the City or State of New York, or otherwise to be a "prohibited person" as defined by the City. Selected Respondents and all principals thereof, if applicable, and/or members or partners of the Respondent's team must complete a background questionnaire (VENDEX) and be subject to investigation by HDC and the City's Inspector General. The selection may be revoked in the event any derogatory information is revealed by such investigations.

4. HDC is not obligated to pay and shall not pay any cost incurred by any Respondent at any time for the preparation of its submission.
5. This is a Request for Qualifications not a Request for Bids. Notwithstanding anything to the contrary contained herein, HDC reserves the right to waive any conditions or modify any provision of the RFQ with respect to one or more Respondents, to establish additional terms and conditions, to encourage Respondents to work together, or reject any or all Proposals if in its judgment it is in the best interest of HDC to do so. In all cases, HDC shall be the sole judge of the acceptability of the submission.
6. HDC reserves the right to reissue, amend, modify, or withdraw this RFQ at any time without cause if it is deemed to be in the best interest of HDC, or if, in the judgment of HDC, all the submissions are unacceptable.
7. All submissions to HDC in response to this RFQ may be disclosed in accordance with the standards specified in the Freedom of Information Law, Article 6 of the Public Officers Law of the State of New York.
8. Respondents shall provide a copy of the firm's most recent Employer Information Report EEO-1, if any, and include as attachment to the submission. Respondents must state how many women and minorities work for Respondents' firm.
9. HDC is dedicated to furthering the participation of minority and women-owned businesses in its work. All Respondents are urged to include in their submissions, methods for facilitating the participation in the project of businesses that have been certified by the New York City Department of Small Business Services ("SBS") as women or minority owned. This can take any form a Respondent considers appropriate including, but not limited to, submissions intended to ensure the utilization of certified minority and women-owned businesses as subcontractors or as joint-venture partners. In addition, submissions from minority and women-owned Respondents are encouraged. As described above, Respondents must also include plans to promote employment opportunities for local residents.

10. At any point in time, providers that cease to meet the qualifications described or are unable to maintain prices as described in the cost sheets proposed may be removed from the qualified list at the sole discretion of HDC. HDC reserves the right to remove Respondents from the selected list at HDC's sole discretion, at any time, without cause.

ATTACHMENT A:

Scope of Services

Required Services:

- Initial Set up and Automated Data Collection

Approved benchmarking software will be required to provide automated data collection from utility companies for heating, electric and water usage, to be used in whole building benchmarking. In the case of oil heated buildings, a streamlined process for intake of oil consumption data should be in place.

Firms will be required to assist owner/ managers in the initial setup of the benchmarking account with the software platform. Such duties may include, but are not limited to:

- Gathering utility account information
- Gathering building information such as:
 - Building square footage
 - Building characteristics (units, floors, construction etc.)
- Assistance with data entry of building information into the software platform
- Ensuring quality reporting
- Coordination with HDC/HPD project managers

Qualified software should have the ability to document pre and post retrofit building performance data. Software should be able to retroactively capture historic utility data for at least 12 months on initial setup. Tenant level utility usage is required for 100 percent of the tenant population in a project. Qualified software platforms should provide reporting for tenant usage to Portfolio Manager® through one of the following options:

1. Aggregate actual usage of 100 percent of tenants provided through utility company
2. 100 percent tenant utility accounts directly tracked through the software platform
3. Representative sample of tenant utility accounts directly tracked through the software platform and extrapolated to generate an estimate of total tenant utility usage
 - a. Representative sample size should provide a confidence level of 95% with a precision of 12%, indicated on the HUD table, page

7: <http://portal.hud.gov/hudportal/documents/huddoc?id=15-04hsgn.pdf>

Firms will be required to notify HDC/HPD in writing when the initial benchmarking setup process has been completed. Outstanding issues that may pose challenges to the accuracy of the benchmarking report should be called out in the notification.

Approved benchmarking software platforms must have a streamlined or automated data upload protocol to Environmental Protection Agency ENERGY STAR Portfolio Manager® on an annual basis at a minimum. Approved firms should have the U.S. Environmental Protection Agency ENERGY STAR® Automated Benchmarking System (ABS) partner designation. For additional details visit: http://www.energystar.gov/ia/partners/spp_res/neprs/abs_design_overview_v3.4.pdf

Firms will be required to transfer benchmarking information to U.S. Environmental Protection Agency ENERGY STAR Portfolio Manager® initially before HDC/HPD loan closing, then by May 1st of every subsequent calendar year for the term of the compliance period required by the HDC/HPD financing programs.

Once the building has been benchmarked in Portfolio Manager®, the building account is required to be shared with HDC/HPD by May 1st of every year in the compliance period. The building account must be shared on a “read only” basis with the “NYC Affordable Housing” account within Portfolio Manager®. For details on sharing accounts, visit: http://www.energystar.gov/sites/default/files/tools/Print_Resource_Sharing_Properties_080514_508.pdf

○ Building Categorization

Qualified software platforms must provide functionality for buildings to be sorted by financing programs provided through HDC and HPD. HDC/HPD anticipates approximately 450-600) buildings financed per year.

HDC Financing Programs

- HDC New Construction
 - Extremely Low & Low-Income Affordability Program (ELLA)
 - Mixed-Middle Income Program (M2)
 - Mixed-Income Program (50/30/20)
- HDC Preservation
 - Preservation Program
 - Mitchell-Lama Restructuring Program

- Mitchell Lama Repair Loan Program
- Program for Energy Retrofit Loans
- Other Refinancing

HPD Financing Programs

- HPD New Construction
 - Extremely Low & Low-Income Affordability (ELLA)
 - Mixed-Middle Income Program (M2)
 - Mixed Income (Mix & Match)
 - Neighborhood Construction Program
 - New Infill Homeownership Opportunity Program

- HPD Preservation
 - Green Housing Preservation Program
 - Housing Preservation Opportunities Program
 - HUD Multifamily Program
 - LIHTC Year 15
 - Multifamily Housing Rehabilitation Program (HRP)
 - Participation Loan Program (PLP)

- Property Disposition and Finance
 - Affordable Neighborhood Cooperative Program
 - Multifamily Preservation Loan Program
 - Small Homes Rehab – NYCHA
 - Third Party Transfer

- Special Needs Housing
 - Senior Housing Affordable Rental Apartments
 - Supportive Housing - New Construction
 - Supportive Housing - Rehab

- Reporting

Qualified software platforms should provide a dashboard of building performance metrics in a format transparent and accessible to building owner/managers. Owner/managers should have simplified metrics to assess the performance of individual buildings and/or portfolios of buildings. Such information should include building heating, electric and water usage.

Building performance metrics should be provided to owners/managers via email on a quarterly basis (or more frequently). The information provided should include information consistent with the in-system dashboard.

Software platforms should provide master account read-only access to HDC/HPD for all buildings financed through a HDC/HPD loan program.

Software should provide for reporting by HDC/HPD. Reporting should include energy use by fuel type and water usage along with greenhouse gas emissions.

- Data Storage

Software platforms should have the ability to archive building performance data for up to 30 years and generate reporting to demonstrate long term performance trend of buildings and or portfolios.

Additional Services (as desired by client)

- Provide Technical Assistance

In an effort to help build capacity at the building level, approved firms may be requested by owners to provide technical assistance to help facilitate understanding of benchmarking results and adjust operating and maintenance practices as necessary.

- Assist owners/managers in identifying areas of improvement in energy efficiency and water conservation.

- Generate Local Law 84 Compliance Notifications:

Benchmarking software platforms should generate notifications via email and in system of pending annual compliance deadline for HPD/HDC benchmarking (May 1st to align with LL84). While Local Law 84 is anticipated to be revised to apply to buildings 25,000 square feet and larger, all buildings financed by HDC/HPD will be required to benchmark as a condition of financing, as determined by the HDC/HPD financing program. The benchmarking requirement will run with the term of the HDC/HPD financing.

Notifications should be generated and sent to HDC/HPD at benchmarking@hpd.nyc.gov on an annual basis for all buildings for which a benchmarking account was established, but failed to comply with the HDC/HPD compliance deadline of May 1st.