

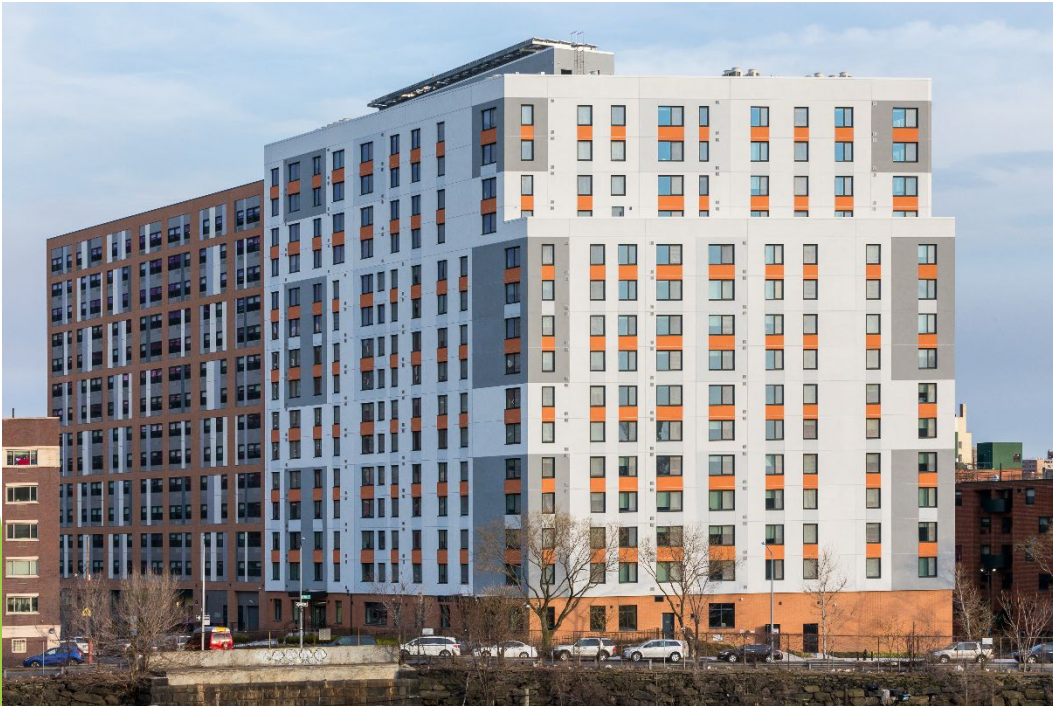
Company Overview: Paths Development LLC

- ▶ Paths Development LLC is a division of Paths, a full-scale, vertically integrated affordable housing developer, builder, and operator.
- ▶ Since 2004, the Paths team has created and preserved high-quality affordable housing across the U.S. that enhances communities and helps residents build better lives.
- ▶ With over 12,000 units across 9 states under management and more than 300 employees, Paths manages a suite of capabilities spanning the entire property life-cycle, including: development, construction, property management, maintenance, and security.



Company Overview: Paths Development LLC

Park Avenue Green
Bronx, NY



Passive House

Empire Building Challenge - Partner Summary

Archer Green
Jamaica, Queens, NY



LEED Gold (anticipated)

Green Track Record

- ▶ Paths Development targets green building certifications for all of its new developments and has achieved certifications through PHIUS, LEED, and Enterprise Green Communities. Paths Development is proud to have received the following awards and certifications for our green energy initiatives:
 - ▶ Urban Green Award for Energy Efficient Renovations
 - ▶ ConEd Green Team Energy Efficiency Award
 - ▶ New York Energy Smart Builders Achievement
 - ▶ NYSERDA Buildings of Excellence Award (2019)
 - ▶ NYSAFAH Downstate Project of the Year (2019)
 - ▶ New York Energy Consumers Council Energy New York Award (2019)
- ▶ Earned Certified Passive House for Park Avenue Green in the Bronx. This is the largest affordable housing building in North America to receive PHIUS (Passive House Institute US) Certification.
- ▶ Signed the NYSERDA Retrofit Pledge with the goal of net-zero energy
- ▶ Must time these initiatives so they occur at the time of refinancing of the property (around year 10 of ownership) and/or the tax credit resyndication of the property (after year 15 of ownership), and leverage significant funding opportunities like the Empire Building Challenge to pilot these deeper retrofits.

Green Track Record

▶ Carbon Neutrality Definition

- ▶ A highly energy efficient building that does not contribute emissions of greenhouse gases that cause climate change
- ▶ Electrification of all on-site fossil fuel burning as well as a major transformation of the electric grid's generation to produce zero emissions electricity
- ▶ Alternatively, could purchase carbon offsets or export electricity through on-site generation to reach zero net emissions

Committed Buildings - Whitney Young

- ▶ Located in Yonkers, NY
- ▶ 195 units (all affordable), daycare, and grocery store
- ▶ (2) 12-story buildings
- ▶ Built in 1973 and substantially rehabbed in 2007
- ▶ Undergoing renovations commencing December 2023
- ▶ Brick façade and cast-in-place concrete
- ▶ Inefficient electric baseboard heat with window air conditioning units
 - ▶ Very high utility costs
 - ▶ All utilities are master metered
- ▶ Committed to making Whitney Young carbon neutral by 2035



Committed Buildings - Twin Parks

- ▶ Located in Bronx, NY
- ▶ 275 units (all affordable), daycare, and pharmacy
- ▶ 16 stories at high point and 7 stories at low point
- ▶ Gross SF: 370,500
- ▶ Built in 1972 and substantially rehabbed in 2012
- ▶ Brick façade and cast-in-place concrete
- ▶ Electrically heated when we purchased it; converted to gas when we completed substantial rehab
- ▶ Sister property, Grote Street Apartments, would also benefit from what we learn at Twin Parks
- ▶ Currently undergoing NYSERDA Flextech energy audit for LL87 with Bright Power



Value of a NYSERDA Partnership

- ▶ Strong partner, convener, and guide in NYSERDA.
- ▶ Support to determine a cost efficient process to electrify buildings during tenant-in-place rehabs.
 - ▶ Existing buildings comprise the majority of Paths Development's portfolio, and past efforts have focused on converting electric buildings to gas. This partnership will teach us how to efficiently make the transition back to electric.
- ▶ Assistance to identify methods of sealing and improving the building envelope to offset the higher costs of electricity.
 - ▶ Every dollar counts in affordable housing. Without a holistic design process that includes envelope improvements, the cost of transitioning to electricity would create operational hardships.
- ▶ NYSERDA's simultaneous encouragement of manufacturers is key to unlocking scalable, affordable, real life solutions.
- ▶ Ability to apply lessons about technical and economic feasibility to similar projects in our portfolio as well as new acquisitions.
- ▶ Benefit of learning from and collaborating with a pilot cohort.