SAN FRANCISCO HOUSING AUTHORITY

AMERESCO
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Contract Details

Contract Type:

Energy Efficiency; Energy Performance Contract; Guaranteed Energy Savings; Water Conservation

Facility Size:

Phase 1: 3 sites, 455 units

Phase 2: 38 sites, 5,184 units

Energy Project Size:

Phase 1: ARRA Funded, $11.7 million

Phase 2: EPC Funded, $29.7 million

Phase 1 & Phase 2 Energy Savings:

$3.6 million (aggregate)

Summary

The San Francisco Housing Authority and Ameresco have partnered and embarked on an ambitious energy saving project that allows the Authority to utilize a unique financing tool that reinvests energy-cost savings directly into its aging infrastructure. As a result, the Authority has qualified to receive a grant for energy-related infrastructure improvements implemented in conjunction with an energy performance contract under the American Recovery and Reinvestment Act (ARRA).

The San Francisco Housing Authority is the oldest authority in California and one of the largest in the nation.

The San Francisco Housing Authority provides low-income housing for over 6,000 residents. The partnership with Ameresco will upgrade water and energy systems and redirect capital for other enhancements across the 38 developments.

Customer Benefits

By upgrading to energy-efficient equipment via the Energy Performance Contract (EPC) and the ARRA grant, San Francisco Housing Authority (SFHA) can leverage private capital to fund much needed energy and water equipment upgrades. The Authority can now stretch their capital dollars to focus on costly infrastructure improvements, such as windows and hot-water pipe replacements, measures that would typically carry a long payback from savings.

These improvements will not only save energy and enhance the properties, but they will also greatly improve aging infrastructure and enhance the comfort of the residents.

The ARRA and energy performance contract projects will provide local job creation in the construction industry, including a goal of 30% Minority and Women Business Enterprise (MWBE) participation and 25% resident hires. Combined, the two projects will bring over 100 additional jobs to San Francisco.

Accolades

"This project is part of our recent Congressional action to stimulate the economy by creating jobs, improving infrastructure, and saving energy. Forty-five local construction jobs will be maintained as these improvements are completed."

- Gavin Newsom, Mayor
City of San Francisco

Environmental Benefits

Through their partnership with Ameresco, the Authority will have the following annual carbon reduction equivalents:

- the removal of 723 cars from the road
- the planting of 2,768 acres of trees
- the reduction of 3,300 tons of CO_2 annually
- the elimination of 380,279 gallons of gasoline
- the powering of more than 233 average-size homes

The project helps reduce the need for energy from traditional power plants fueled by fossil fuels.

Services Provided

Using ARRA appropriations, the U.S. Department of Housing and Urban Development (HUD) issued a competitive proposals process for public housing authorities to apply for funding in support of energy conservation and green job creation in local developments. The process required a demonstration of leveraged private capital available to support the grant funds.

SFHA undertook a solicitation for an Energy Services Company (ESCO) to conduct a comprehensive energy audit of its facilities and prepare a plan for energy-efficient improvements, resulting in the development of a $27 million “paid from savings” project that was approved by HUD in December 2010.

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About San Francisco Housing Authority (SFHA)

The SFHA is the oldest housing authority in California and one of the largest in the nation. Since its inception, the SFHA has grown to include 45 developments located throughout San Francisco's neighborhoods. Today there are 6,371 units of public housing serving very low-income families, seniors, and disabled residents of San Francisco. In addition, the Section 8 program oversees approximately 7,000 units with an additional 3,000 served through other Federally funded programs.

Learn more at www.sfha.org.

About Ameresco

Ameresco, Inc. (NYSE:AMRC) is one of the leading energy efficiency and renewable energy services providers. Our energy experts deliver long-term customer value, environmental stewardship, and sustainability through energy efficiency services, alternative energy, supply management, and innovative facility renewal all with practical financial solutions. Ameresco and its predecessors have constructed billions in projects throughout North America.

For more information about Ameresco and our full-range of energy efficiency and renewable energy solutions, please visit www.ameresco.com.

Ping Yuen will feature a new heating system and energy-efficient lighting.

Views of the city and the bay from the units at Ping Yuen.

Services Provided (cont.)

SFHA used the leveraging concept from the energy project to prepare a proposal to HUD under ARRA funding, called the "Capital Fund Recovery Competition Grant Program" – or "CFRC" – for HUD funding to install energy-efficient windows at the Ping Yuen, 1880 Pine, and 1760 Bush developments (455 units), and for the replacement of aging heating system infrastructure at Ping Yuen.

The energy performance contract will include additional heating plant replacements at these properties, as well as water and lighting efficiency upgrades, cogeneration, energy management system upgrades, and building ventilation improvements.

HUD approved SFHA's proposal, totaling $11.7 million, in the first round of awarded proposals. SFHA has three years to spend the funds on these improvements.

Groundbreaking for the heating upgrades has begun on both projects and is anticipated to be completed in 2012.

Work is already under way to improve the heating system, which will lower energy use and result in cash savings and a more comfortable living environment.

Press conference announcing the approval of the project's first phase.