

**Combined Heat and Power in New York State:
Two Years Later
June 24-5, 2004**

***Roundtable: Financing & Incentives*
Financing CHP in HUD “Markets”**

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HUD CHP Markets

Three housing markets:

Public, FHA insured, non-profit

Other markets:

Nursing homes, hospitals,

Community & brownfield development

HUD Housing CHP Markets

Apartment Buildings 50+ units

Public Housing:	7,000
FHA Insured:	12,000
Nonprofit (elderly):	4,000

Public Housing Economics

- HUD funds for utilities
- HUD funds for capital improvement
- Payback can be longer, e.g.10-15 yrs.
- Energy Performance Contracts: 12 yrs.
- CHP maintenance contract supports PHA

FHA Market Economics

- FHA keeps 1st mortgage position
- FHA may release reserves
- Payback of 3-5 years
- Use of depreciation

Nonprofit Elderly Housing Economics

- 1976-2004 HUD direct loan/capital advance
- Economics somewhere between PHA and FHA
- Connecticut examples used tax credit “donations”

New Construction

- Public Housing-HOPE VI –Maverick Gardens, Boston
- Apartment development in Michigan
 - Off grid?

HUD Sources of Information

- www.hud.gov (search for “energy”)
- *Energy Action Plan*: promote use of CHP
- Project profiles: CHP for PHAs, FHA.
- DOE/HUD agenda: “cogen manual,” market analysis, Reg’l App Ctrs, cases.