

SHOWCASE PROJECT: COURT TOWER APARTMENTS

SOLUTION OVERVIEW

Court Tower Apartments is a 221-unit affordable senior living community in Newark, New Jersey. Acquired by Jonathan Rose Companies in 2013, the property is strategically located near a major retail corridor in downtown Newark and provides convenient access to multiple transit lines. Originally built in 1974, the property faced deferred maintenance issues as a result of aging systems, which included the building envelope, lighting, appliances, and water heating systems.

Over the last several years, the property has undertaken many capital improvement projects. In 2014, a full window replacement and installation of a condensing boiler plant helped reduce the property's gas consumption, saving close to \$50,000 in operating expenses after one year.

In 2016, the building underwent a U.S. Department of Housing and Urban Development Rental Assistance Demonstration (RAD) conversion, which enabled it to convert existing, expiring rental assistance payments for 130+ units to a new 20-year Section 8 Project-Based Rental Assistance contract for 200+ units.

SECTOR TYPE

Multifamily

LOCATION

Newark, New Jersey

PROJECT SIZE

102,514 Square Feet

FINANCIAL OVERVIEW

Project Cost: \$8,000,000

SOLUTIONS

The RAD conversion, and subsequent net rent increase, enabled nearly \$8 million in capital improvements at the property including unit rehabilitation, energy efficiency improvements, and enhanced community spaces and social services. The increased rents through RAD, set at 110 percent of Newark's Fair Market Rent, allowed the company to refinance the project, generating proceeds for significant rehab and greening of about \$37,000 per unit.

One of the key goals of the rehabilitation project was to earn Enterprise Green Communities certification. Court Tower implemented a boiler upgrade, installed variable frequency drives on

pumps, retrofitted all lighting with LED bulbs and fixtures, installed low-flow plumbing fixtures and new toilets, replaced all refrigerators with ENERGY STAR® models, and replaced thru wall AC sleeves. Outside of the energy scope, the property added new flooring, paint, and kitchen finishes using environmentally-responsible and healthy materials. In addition, the property will be installing a 35kW cogeneration system.

Energy Conservation Measures

- Upgraded windows
- Installed condensing boiler plant for domestic hot water
- Replaced refrigerators with new ENERGY STAR models
- Installed low-flow faucets (lavatory: 0.5 gpm, WaterSense label; kitchen: 1.5 gpm)
- Replaced toilets (1.1 gpf, pressure-assisted, WaterSense label)
- Upgraded common area, exterior, and in-unit lighting with LED bulbs and fixtures
- Installed variable frequency drives on pump motors
- Replaced all AC sleeves

OTHER BENEFITS

Apart from the energy efficiency upgrades, the company also provided new flooring and kitchen cabinetry, using low VOC paints and stains that contributes to better indoor air quality. Further, the new window systems have acoustic benefits that better block outside noise.

Annual Energy Use

Baseline(2014)
110 kBtu/sq. ft.

Actual(2017)
77 kBtu/sq. ft.

Energy Savings

30%

Annual Energy Cost

Baseline(2014)
\$171,300

Actual(2017)
\$114,885

Cost Savings

\$56,415

