

FIRST *Impressions*

News for board members and building owners of properties managed by FirstService Residential



APRIL/MAY 2023

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ASK OUR EXPERTS
NYC Local Law 97

CLICK TO REGISTER FOR WEDNESDAY'S WEBINAR

**Getting LL97 Work
Financed: Financing
Solutions, Incentives, and
Capital Planning**

Wednesday, April 12
6:00 p.m.

Properties to Save \$600K in Annual Energy Costs Through CDG Project

FirstService Residential properties that subscribed to a Community Distributed Generation (CDG) project are anticipated to see average monthly savings of up to \$10,000 — or 6% in electricity costs — this year. The monthly savings directly offset electric delivery charges, which are credited back to each building's Con Edison bill.

[Click here to learn more about the CDG program!](#)



Bloom Energy's solid oxide fuel cell facility generates clean energy for the CDG program.

"75 Wall Street is always looking to build long-term value for its owners and residents. By participating in the CDG Energy Program presented by FirstService Energy, we are already receiving credits on a monthly basis. The board looks forward to other opportunities with similar value."

— Condo Board President Dhwani Srivastava
The building will reap more than \$70K in annual savings through this *free* program

NYC LOCAL LAW 97 UPDATES

Prepare for LL97 Compliance with Logical Buildings' SmartKit AI

FirstService Energy has partnered with Logical Buildings, a Con Edison Demand Response aggregator, whose SmartKit AI software and personalized training enables properties to get rewarded for managing energy, water, and carbon usage. **This program is for buildings with common meters and master meters.** [Learn more.](#)

SIGN-UP DEADLINE

If you missed the March 30 deadline, you can still enroll your building by April 27 with a slightly reduced earnings potential. To request a SmartKit agreement, [simply complete this form](#). FirstService Energy will provide you with Logical Building's revenue share agreement to sign.

LOCAL LAW 97 WEBINAR SERIES

In order to meet Local Law 97 (LL97) emissions targets on time and avoid penalties, your board must identify the best pathways to compliance for your building. We encourage you to attend our upcoming webinars or watch the replays on any topics you may have missed.

LL97 #1: Updates, Filing Process & Compliance

What We Cover:

- New adjustments to legislation
- Necessary steps for compliance
- New technologies and alternative options that can help decarbonize your building

[Click here to watch the replay.](#)

LL97 #2: Lease Language and Metering for Commercial Spaces in Residential Buildings

What We Cover:

- What's required for buildings with commercial spaces
- How sub-metering and lease language can help you understand and enforce compliance with non-residential tenants

[Click here to watch the replay.](#)

The graphic is a green and white rectangular box. At the top, it says 'ASK OUR EXPERTS' in large white letters on a green background, followed by 'NYC Local Law 97' and 'Getting the Work Financed' in smaller white text. Below this, it says 'Wednesday, April 12 • 6:00 p.m. – 6:45 p.m.' in white. The bottom half is white with a green border. It features two circular headshots of speakers: Kelly Dougherty, President of FirstService Energy, and Jordan Machnick, Vice President of Lending at FirstService Financial. To the right of the headshots, under the heading 'WHAT WE'LL COVER:', it lists topics: 'Traditional and non-traditional financing solutions', 'Incentive programs', and 'Capital planning'. It also includes a brief description: 'In this webinar, we will cover financing options for buildings that are planning energy retrofits for Local Law 97 compliance. Topics will include:'. At the bottom right, there is a blue button that says 'CLICK HERE TO REGISTER'.

UPCOMING: MARK YOUR CALENDAR

LL97 #3: Getting the Work Financed: Financing Solutions, Incentives, and Capital Planning

Wednesday, April 12 | 6:00 p.m. – 6:45 p.m.

[Click here to register for this Zoom webinar.](#)

LL97 #4: Heat Pumps, Low-carbon Technologies, and Project Planning

Wednesday, April 26 | 6:00 p.m. – 6:45 p.m.

[Click here to register for this Zoom webinar.](#)

The LL97 Carbon Emissions DOB Filing must be submitted by May 1, 2025, the same date as your LL84 filing. Energy usage and emissions will be based on your 2024 building data.

REMINDER: NEW TRASH & RECYCLING SCHEDULE EFFECTIVE APRIL 1

- Trash is not permitted to be placed directly on the street before 8:00 p.m.
- Properties may put out trash and recycling at 6:00 p.m., only if placed in a 55-gallon bin or smaller with a secured lid.
- Paper that is securely tied and bundled can be set next to these bins.

FirstService Financial: In-house Financial Advisory Service

FirstService Financial, our in-house financial advisory and lending affiliate, is available to help your board determine optimal allocation of funds, identify the best lending solutions for capital projects, and provide an additional layer of support and accountability beyond your property manager.

SUPERIOR RATES ON CASH MANAGEMENT

Our team proactively evaluates our clients' reserve portfolios to maximize interest income on deposit balances through FDIC-insured money market accounts and CDs. With \$6 billion in deposits placed at commercial banks specializing in real estate, we are able to negotiate favorable rates for our clients.



2022 CLIENT STATS

\$6 billion | Client deposits with partner banks

\$500 million | Annual loan origination

\$5.5 million | Additional interest income for our clients

CLIENT SUCCESS STORIES

Manhattan Co-op — Reallocated \$1.3M to generate an **additional \$49K in interest income**

Queens Condo — Invested in CDs to **double annual interest to \$31K per year**

Manhattan Co-op — Reallocated \$7M in brokerage cash to generate an **additional \$28K per year in interest income**

Brooklyn Condo — Moved net refinance proceeds and matured CDs to new investments to generate an **additional \$18K per year in interest income**

Manhattan Condo — Moved \$2M into higher-yielding banks to generate an **additional \$22K in interest income**

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RELIEF IN A CHALLENGING INSURANCE MARKET

With fewer carriers offering coverage and many policies being non-renewed, property insurance premiums in New York continue to soar. Yet our in-house brokerage, FS Insurance Brokers, continues to apply our extensive buying power to reduce insurance premiums and maximize coverage for our clients.



“Our board was in turmoil when our insurance company presented a renewal with a huge premium increase and a lower limit of \$5 million on the umbrella. FirstService saved the day and was able to offer a renewal with a \$100 million umbrella limit at a decreased premium. FirstService is doing something right and we are enormously grateful.”

—Pat S., Co-op Board President, 49 West 96th Street, NYC

Workers' Compensation Discount and Dividends

Through participation in a Workers' Compensation Safety Group, FirstService Residential clients received nearly \$1.7 million in dividends in 2022. This figure is on top of the \$1.5 million savings our clients received from a 25% upfront premium discount. The dividends and

savings are partially a result of the OSHA training we provide our property managers.

25% | Upfront Policy Discount
30% | Dividend for 2021-22 Policy Period
55% | Overall Premium Savings

WHAT CLIENTS ARE DOING WITH ENHANCED EARNINGS FROM OUR PROGRAMS:

- Offsetting rising costs — insurance, utilities, capital projects, and more
- Stabilizing monthly common charges/maintenance fees
- Maintaining/enhancing reserve contributions
- Minimizing annual assessments
- Redirecting dollars to create or enhance lifestyle amenities and services

SAMPLING OF CLIENT SAVINGS

BUILDING	25% DISCOUNT	30% DIVIDEND	TOTAL SAVINGS
Manhattan Condo	\$31K	\$28K	\$61K
Manhattan Condo	\$27K	\$24K	\$52K
Manhattan Co-op	\$23K	\$20K	\$44K
Brooklyn Condo	\$18K	\$16K	\$35K
Queens Co-op	\$16K	\$15K	\$32K

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HONORED TO BE 2023 AMO® OF THE YEAR

FirstService Residential was named 2023 Accredited Management Organization® of the Year by the Greater New York Chapter of the Institute of Real Estate Management (IREM). “We are so pleased to be recognized by such a prestigious and respected industry organization for our dedication and efforts to advancing the real estate management profession,” said Dan Wurtzel, of FirstService Residential President Dan Wurtzel. [Read more.](#)



Members of our executive team accept the AMO® of the year award at IREM's annual dinner. Photo courtesy of Van Stolat Photography.

RESIDENT NEWSLETTER



FirstService Residential publishes our [First Edition newsletter](#) for shareholders, unit owners, and residents to keep them informed and help reduce the number of routine questions our property managers receive. Our goal is to free up our managers' time so they can address more pressing tasks for your property.

“

“Thank you for producing this informative newsletter for our residents. You touch upon all the pertinent information!”

—Gloria D., Property Manager

COMPLIANCE UPDATES

From Vice President of Compliance Stephanie Cardello

LL18: SHORT-TERM RENTALS

[Our March 1 memo](#) informed boards that the Mayor's Office of Special Enforcement has adopted rules concerning the enforcement of short-term rentals following passage of Local Law 18/2022, the Short-Term Rental Registration law. The law and rules provide registration requirements of short-term rentals and allow for a "building owner" to prohibit them. Registering a building on the rental prohibited buildings

list (PBL) helps deter short-stay, Airbnb-type arrangements which negatively impact quality of life in the building due to unwanted traffic, noise, and security concerns. Short-term rental listing services cannot process transactions for unregistered listings.

For every board that adopted a resolution ratifying their decision for the building to be registered on the PBL, our Compliance team has done so on your behalf.

FIRSTSERVICE RESIDENTIAL EARNS GREAT PLACE TO WORK CERTIFICATION™

We are delighted to be Certified™ by Great Place to Work®, the global authority on workplace culture, employee experience, and leadership behaviors proven to deliver market-leading revenue, employee retention, and increased innovation. This prestigious award is based exclusively on what our 17,000 North American associates say about their experiences and opportunities working at FirstService Residential. [Read more.](#)



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WOLFE APPOINTED TO REBNY RLS BOARD



Michael Wolfe, our president of property management, was appointed to REBNY's Residential Listing Service (RLS) Board of Directors. Wolfe is already known for his leadership as chair of

REBNY's Residential Management Council. His 30-plus years of industry insights will add tremendous value to the RLS board, which helps manage REBNY's RLS, providing members with the most complete and accurate data to support brokerage firms, agents, and their customers.



THANK YOU, BOARD MEMBERS

April marks Volunteer Appreciation Month! On behalf of all of us at FirstService Residential, we would like to recognize our dedicated board members for volunteering your time to make a difference for your building and fellow residents. We thank and appreciate you for everything you do on behalf of your property.

FirstService Residential to Sponsor Live Seminar at The Cooperator Expo

The Spring Cooperator Expo will take place on May 10 at the [New York Midtown Hilton](#).

ENHANCING REVENUE, CONTROLLING RISING COSTS: STRATEGIES FOR CONDO & CO-OP BOARDS

New York City condo and co-op boards are seeing a steady rise in annual operating costs — particularly in annual utilities and insurance premiums. While operating costs may seem beyond your control, your management company should provide strategies to reduce costs and programs that deliver significant savings.

Our expert panel will discuss the most successful strategies to reduce costs, including energy aggregation programs, utility bill audits, valuable incentives for efficiency projects, Community Distributed Energy (CDG) programs, alternative insurance products, tax certiorari services, and more.

Our expert panel includes:

- **Michael Wolfe**, President of Property Management, FirstService Residential
- **Kelly Dougherty**, President, FirstService Energy
- **Alison Zuffi**, Director of Insurance, FirstService Residential

LIVE EVENT

FirstService RESIDENTIAL

THE COOPERATOR EXPO NEW YORK

Enhancing Revenue, Controlling Rising Costs: Strategies for Condo & Co-op Boards

 Wednesday, May 10
from 1:30 p.m. to 2:30 p.m.

 New York Hilton Midtown
53rd St. & Ave. of the Americas

FirstService Residential is sponsoring a live seminar at the Spring Cooperator Expo
NYC co-op and condo boards are seeing a steady rise in annual operating costs — particularly in annual insurance premiums and utilities. While many expenses may seem beyond your control, your management company should provide strategies to reduce costs and programs that deliver significant savings. Our expert panel will discuss the most successful strategies to reduce costs, including energy aggregation programs, utility bill audits, valuable incentives for efficiency projects, Community Distributed Energy (CDG), alternative insurance products, tax certiorari services, and more.

Our expert panel:


Michael Wolfe
President of Property Management,
FirstService Residential


Kelly Dougherty
President,
FirstService Energy


Alison Zuffi
Director of Insurance,
FirstService Residential

Click Here to Register

[Register to attend the expo](#), which takes place at the New York Midtown Hilton on Wednesday, May 10 from 9:00 a.m. to 4:30 p.m. Our sponsored seminar is scheduled for 1:30 p.m. to 2:30 p.m. in Room 1. Seating is first-come, first-served.



STAY CONNECTED

Know of a board considering new management?
Have them [contact us](#) to learn more.

[Click here to read our latest industry-related articles.](#)

First Impressions is published for board members and rental building owners of properties managed by FirstService Residential New York, Inc. While every effort is made to achieve accuracy in the information contained in this publication, it is not intended as advice to any specific property, and FirstService Residential shall not be liable for any damages resulting from reliance on the accuracy of information contained herein. The information contained herein is meant to provide general advice, and it is not intended to be applied to a specific building or situation experienced at a building. Please consult with your property manager and other professionals to address any compliance matter at your building.

We welcome your feedback. Email us at news.ny@fsresidential.com.

www.fsresidential.com/new-york

