

## New York City Climate Mobilization Act passes - by Thomas Kearns

May 21, 2019 - Front Section

Thomas Kearns,
Olshan Frome Wolosky LLP

The New York City Council recently passed a set of bills requiring owners of buildings of 25,000 s/f or larger to take several steps to reduce greenhouse gas emissions. The bills include: a requirement that the emission of greenhouse gases be reduced in stages by 2030, revisions to simplify the installation of wind turbines, a mandate to study the reduction of gas-fired power plants, the installation of green roofs in new construction and in buildings undergoing major renovations, and financing to help owners pay for the improvements.

By all accounts, the bills will increase the efficiency of large city buildings in New York. Certain ironies are present, however, –first, due to the number of people employed in large buildings, the buildings are already much more efficient than the average U.S. building per capita. Second, under the new bills, many large buildings are exempt from the requirement to reduce greenhouse gases, including hospitals, houses of worship and buildings with rent regulated tenants, which buildings aggregate by some estimates about half of the large buildings in New York. In short, city office buildings and their tenants will be hit with significant increased costs while other buildings will not be affected. A third irony is that with its efficient public transportation system and large, already efficient buildings, New York is already a model for other cities and towns to follow.

So what will commercial buildings need to do in response to the legislation? My law firm did an energy audit a few years ago and we found that the biggest electricity use was air conditioning in the warmer months. What is the best way to reduce those costs in a building that is already class A? One method is with better insulated or newer "dynamic" windows which have filters that activate depending on light and temperature. I have also seen solar collecting windows mentioned as a promising technology in development. But windows are expensive and are disruptive to install and some of the technology is untested.

It is perhaps appropriate for New York to continue to be the leader in energy efficiency—my hope is that the administrative headaches and the costs of compliance will be reasonable. I remember viewing the smog that enveloped the city in the late 1960's and early 1970's when I took the bus to high school across the Whitestone Bridge. On bad days you would actually choke on the smog as

you breathed. Smog was cured by federal and local legislation imposing pollution controls on automobiles and improving city boilers. Those fixes were expensive, no doubt, but in hindsight well worth it. Similarly, I hope that New York's recent legislation is able to make meaningful strides to reduce greenhouse gases without excessive disruption to New York businesses.

Thomas Kearns is a partner with Olshan Frome Wolosky LLP's real estate department, New York, N.Y.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540