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Repositioning margins and sustainable resources within a COVID-19 climate - by Nancy Colella

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New York City, the five boroughs and surrounding municipalities have been affected and continue to review the many segments conflicted with the continuous economic shutdown, one, which during this lifetime has derailed our society with a global pandemic, widespread economic shutdowns and equality demonstrations–ensuing widespread retail associated rioting damages. The commercial real estate sector, the foundation of the office workforce environment, has been clearly affected by losses, and is now repositioning assets, operations and business practices. As it stands under governor Cuomo's "New York Forward" plan for the state's reintegration back to the workforce brings new safety initiatives and protocols. Protocols which must engage safety compliance measures and a repositioning of operations for buildings and businesses. The re-entry Phases will appropriately be subject to guideline measures, to include CapEx retrofitting considerations alongside strict distancing and deductive and preventive congregation planning.

Within this unique climate, the commercial real estate industry is currently experiencing, New York maintains a true viability to engage within the renewable community generation space. Urban NY with its abundant multi-million s/f of commercial roof space, heightened renewable energy integration programs, environmental protection policies and incentives are driving measurable deals towards this profitable and beneficial green-tech assimilation. Key real estate owners are selecting the many options and making a decision to review the various opportunities as progressive business solutions for their commercial portfolio assets. Not to mention economically palatable returns and socially responsible business practices sure to invoke a secure positioning of societal betterment.

To that end, walks-in CDG, (Community Distribution Generation) the procurement of power from a commercial site under agreement terms, under utility approvals for the unique placement to distribute power. Power that is accountable to credit into the grid and then distributed to residential end users. CDG is an open market with ideal profit margins, while less than 0.2% are only being optimized with marginal growth there is plenty of demand. Today, gov. Cuomo's renewable integration for NYS the "Reforming the Energy Vision," has clear mandated goals towards reaching sustainability with the following: 85% reduction in greenhouse gas emissions by 2050, 100% of clean electricity by 2040. Inclusive of segment benchmarks of; 9 GW of offshore wind energy by 2035, 6 GW of distributed solar by 2025 and 3 GW of energy storage by 2030.

During this COVID-19 re-engagement climate, it is an excellent time for the commercial real estate portfolio market to further educate themselves and embrace a progressive approach to asset ownership or the on-site housing of a CDG asset. This progressive opportunity would enlist a new degree of long-term business, and if not under direct ownership–at no CapEx. Creatively offering the ability of offsetting a pandemic disrupted commercial property enterprise. The CDG model is applicable with a variety of renewable assets and is profitable due to the successful cross pollination of attributes.

Firstly, not only would it decrease residential power dependency on an overtaxed grid with a cross benefit of promoting cost savings to those choosing a cleaner source of energy from projects a resident or commercial entity elects to subscribe from. Secondly, on the side of the commercial real estate portfolio, the decision to engage within a renewable investment or partnering business relationship would write a corporate social responsibility directive for the company–one of doing good. While also supplying property tax depreciation, tax credited incentives, and dependent on the agreement, a factor of a 25-30-year long-term lease agreement.

An asset lease agreement structure is made in exchange for securing commercial space to house a renewable fuel cell or solar system power procurement asset. This type of deal would allow an investor/renewable developer to fund, secure, and operate a renewable asset, under an insured, managed and operated asset positioning. A deal considered favorable as it generates a new-found revenue stream with year over year capital income, plus, yearly acceleration rate increases and no CapEx. As it relates to local policy, NYC mayor Bill de Blasio's OneNYC green climate forward effort secures motions to expedite permits and supports green tech integration commitments throughout the city and governor Cuomo throughout the state respectively.

NY State Sustainable Corp. (NYSSC) is a renewable, green tech asset advisory and multi-level project implementation management firm. We service and structure the navigation associated with the deployment of energy conservation measures to commercial real estate portfolios throughout the state. Advocating and streamlining the engagement towards environmentally and economically sound government incentivized, renewable asset acquisitions. A full-service, advisory clean-tech firm directly focused on the execution of efficiency, conservation, and profitable cleantech portfolio adoption to the commercial real estate industry and community. NYSSC is a certified woman owned minority business, certified by New York State and New York City.

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