



Gov. Hochul unveils “The Empire Building Playbook: An Owner’s Guide to Low Carbon Retrofits”

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Governor Kathy Hochul (center), joined by President Bill Clinton and Mayor Eric Adams (center) to announce “The Empire Building Playbook: An Owner’s Guide to Low Carbon Retrofits” on April 21, 2022. They were joined by NYSERDA SVP Janet Joseph; NYSERDA president and CEO Doreen Harris (left); and SVP, director of energy and sustainability at Empire State Realty Trust Dana Schneider; and chairman/president/CEO, Empire State Realty Trust Anthony Malkin, (right).

New York, NY Governor Kathy Hochul, joined by President Bill Clinton and mayor Eric Adams unveiled “The Empire Building Playbook: An Owner’s Guide to Low Carbon Retrofits,” a free online resource to support building owners advancing carbon neutrality in high rise buildings. The Playbook was created in partnership with the New York State Energy Research and Development Authority, (NYSERDA) Empire State Realty Trust, The Durst Org., Hudson Square Properties, a joint venture comprised of Trinity Church Wall Street, Norges Bank Investment Management, and Hines, and Vornado. This joint venture is four of ten real estate partners participating in NYSERDA’s \$50 million Empire Building Challenge. This guiding framework includes information from the partners who share their processes and lessons learned to develop the business case for profitable investment in significant energy and carbon reducing technologies, in support of the state’s nation-leading Climate Leadership and Community Protection Act goal of reducing carbon emissions 40% by 2030 and 85% by 2050.

“Through public-private partnerships like the Empire Building Challenge, we are reducing New York’s reliance on fossil fuels by introducing low-carbon solutions that will advance our state’s nation-leading climate agenda,” governor Hochul said.

“The Empire Building Playbook will be a critical tool to combat climate change and reduce harmful emissions across our state, all while moving forward with the green economy, creating clean energy job opportunities, and making the most iconic buildings in the New York skyline more sustainable.”

President Bill Clinton said, “If you believe New York should have more jobs, if you believe that we should avoid the worst consequences of climate change, if you don’t want to see the rising waters flood the south end of Manhattan, do this. Give people the dignity of work, create new businesses,

and clean the air. We know, now, we don't have any excuse. Our grandchildren are depending on it."

The Playbook, launched today at the Empire State Building, is available as an online resource containing the results of the four partners' in-depth analysis of one building in each of their portfolios to identify replicable pathways to retrofit high rise buildings to low carbon levels of performance and achieve commercially acceptable returns on investment. This work includes case studies, guidance, and project-specific technical information on best practices for building owners to achieve deep energy and carbon reductions at their properties and comply with local laws such as New York City's Local Law 97, as well as respond to tenant and investor demands. Co-developed with NYSERDA and other NYC-based landlords, and building on work supported by the Clinton Global Initiative, the innovative guide outlines the step-by-step process for existing commercial buildings to develop a pathway to carbon neutrality.

Significant findings from the Playbook include:

Focusing on how to reduce, recycle and store heat is a primary way to drive down buildings' greenhouse gas emissions and achieve a strong return on investment.

A resource efficient approach to electrification for big buildings phases out fossil fuels while reducing peak power consumption, providing relief to the electric grid now and in the future.

Small steps create a large impact with incremental investments achieving significant carbon reduction over time.

Traditional energy audits are not enough and decarbonization requires a rigorous systems analysis of whole-building heating and cooling, ventilation, domestic hot water and envelope. Building owners, engineers, and solution providers must collaborate to choose solutions that are both technically and financially viable.

Tenants are key. Building owners will accelerate investments in climate-friendly office spaces if tenants demonstrate demand.

The insights shared support replication with the potential for application across entire real estate portfolios while demonstrating the technical and economic feasibility of the proposed solutions that can catalyze the wider marketplace. Additional case studies will be added to the Playbook over time, highlighting the work of Empire Building Challenge partners to showcase decarbonization pathways for a variety of buildings. This includes a wide variety of commercial office buildings, multifamily affordable housing buildings, and buildings located in disadvantaged communities, supporting the goal of an equitable transition to clean energy that values the comfort and health of all New Yorkers.

The four Playbook partners, along with six other real estate companies make up the first cohort of real estate partners in the Empire Building Challenge announced in April 2021. The Playbook complements NYSERDA's recent call for applications for a second cohort of real estate partners to join the Empire Building Challenge in which NYSERDA is seeking teams of real estate portfolio owners and engineering companies to submit joint applications on retrofit approaches that can drive broad-scale decarbonization of heating and hot water in existing high-rise buildings. Applications are due May 24.

New York City Mayor Eric Adams said, "We know that climate catastrophe isn't some far-off threat — we must end the era of fossil fuel, but in order to reach this goal, we must work with our largest emitters of carbon: Our buildings. By retrofitting and decarbonizing our buildings, we can invest in our planet's health and our people's health, improving air quality and creating good-paying jobs for New Yorkers. I want to thank Governor Hochul and the Empire State Realty Trust for taking the bold step of putting this playbook together, and I look forward to working together to implement it across the city."

New York State Energy Research Development Authority President and CEO Doreen Harris said, "Building owners and operators across New York City and the State can now access insights and lessons from real estate leaders driving change and accelerating our transition to climate-friendly buildings. The Playbook builds on our work through the Empire Building Challenge to develop pathways that all building owners can follow to reduce carbon emissions at commercially acceptable returns, which supports Governor Hochul's commitment to achieve 2 million climate-friendly homes by 2030."

Chairman, President, and CEO at Empire State Realty Trust, Anthony E. Malkin said, "It has been a privilege to work with NYSERDA on the creation of The Empire Building Playbook, a transformative pathway for carbon reduction that continues ESRT's model of energy efficiency retrofits of existing buildings with investment and returns. As with all our work in this area, ESRT will share openly its blueprint for what's possible through the industry-leading retrofit work at the Empire State Building."

Vice President of Carbon Strategy Hines Mike Izzo said, "We are grateful for these private public partnerships, especially with NYSERDA, given the nature of the work. My hope is our efforts will be used to guide others in the industry to redefine the status quo and allow for a healthier, cleaner and more resilient New York."

President of the Durst Organization Jonathan "Jody" Durst said, "The Durst Organization commends NYSERDA on its work bringing together stakeholders through the Playbook and driving building-level solutions across diverse sectors of the industry. We will further support the state in its efforts to de-carbonize the electricity grid, and Con-Edison's commitments to greening the steam system."

To spur product development and innovation from the global market of low carbon solution providers and draw from the lessons learned from the Empire Building Challenge, NYSERDA has also

developed the Empire Technology Prize, an ambitious global challenge aimed at leveraging private sector innovation and corporate investment to help decarbonize New York's high-rise buildings. The Empire Technology Prize will issue a call for applications in the fall of 2022.

The Empire Building Challenge is a first of its kind public-private partnership between NYSERDA and leading real estate developers, engineering firms, and solution providers to make New York a global hub for climate-friendly retrofits, spur innovation and product development from solution providers to meet the needs of high-rise existing buildings, and create blueprints for success that all buildings can learn from and build upon. The first cohort of Empire Building Challenge partners, including Durst, ESRT, Hudson Square Properties, and Vornado, and have committed to achieve carbon neutrality in over 52 million square feet of existing buildings by no later than 2035. ESRT and Vornado pledged their entire New York office portfolio to carbon neutrality by 2035 and 2030, respectively.

Buildings are one of the largest sources of greenhouse gas emissions in New York State and integrating energy efficiency and electrification measures in existing buildings will reduce carbon pollution and help achieve more sustainable, healthy, and comfortable buildings. Through NYSERDA and utility programs, over \$6.8 billion is being invested to decarbonize buildings across the State. In addition to the carbon benefits, these projects will also help the State achieve its energy efficiency target to reduce on-site energy consumption by 185 TBtu by 2025, the equivalent of powering 1.8 million homes.

Building owners, solution providers, manufacturers and other interested stakeholders are encouraged to visit <http://nyserda.ny.gov/EBC> for additional details on the Empire Building Challenge and to learn how to partner with NYSERDA, reduce carbon emissions, and get involved in the clean energy economy.

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