



BOMA NY presents Introduction to NYC Accelerator - part 1

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New York, NY As New York City's first compliance deadlines for Local Law 97 are soon approaching in 2024, BOMA New York hosted a timely webinar presented by Fatou Jabbie and Larry Katz of NYC Accelerator, a program sponsored by the NYC Mayor's Office of Climate & Environmental Justice.

Part one of the special presentation, "Introduction to NYC Accelerator—First Steps to Compliance & Decarbonization," provided encouraging information for building owners and managers to meet the city's ambitious goals to become carbon neutral by 2050.

Confirming what several previous BOMA NY presentations have reported, the future is indeed upon the commercial real estate industry, and the timeline for climate law compliance has advanced beyond the "wait and see" stage to the enforcement of local greenhouse gas emission laws and the imposition of severe fines for owners who do not comply with them.

On the plus side, the presentation by NYC Accelerator offered help to control costs and meet compliance requirements for local laws. It promised dividends including boosts in building performance, increased energy savings, and reduced carbon emissions across NYC buildings.

In their introduction, Jabbie and Katz described NYC Accelerator as a no-cost, in-depth city program to guide building owners and managers to compliance by identifying upgrades, accessing financing/incentives, and connecting with vendors who provide the necessary services. NYC Accelerator also provides free training and technical guidance to help the commercial real estate community transform how buildings operate and are built.

Jabbie listed financial incentives to reduce capital costs offered by utilities including Con Edison, National Grid and Public Service Enterprise Group, as well as state programs offered by NYSERDA. NYC Accelerator offers financing resources, including connection to low-interest Property Assessed Clean Energy (PACE) lenders. Unlike conventional financing, PACE is repaid in installments through a charge on the subject property's tax bill.

She said, "Build upon your existing relationships with service providers," while offering owners access to NYC Accelerator's roster of trusted vendors who meet the City's RFQs for inclusion. "Owners and decision makers looking at proposals," Jabbie said, could call upon their account manager at NYC Accelerator to review bids and clarify technical solutions.

Katz, an energy engineer who is the technology lead at NYC Accelerator, began his presentation by reiterating the hard facts heard by BOMA NY webinar attendees over recent years: “68% of New York City’s emissions comes from buildings, and 90% of New York City buildings will still be here in 2050.” He reiterated that all privately owned buildings of 25,000 s/f or more are governed by the city’s environmental local laws.

To begin, Local Law 33 (amended by Local Law 95) now requires owners of buildings greater than 25,000 s/f to publicly display the Building Energy Efficiency Rating. The label includes the 1-100 ENERGY STAR score and a corresponding letter grade to give New Yorkers a snapshot of the building’s energy performance.

Annual deadlines are:

May 1: Deadline to submit annual energy and water usage data to the City;

October 1: Building grades are generated and made available by the New York City Department of Buildings (DOB); and

October 31: Deadline to publicly display new building grade.

Addressing owners, Katz said, “Making smart investments in energy efficiency upgrades will (result) in cost savings over time.”

Also, 25,000 s/f or larger buildings must meet ambitious carbon reduction targets—or greenhouse gas (GHG) limits—mandated by Local Law 97. The first carbon emissions limit, which is relatively lenient, will be applied in 2024-2029. This will be followed by a second, more stringent, carbon emissions limit to be applied in 2030-2034. Lower limits will follow in 2035 and beyond to reach 80% reduction by 2050.

Katz said, “Under existing conditions, 75%-80% of properties meet 2024-2029 LL97 limits. There is still time. Most buildings are under those limits.” However, today only 25%-30% of properties meet 2030-2034 LL97 limits.

Moving from the general to granular, Katz explained that specific limits are calculated for each building based on building occupancy types and gross floor area. For example, hospitals, office buildings, warehouses, and other property types have different levels of expected energy use per s/f, and thus different emissions limits.

The penalty for exceeding a carbon emissions limit is \$268 times metric tons of CO₂ emitted over the limit. Katz reported that fines of \$5,000 to \$20,000 per building will be commonplace by 2030. Proposing to work backwards from that, Katz said, “The focus of the program is to look at your potential penalty, then find ways to bring it down using energy efficiency.”

He said, “We can calculate what your exposure will be for 2024 and 2030-2034.” He suggested

starting with the “low hanging fruit” of lighting upgrades and the installation of photovoltaic solar panels or green roofs, and then improving major building systems.

As examples, Katz said that buildings already performing close to 2030 targets could invest in maintenance; install low-flow fixtures; air seal the building; perform heating system upgrades; and lighting improvements.

At the middle of the spectrum, buildings that are significantly underperforming could do all of the above, plus install roof insulation; replace the heating system with a more efficient system; add heating system controls and sensors; and separate domestic hot water (DHW) from the building’s heating system.

The worst performing buildings, those in the lowest 20th percentile, should consider doing all of the above plus install heat pump hot water heaters and upgrade old windows.

Jabbie and Katz highlighted that privately-owned buildings across NYC are supported by the program. Both speakers urged BOMA NY members to contact NYC Accelerator via their website, accelerator.nyc.

Jabbie said, “Reach out to us rather than do nothing. Don’t be surprised. You may think you don’t qualify, (but you do),” a reference to buildings that are impacted by local laws and can access no-cost NYC Accelerator services. She concluded, “We will help you make a plan.”

Stay tuned and register for Part Two of the BOMA New York special presentation with NYC Accelerator all about decarbonization.

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