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**'The Green Picture' with Erika Schnitzer:
Enforcing an Energy-Efficient Building Environment**

What's everywhere, practically invisible and costs \$15 billion each year? Energy in New York City buildings!

New York City Mayor Mike Bloomberg, along with Council Speaker Christine Quinn, recently announced plans to reduce greenhouse gas emissions from existing residential, commercial and government buildings.

As MHN has reported, the proposed legislation is aimed at encouraging developers to meet tougher energy requirements any time they renovate, to conduct an energy audit every 10 years, and to make energy improvements that will pay for themselves within five years. According to the city, the energy improvements could save property owners \$750 million a year—assuming they upgrade everything from their lighting systems to boilers. This is the first measure of its kind in the United States—but hopefully not the last.

I recently spoke with Nancy Biberman, president of WHEDCo (Women's Housing and Economic Development Corporation) about Mayor Bloomberg's plan. Biberman certainly knows her stuff about energy retrofits—for the past three years, the organization has been working on the retrofit of Urban Horizons, a 10-story, 132-unit community that also includes 40,000 sq. ft. of program space, a 4,000-sq.-ft. commercial kitchen, health care facility, classrooms and administrative offices.

Though certainly happy about the changes Bloomberg is proposing, Biberman is concerned about enforcement. She tells me that, from the bills she's seen, "there are no clear consequences" for building owners who don't take Bloomberg's proposed steps.

This got me thinking—what kind of incentives and/or penalties would be most effective for owners facing what they see as potential loss in revenue (even if it is, in fact, a short-term loss and they could actually recoup the costs in as little as five years)?

Did you know that under the Emergency Economic Stabilization Act of 2008, developers can deduct up to \$1.80 per sq. ft. for buildings that achieve at least a 50 percent energy savings target (through energy and power cost reductions for the building's heating, cooling, ventilation, hot water and interior lighting systems)? This deduction is now available through the end of 2013.

FYI, the New York Chapter of the USGBC will be hosting a symposium tomorrow, May 7, with Rohit Aggarwala, director of the Mayor's Office of Long Term Planning and Sustainability, to discuss the plan's details.

What do you think? What incentives and/or penalties do you think should be incorporated into Mayor Bloomberg's plan to make it most effective?

(You can contact Erika Schnitzer at Erika.Schnitzer@nielsen.com)