

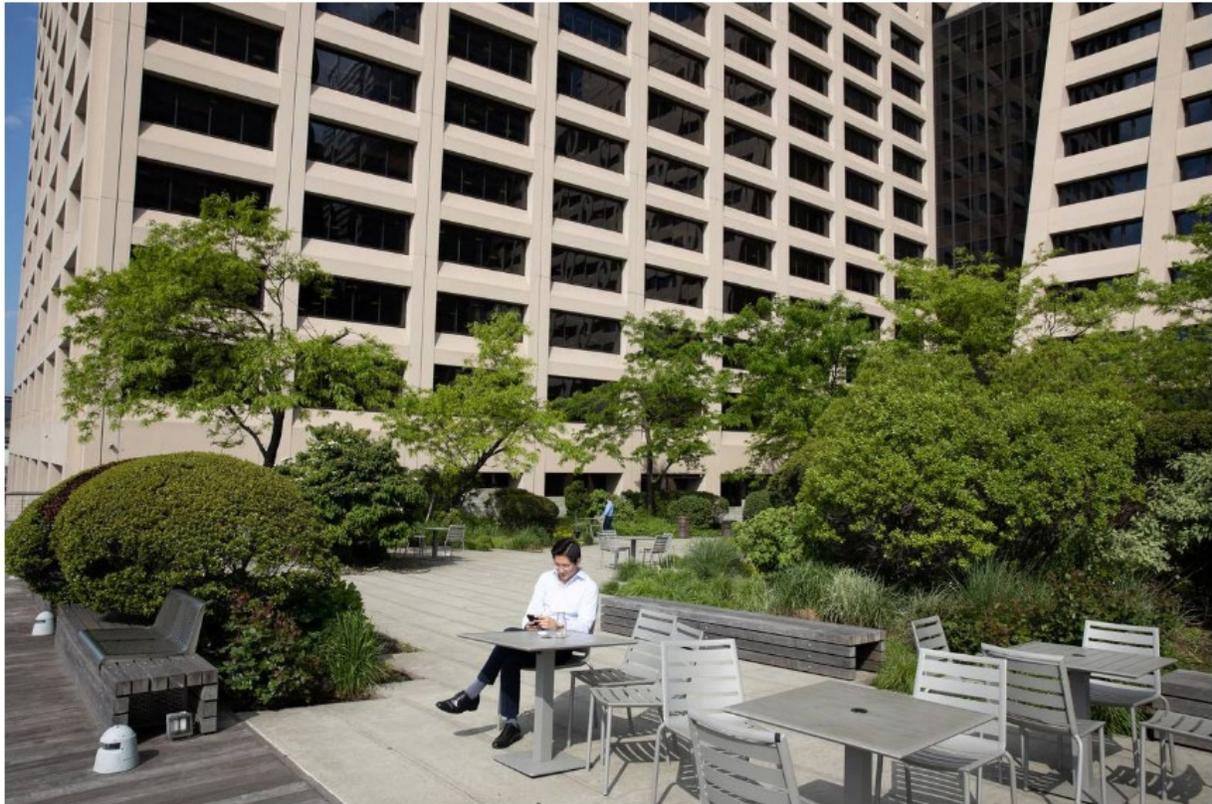
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U.S. | NEW YORK | TRI-STATE AREA

New York City's Green New Deal Would Clobber Trump Tower and Queens Co-Ops

Hundreds of outer-borough developments could face steep fines in coming years if they don't cut carbon-gas emissions footprint



Hyuk Joo Kwon sits in the park outside 55 Water Street in Lower Manhattan on Monday. The building's owners could face some of the largest fines in the city under the city's recently adopted Green New Deal if carbon emissions are not cut by 2030. PHOTO: CLAUDIO PAPAPIETRO FOR THE WALL STREET JOURNAL

By

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Mayor Bill de Blasio threatened last week to ban new glass skyscrapers if they don't reduce carbon emissions. But many of the properties likely to face fines under the city's recently adopted Green New Deal are older brick-walled apartment buildings across the city, according to an analysis by The Wall Street Journal.

The prospect has residents fretting about possible costs and consequences of the new legislation. Anthony Gigantiello Jr., board president of the Queens cooperative known as North Queensview, fears his buildings will be fined, despite a series of steps taken to cut energy costs and reduce emissions.

The insulation at the red brick buildings built in the 1950s are below current standards; Mr. Gigantiello said reinsulating the exterior would be unaffordable.

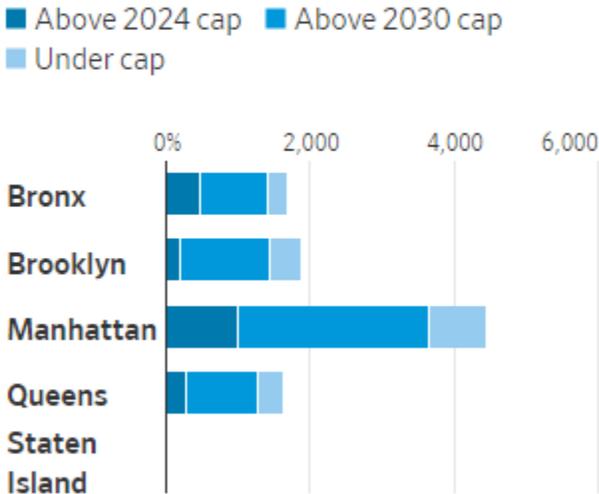
“This is going to bankrupt the average co-op,” he said.

The New York legislation requires large buildings to take steps to reduce greenhouse gases. It caps greenhouse-gas emissions attributed to each building and sets ambitious targets for buildings to cut carbon emissions by 40% by 2030 and 80% by 2050.

Global Warming Hits Home

Privately-owned buildings in New York City face fines if carbon emissions exceed city caps

Number of buildings projected to exceed caps in 2024 and 2030, based on current energy use.



Note: Commercial and apartment buildings 50,000 sq. ft. or more. Figures include buildings with rent-regulated units that may be exempt.
Source: WSJ estimates from NYC building energy reports for 2016

The law imposes steep penalties—\$268 for each ton of carbon above the cap—but only for privately owned commercial and residential buildings. It sets a cap on the number of tons of carbon created to provide energy to each building larger than 25,000 square feet.

Mr. de Blasio went to Trump Tower last week to warn President Trump and other building owners that they will face fines if they don't reduce carbon emissions below current levels. The mayor put out a list of eight Trump-branded buildings in Manhattan that would face steep fines under the law if no improvements in carbon emissions are found.

“President Trump—you’re on notice,” the mayor said. “Your polluting buildings are part of the problem. Cut your emissions or pay the price.”

In a tweet, Eric Trump said Mr. de Blasio was attacking the Trump Organization “for his own political gain,” but said he was willing to work together with the mayor on behalf of New York City. A company official said the Trump Organization was focused, along with most developers, on reducing energy costs.

The Journal analysis, however, indicates the pain would be spread across the five boroughs and into older residential buildings. The analysis found that nearly 20% of all buildings in New York City would face a penalty in 2024, and 80% would face a penalty in 2030 based on current energy-use patterns.

To assess the potential impact of the legislation, the Journal reviewed energy-usage reports filed by building owners and managers with the city under a 2009 law. More than 11,000 “benchmark” reports were filed for buildings of 50,000 square feet or larger. The Journal then estimated what possible penalties might be based on current energy usage.

Manhattan buildings made up 46% of all these private commercial and apartment buildings. Queens, which ranked fourth after Manhattan, the Bronx and Brooklyn, still had more than 260 buildings or developments on the list.

The estimates include all privately owned apartment buildings, though buildings with rent-regulated apartments would be exempt from the carbon penalty under the legislation.

The Council of New York Cooperatives & Condominiums identified 10 Queens cooperatives with 2,600 apartments that would face total annual fines of \$1.36 million in 2024, rising to \$2.875 million a year in 2030 if they didn’t improve their energy profiles.

“These homeowners will soon face enormous capital expenditures and punitive fines,” said Mary Ann Rothman, the council’s executive director.

Phil Ortiz, a spokesman for the mayor's office of sustainability, said the emissions caps were "tough but achievable" for large buildings. He said free technical assistance and low-cost financing were available.

The mayor's office also listed 111 Eighth Ave., a block-long industrial building owned by Google, as a potential violator. The city said Google, a unit of [Alphabet](#) Inc., would owe \$4.3 million a year by 2030 unless it improved its operation.

Separately, the mayor's office lists Google as a voluntary participant in its energy-reduction program, in which the company had already reduced its greenhouse-gas emissions in the city by 36.5% by 2015.

A Google spokeswoman pointed out that since 2017, the company has been purchasing enough energy from renewable sources like solar and wind power to match every kilowatt-hour it consumes.

Mr. Gigantiello, a building manager by trade and former custodial engineer in the city school system, said he spent years improving efficiency at North Queensview.

The development put in new boilers five year ago, and installed hot-water heaters that heat on demand rather than staying on. Steam valves were installed to regulate steam temperature in each apartment. They changed exhaust fans to variable speed models that slow down when not needed, Mr. Gigantiello said.

Still, he said he is worried about making the grade. "We are 100% for lowering emissions and lowering our carbon footprint," he said. "We have been doing it for the past 20 years."

Source: Wall Street Journal

https://www.wsj.com/articles/citys-green-new-deal-would-clobber-trump-tower-and-queens-co-ops-11558354997?emailToken=84b1b2f03fd1be621c5a291f5db8fac5pDipcMPUAKb7IoGe+Gx3jB/SZkxpyz0yfs+zfClvtH3wvz1t35Lj+FQ9y+fa44tVaM1rkdR14NeY4y/+YZQWxMHwwkcpQkdqgPhZi5wxSJB5qkL2aQb3T1K7oFf0BEMN&reflink=article_email_share