

In Rare Move, REBNY Keeps Speyer as Chair for Fifth Year



Rob Speyer.

Last year, the old guard of the **Real Estate Board of New York** opted to give **Rob Speyer**, the president and chief executive officer of **Tishman Speyer**, a fourth year as the group's chairman—breaking the traditional three-year mold.

Now, the 46-year-old real estate scion will continue leading REBNY for an even more uncommon fifth year.

The real estate executive will now lead the lobbying organization through December 2017, according to a memo from REBNY President **John Banks** sent to the group's board of governors and obtained by Commercial Observer.

"I am honored to have been asked to extend my term as chairman through 2017," Speyer said in a statement via a spokesman provided to CO. "I am also grateful for the opportunity to further my collaboration with John, his team and the entire board of governors as we collectively pursue an aggressive growth agenda for our city and the real estate industry."

The REBNY chairmanship, held by an executive in the industry, typically lasts three calendar years and guides the organization's policy, while the president handles day-to-day operations of the group.

While a fifth year is uncommon, Speyer is not the longest-serving chairman of the organization. The late-Bernard Mendick helmed REBNY from 1992 until his death in 2001.

Burton Resnick, the chairman and CEO of **Jack Resnick & Sons**, did two three-year terms, the first from 1989 to 1991 and the second from 2001 through 2003.

Why Speyer is staying was not immediately clear, but the move comes as the expiration of the 421a tax abatement enters its eighth month. The issue has been on the front burner for REBNY, which was tasked with negotiating a prevailing construction wage with organized labor—an unsuccessful effort that led to the program's demise this January.

REBNY also continues to play an active role on the rezoning of Midtown East, which is expected to allow for more density in the heavy business district, as well as create a stream of infrastructure investment for the city's transportation system.

Speyer's continued tenure is decided by the past chairs of the 120-year-old organization.

In this case, those are **Stephen Ross**, the chairman of **Related Companies**; **Mary Ann Tighe**, the CEO of the New York tri-state region of **CBRE** and Speyer's predecessor; **Larry Silverstein**, the chairman of **Silverstein Properties**; Resnick; and **Jerry Speyer**, the chairman of Tishman Speyer and the father of Rob Speyer. —Terence Cullen with additional reporting by Liam La Guerre

A Major Step in Energy Efficiency Lawmaking

Eric Oliver, PE, CEM, LEED AP, Managing Director, Lilker EMO Energy Solutions



Something major happened in a relatively minor New York City bill near the close of last year. On December 7, 2015, as a step towards the City's 80x50 goal to reduce citywide carbon emissions 80% by the year 2050, the New York City Council passed bill 0609-A-2015 which requires all new city buildings or city owned buildings undergoing an HVAC retrofit to undergo a geothermal energy feasibility study. The mechanical designer must analyze multiple HVAC options on a life cycle cost (LCC)

basis, and one option must be geothermal. If geothermal is the lowest life cycle cost option, the geothermal design must be utilized. Mayor de Blasio signed the Bill on January 5, 2016. It's a good bill, especially for the geothermal industry, but that's not the major news.

This bill requires, for the first time, the financial quantification of carbon emissions as part of the life cycle cost effectiveness of the various solutions. In other words, when performing the life cycle cost analysis of all HVAC options for building, the analyst must include a dollar cost of carbon emissions

in the LCC. The social cost of carbon is expected to follow the EPA determinations identified at: <https://www3.epa.gov/climatechange/EPAactivities/economics/scc.html>

For 2015 the EPA value for the "society cost" of a ton of carbon emissions varied from \$11/ton to \$105/ton, and the valuation is likely to vary significantly by location and year. However, this is one of the first major pieces of legislation to actually require that the cost of carbon be included in an analysis. This will clearly result in more favorable outcomes for energy efficient, and eventually renewable, technologies. In New York specifically, according to Energy Information Administration (EIA) data, each kWh consumed results in 0.9 lb CO2 emissions, therefore an energy conservation measure that saves 100,000 kWh per year reduces CO2 emissions by 90,000 lb, or 45 tons of CO2. Even at an average of \$50/ton, this results in an additional societal cost savings of \$2,250/year. This may not be enough to sway one technology over another, however it is an important first step in recognizing that carbon emissions burden society with real costs, and those costs must be taken into account when making important decisions.

Lilker