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Climate Works for All Supports J-51 Expansion for Affordable, Energy Efficient Homes; Urges City Council to take Swift Action

New York, NY – Today, Council Member Pierina Sanchez, Chair of the Housing and Buildings Committee, introduced [legislation](#) to reauthorize and expand the J-51 tax abatement program. In response, the Climate Works for All coalition issued the following statement:

“In New York, our housing costs are among the highest in the country and our buildings are the number one source of city pollution, spewing dirty emissions that cost us in high energy bills and hospital visits. But we can tackle these crises together. Expanding tax breaks for co-op, condo, and affordable rental building owners who invest in clean energy upgrades means more efficient and affordable homes, good green jobs, and a healthier city for all New Yorkers. We applaud Council Member Sanchez’s leadership to advance this critical legislation and urge the Council to take swift action to pass it, for a green, affordable, and resilient NYC.”

Background:

Following the state-level passage of S8170A/A10549 this spring, local legislative action is the final step needed to secure an essential funding mechanism for New York’s aging affordable housing stock. This reauthorization will ensure healthier, and more efficient and affordable homes for hundreds of thousands of residents in condominiums and rental and cooperative housing.

Making Green Upgrades Affordable

The J-51 tax abatement supports owners of eligible buildings to implement capital improvements, including facade and roof improvements, interior renovations, energy efficiency upgrades, and clean energy installations. Many building owners struggle to afford improvements, comply with building regulations, and reduce energy use and climate pollution. J-51 incentivizes these investments by offsetting the total cost, repaid via reduced property tax bills over 20 years. This will help buildings comply with Local Law 97, New York City’s landmark building efficiency law, and help reduce emissions from our largest source: buildings.

Key Program Improvements:

- **Increased Eligibility:** The new program raises the average assessed value threshold from \$45,000 to \$60,000 per unit. [According to Urban Green Council](#), this makes the program available to an additional 500 co-op and condo buildings (over 300,000 units), with an inflation-adjustment mechanism to maintain eligibility.

- **10-Year Extension:** Extension through 2036 provides the financial predictability required for complex, multi-year sustainability and renovation projects.
- **Cap on application fees:** This lowers project soft costs for larger buildings.
- **Expanded Coverage:** Coverage increased from 75% to 100% of certified repair costs eases the cost burden of compliance with Local Laws 97 and 11, helping building owners upgrade to provide resilient, healthy and safer buildings.

The Urgency of Action

The J-51 program expired on June 30, 2026. Every day of delay leaves critical building repairs stalled and keeps building owners in limbo regarding sustainability compliance.

Local Law 97

- Buildings are responsible for 70% of citywide emissions
- Successful implementation of LL97 will have the most significant impact on reductions to the city's greenhouse gas emissions, providing a critical path to mitigate the threat of climate change in the most vulnerable communities.
- Full implementation of Local Law 97 could create 141,000 direct jobs in the NYC metro area. In collaboration with labor partners, Climate Works for All prioritizes ensuring these jobs are accessible to low-income workers of color and women through targeted recruitment, training, and hiring.
- Over 92% of all private buildings have successfully complied in this first compliance period (2024 – 2029). NYC has also made progress in lowering emissions in their building stock but there is more work to be done in NYC's path to building decarbonization.
- LL97's continued success depends on technological and financial solutions to both decarbonize and increase efficiency of NYC's buildings.

The Coalition's History

Climate Works for All was instrumental in NYC Council's passage of the Climate Mobilization Act in 2019, including Local Law 97 (LL97), the groundbreaking legislation requiring all buildings over 25,000 square feet to reduce greenhouse gas emissions by 40% by 2030 and 80% by 2050.

Our coalition advocates for the effective implementation of LL97 to create a healthier environment for all New Yorkers. Climate Works for All advocated for the revision and renewal of J-51 tax abatements in 2024 and again in 2026 when an improved version of J-51 was included in the FY2027 State budget and is now being introduced in the NYC Council.

About Climate Works for All

Climate Works for All is a citywide coalition of labor, community, faith, environmental justice, and climate organizations, coordinated by ALIGN, that have come together to fight climate change and inequality in NYC by demanding a Just Transition for workers and environmental justice communities. Our campaigns move us towards an equitable economy, a resilient, livable and healthy climate, and must prioritize justice for low income Black and Brown communities across New York City.

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