

# Recycling In Commercial Buildings

## The New York Example

**R**ecycling is nowadays an established reality in commercial buildings in New York City. Local Law 19, enacted in April, 1989, empowered the city to make laws regarding recycling, and on April 29, 1991, city regulations mandating commercial recycling went into effect. All commercial businesses in the city are now required to recycle their trash under this law. But this law has an indirect benefit to management companies; it encourages the New York City commercial real estate sector to re-evaluate its waste management practices.

The law will become effective in stages over the next two years. Effective November, 1991, companies must recycle their highgrade office paper, corrugated cardboard, metal (cans, foil, scrap, and bulk metal waste) and certain bits of construction waste. In later stages companies must begin to recycle newspapers, magazines, and various types of plastics. The regulations permit the trash to be separated by tenants on the premises (source separation) or off-site at a carter's transfer station.

At present most buildings have opted for off-site recycling, leaving the responsibility for compliance with their carter. But some city buildings have put in place source recovery systems for some of the materials named in City regulations, and more are doing so each month. In fact, most major building management companies in New York implemented some kind of building wide recycling program in part of their portfolio during 1991.

Environmentally speaking, source separation makes sense because it guarantees the maximum possible separation of the recyclable materials, it is simply logical to sort waste products at the point at which they are discarded. But the major benefit from recycling at the source is that it enables building management to control their carting costs.

Says, Michael Downey, Senior Vice President, Mendik Realty, Inc.: "The best thing about recycling is that we get to go back and re-examine our waste management costs." Large cost savings have been realized by several New York City buildings that have implemented source separation recycling programs. Recycling has led to significant reductions in regular trash volumes, enabling management to negotiate reductions in hauling charges with carters.

Another obvious advantage of source separation of recyclable materials is that revenue can be gained from sale of waste materials. However, the prices paid for secondary materials, particularly paper grades, was not strong in 1991, and revenues were therefore modest. The financial benefit realized from the sale of separated materials alone does not by itself offer sufficient justification for source separation recycling. When evaluating source recycling management must consider all other benefits, such as waste disposal cost reduction.

Another advantage reported by building management is the public relations bonus. Tenants welcome office-based recycling programs as a means by which they can have a direct, positive effect on the environment. Workers are

usually eager to have some direct and visible participation in the recycling effort, post-collection separation by haulers does not allow for this involvement. Importantly, management also gains respect for instituting such programs and demonstrating an environmentally responsible attitude.

Not surprisingly, private waste hauling companies have for the most part tried to discourage source separation. Mindful of their revenue streams, most haulers in the city are strongly negative about source separation and encourage their buildings to leave the recycling up to them, off-site. Because, for small commercial buildings, the effort of setting up recycling systems is unlikely to justify the benefit, many of these buildings will continue to rely on carters to separate materials off-site.

Regardless of the technique, the big winner from mandatory recycling will be the environment. Recycling has a dramatic positive impact on energy (less energy is required when items are made from recycled materials), pollution (less pollution results) and our planet's natural resources (trees are saved, mining curtailed, nature habitats less threatened, landfills reduced). Our earth has limited resources, and every time something can be reused rather than wasted, we reduced the pillage and extend our stay a little longer.

This is the real reason we recycle. For the long term.

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*Richard Fuller, President, Great Forest Inc.*  
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