

Net Zero for All

A Just Transition for Real Estate

Transitioning real estate to net zero carbon is more important than ever. The business case to decarbonize is growing clearer as incentives multiply, renewables and other technologies become cheaper, and stakeholder pressure builds from investors, end users, and policymakers.

The industry can use this generational opportunity to transform the inequities that low-income communities and communities of color have faced for generations, supporting a **just transition that helps realize better ESG and real estate outcomes for everyone.**

What is a just transition for real estate? Marginalized communities—such as Black, Indigenous, and other communities of color and low-income communities—experience the impacts of climate change first and worst, and are often shut out of the environmental, economic, and social benefits of the net zero transition. A *just transition* flips this script and embeds equity within every step of ULI’s Real Estate Journey to Net Zero, below.

Equity and Net Zero

“In the real estate community, buildings may be looking to transition or electrify, but how can we ensure those costs are not passed on to renters who can’t afford them? How do we avoid green gentrification that might result from making upgrades that will benefit Earth as a whole but might disenfranchise communities that are already the most vulnerable?”

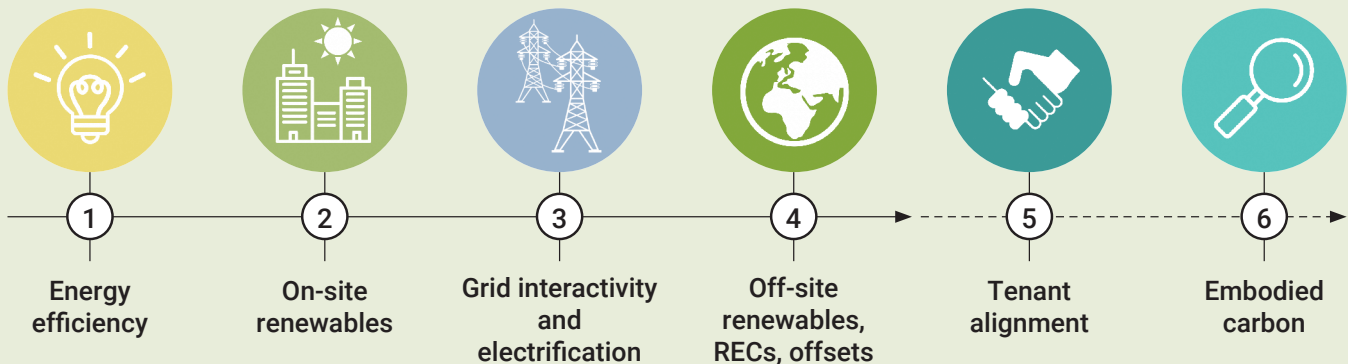
—Meishka Mitchell, president and CEO
Emerald Cities Collaborative

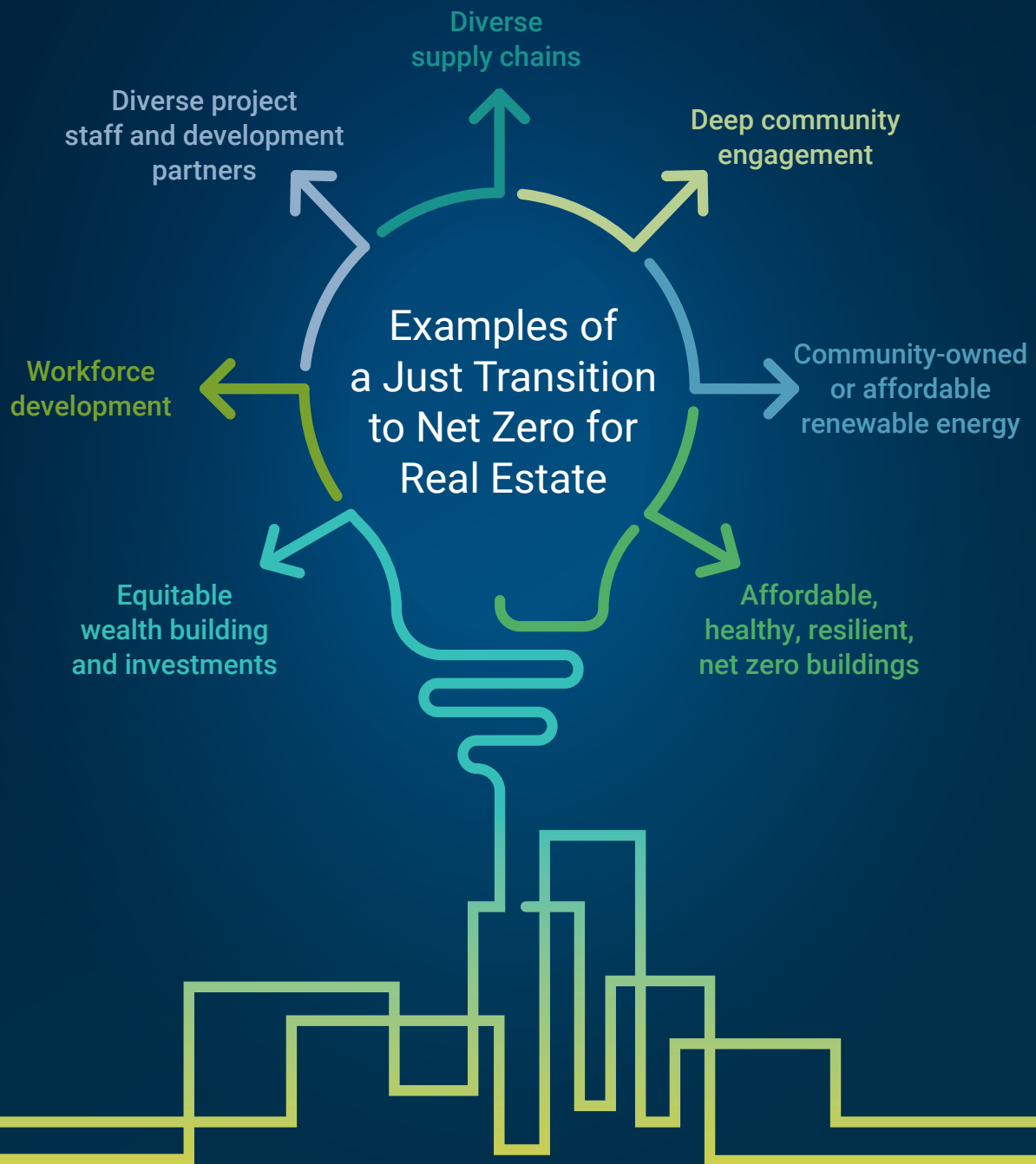
What can a just transition address? Disparities in energy costs, housing quality, environmental quality, and more. For example:

- › Native American households spend 45 percent more of their income on energy costs than do white households, while Black households spend 43 percent more and Hispanic households 20 percent more.
- › Black and Hispanic/Latinx households are roughly twice as likely as white households to reside in moderately or severely inadequate housing.
- › Black households earning \$50,000 to \$60,000 a year experience the same level of pollution burden as white households making \$10,000 or less.

A just transition will ensure that these and other issues of environmental equity are prioritized as part of decarbonization to ensure that all communities benefit from new technologies and practices that can reduce disparities.

ULI’S REAL ESTATE JOURNEY TO NET ZERO





A just transition to net zero for real estate includes a wide array of strategies, including several depicted here, designed to correct social inequities and expand access to the economic, social, and environmental benefits this major transformation may generate.

Source: ULI.

To learn more, access the full *Net Zero for All: A Just Transition for Real Estate* at knowledge.uli.org/justtransition.