

# New York City, New York

#### Local Law 97: Greenhouse Gas Emissions Reduction

Beginning in 2024, New York City's Local Law 97 (LL97) places annual emissions limits on buildings over 25,000 sq. ft. A series of progressively more stringent targets will mandate a 40% reduction in emissions by 2030 and over 80% reduction by 2050. Nearly 60% of the city's building area and 40,000 buildings are covered by LL97.

Learn More: <u>Program Website</u> <u>Regulation Text</u>

### **Covered Buildings**

The law applies to any single building over 25,000 sq. ft., two or more buildings on the same tax lot with a combined total of over 50,000 sq. ft. and condominium buildings governed by the same board of managers that together exceed 50,000 sq. ft. Article 320 covers most market-rate buildings, while Article 321 applies to certain affordable housing and properties with rent-regulated units.

## **Compliance Pathways**

### 1. Performance Pathway

A covered building is compliant if its annual calculated emissions are at or below the allowable limit determined by its property use type.

## 2. Alternative Compliance Pathways

- Temporary Adjustment: Under certain conditions, a building may receive a temporary adjustment to the allowable emissions limit. Eligible circumstances include financial hardship, physical limitations and properties subject to historic preservation laws.
- Prescriptive Pathway: Buildings covered under Article 321, including certain types of affordable housing and houses of worship, may achieve compliance by implementing applicable Prescriptive Energy Conservation Measures (PECMs).





## **Exemptions & Provisions**

#### **Exemptions**

The law does not apply to garden-style apartment buildings, city-owned buildings or industrial facilities primarily used for the generation of electric power or steam.

#### **Other Conditions**

Following a change of ownership or the issuance of a Certificate of Occupancy, annual reporting is required after the first full calendar year of new ownership or occupancy.

A covered property following the Performance Pathway may partially reduce its annual emissions by using approved greenhouse gas offsets, renewable energy credits or clean distributed energy resources.

#### Penalties & Enforcement

Under Article 320, the owner of a building that has exceeded its allowable building emissions limit may be liable for a civil penalty of up to \$268 per ton  $CO_2$ e over the limit. Failure to file a report is a civil violation with a possible penalty of up to \$0.50 per square foot for each month that the violation is not corrected.

Under Article 321, the penalty for late submission or noncompliance may be \$10,000.

Knowingly providing false information is misdemeanor subject to a fine of up to \$500,000 and/or imprisonment of up to 30 days.

## Yardi Energy Solutions®

Yardi offers a comprehensive suite of energy solutions that simplify compliance, enhance operational efficiency, and reduce energy costs. Our offerings include:

- <u>Utility Invoice Processing</u> Simplify the process of collecting and managing utility consumption data.
- <u>ENERGY STAR® Services</u> Streamline benchmarking, verify whole-property data and achieve ENERGY STAR Certification for your properties.
- <u>Building Performance Standards</u> Track, monitor and streamline BPS compliance.
- <u>Energy Procurement</u> Optimize energy costs and reduce carbon emissions.
- <u>Energy Efficiency</u> Improve building energy performance with real-time data and timely alerts, detect HVAC system issues and reduce energy waste.

Disclaimer: This document is intended for informational purposes only and does not constitute legal advice or a comprehensive compliance guide.

