

NYC BUILDING EMISSIONS LAW: LOCAL LAW 97



Trying to make sense of Local Law 97 of 2019—NYC’s **building emissions law**? Urban Green developed these FAQs to add clarity to key provisions and will update them as provisions are modified or added.

This is for informational purposes only. For full details on the law and questions related to compliance, please contact the City of New York.

1. What is the Climate Mobilization Act?

The Climate Mobilization Act is the name of a package of laws passed by the New York City Council on April 18, 2019. Local Law 97 (the building emissions law) is the centerpiece of the package and by far the most impactful. The package includes other important laws related to reducing greenhouse gas emissions, including on sustainable energy loans (called PACE financing), mandatory green roofs and an assessment of energy storage.

2. How do I determine if my property is subject to the new law?

In general, if a property is subject to the NYC Benchmarking Law (requiring annual energy and water use reporting), it is subject to the building emissions law.

3. What’s the carbon emissions limit for my building?

The building emissions law sets emissions intensity limits (metric tons of CO₂e per square foot) for 10 building categories based on Building Code occupancy groups. But the answer for each individual building is complex.

Many, such as those with rent-regulated units, are not subject to emissions limits at all (see more below). And mixed-use buildings, such as a residential apartment building with a ground floor supermarket or retail store, will have limits that reflect their unique blend of occupancy groups.

Below are the 2024 and 2030 carbon emissions limits for multifamily apartments, offices and hotels. The law provides limits in *metric tons* of carbon dioxide equivalent; the following table and Metered.nyc

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express these numbers in *kilograms* of carbon dioxide equivalent (one metric ton equals 1000 kg). Limits for other building types are listed in the *law*.

Occupancy Group	2024 – 29 limit (Kg of CO2 per SF)	2030 -34 limit (Kg of CO2 per SF)
B (Ambulatory Health)	23.81	11.93
R-1 (Hotels)	9.87	5.26
B (Offices)	8.46	4.53
R-2 (Apartments)	6.75	4.07
M (Mercantile)	11.81	4.03
E & I-4 (Educational)	7.58	3.44
F (Industrial)	5.74	1.67
S & U (Storage & Utility)	4.26	1.1

4. What if I can't comply by reducing energy use alone?

In addition to energy efficiency, the law provides some flexibility for buildings to comply with any of the following:

- Achieving some or all of the required reductions by purchasing credits for renewable energy generated in NYC or directly sinking into the NYC grid;
- Deducting up to 10 percent of the annual emissions limit by purchasing greenhouse gas offsets (details to be determined by rule, but typically includes measures like credits for planting trees); and
- Building carbon trading, where buildings that surpass the goal can sell to buildings that cannot. The city is required to study and recommend a program by 2021.

A new department within the NYC Department of Buildings will also have the authority to grant exceptions, for reasons such as financial hardship and practical constraints (like lack of access to building systems due to existing leases).

Ultimately, failure to comply will result in fines.

5. Which renewable energy credits or greenhouse gas offsets can I purchase?

Renewable energy credits (RECs) are limited to energy generated or sinking into the NYC grid. The law allows up to 100 percent offset of building emissions through the purchase of RECs from a source “located in, or whose output directly sinks into, the zone J load zone,” which is NYC’s electric grid zone. Further details will be specified in Department of Buildings rules.

Greenhouse gas offsets (like credits for planting trees) have no express geographic limitation, though they are capped at 10 percent of a building’s annual emissions limit. Again, further details will be specified in Department of Buildings rules.

6. Are new buildings built to the most recent energy code required to comply?

Yes. Covered buildings are required to comply with emissions limits or other applicable requirements regardless of energy code compliance.

7. How large are the fines?

The law creates fines for two types of violations, with a third type also considered a misdemeanor:

Violation Type	Maximum Fine
Failure to file a report	\$0.50 per building square foot, per month
Exceeding emissions limit	\$268 for each metric ton over the building's limit
False statement (misdemeanor)	\$500,000

For example, a 50,000 square-foot multifamily residential building emitting 350 metric tons of carbon would be 12.5 metric tons over its 2024-2029 limit and pay a fine of not more than \$3,350.

Fines are assessed on an annual basis.

Sources: www.urbangreencouncil.org