

'Building' a New Future: New York City's Local Law 97

Abstract

New York City is one of the world's prime examples of urbanization's effect on climate. The intense, compact collection of buildings exacerbates the effects of pollution and heat. In an effort to put New York at the forefront against climate change, the NYC Council passed the Climate Mobilization Act. Within this legislation, Local Law 97 (LL97) will place significant emissions limits and energy efficiency requirements on most buildings exceeding 25,000 square feet. The intent of this case study is to identify the key stakeholders surrounding LL97, what their interests are, and how the City of New York can balance all possible options.

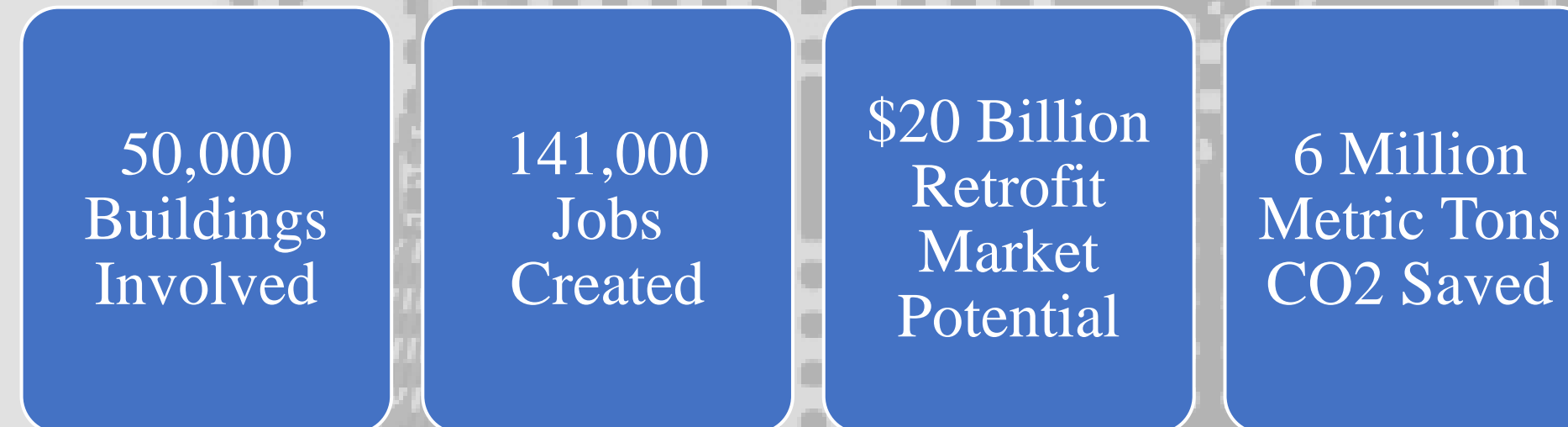
What is Local Law 97?

New York City's Local Law 97 (LL97) is a new environmental regulation aimed at reducing the city's biggest source of greenhouse gas emissions – buildings. The new regulation will be placing carbon caps on buildings over 25,000 square feet starting in 2024.

Why Pass Local Law 97?

Buildings account for more than 70 percent of GHG emissions in New York City. LL97 will require most buildings to cut emissions by 40% by 2030, with goals of being carbon neutral by 2050. This is key for the city to meet its broader climate goals, which include 100 percent renewable energy by 2040.

Key Figures



Article 321: The Prescriptive Pathway	Article 320: The 2026 Pathway	Article 320: The 2035 Pathway
<p>If building includes any of the following:</p> <ul style="list-style-type: none"> > 35% of units subject to rent regulation (regardless of any income restrictions), OR Is an HDFC co-op (not a rental), OR Has 1+ units that participate in a federal project-based housing program (e.g., Section 8, Section 202, Section 811, or CoC), OR Participates in NYCHA PACT 	<p>If building:</p> <ul style="list-style-type: none"> Has 1+ rent regulated units and <u>no</u> more than 35% of units subject to rent regulation (regardless of any income restrictions) 	<p>If building:</p> <ul style="list-style-type: none"> Is a Mitchell-Lama with <u>no</u> units that participate in a federal project-based housing program, OR Has <u>no</u> rent regulated units and has 1+ units that are income restricted through certain* loans, grants, real property tax benefits (e.g., 420-c, Article XI, UDAAP), or property disposition programs <p><small>Units with an income restriction imposed solely through the Zoning Resolution (e.g., Inclusionary Housing programs) do not count as "income restricted" for the purposes of this path.</small></p>
<p>The building must:</p> <ul style="list-style-type: none"> Demonstrate that emissions are below the applicable 2030 limits, OR Show that applicable Prescriptive Energy Conservation Measures have been fully implemented <p>And file a <u>one-time report</u> by May 2025*</p> <p><small>*Note that <u>new rules</u> may give some buildings additional time to comply if they can demonstrate progress</small></p>	<p>The building must:</p> <ul style="list-style-type: none"> Meet emission limits starting in 2026, or face penalties of \$268 per ton of carbon for exceeding the limits <p>And file annual reports starting May 2027*</p>	<p>The building must:</p> <ul style="list-style-type: none"> Meet emission limits starting in 2035, or face penalties of \$268 per ton of carbon for exceeding the limits <p>And file annual reports starting May 2036*</p>

Figure 1: Proposed Pathways for LL97 Compliance. Source: NYC Department of Buildings

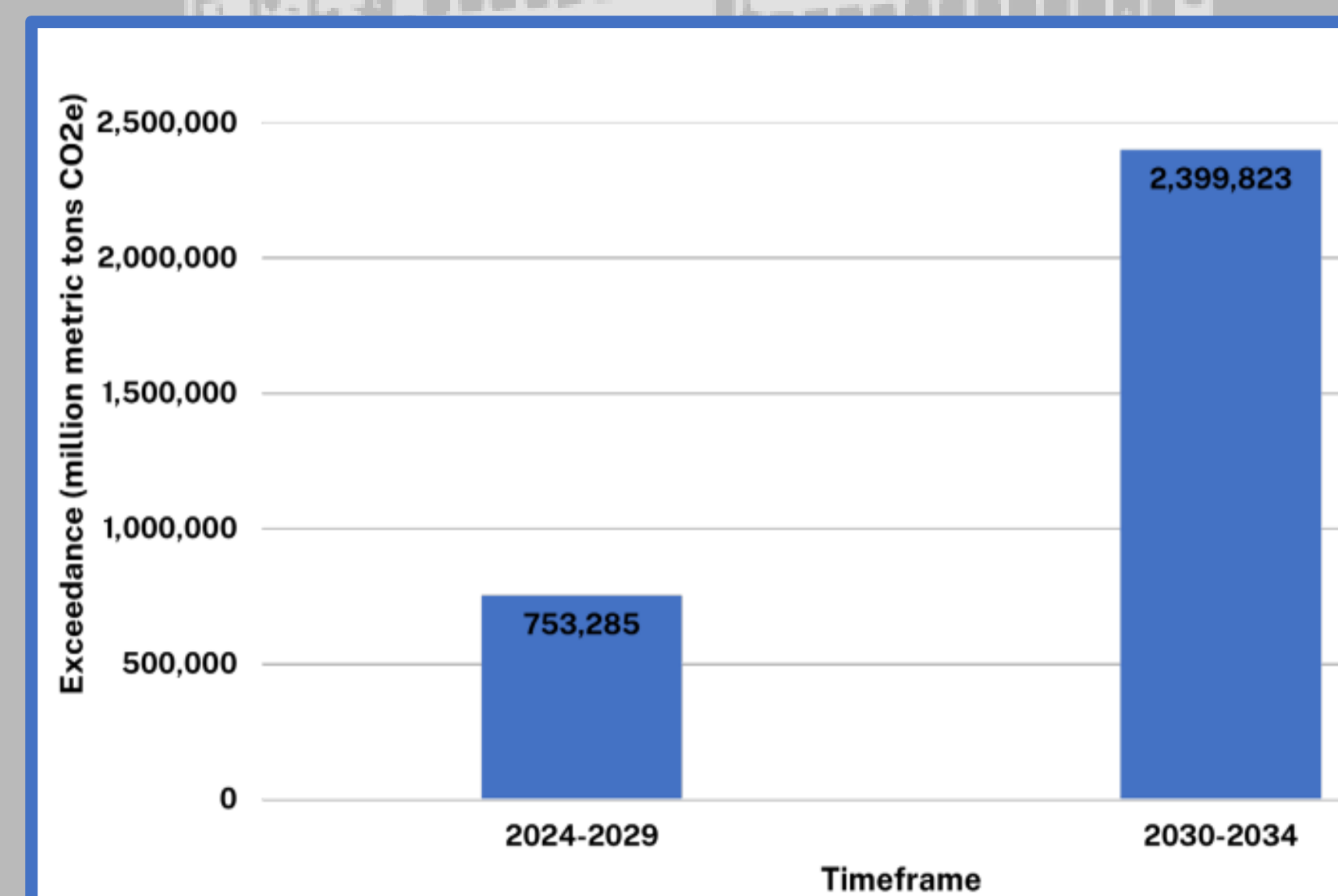


Figure 2: Current Annual Exceedance of 2024 and 2030 LL97 Goals. Source: NYC Mayor's Office of Climate & Environmental Justice

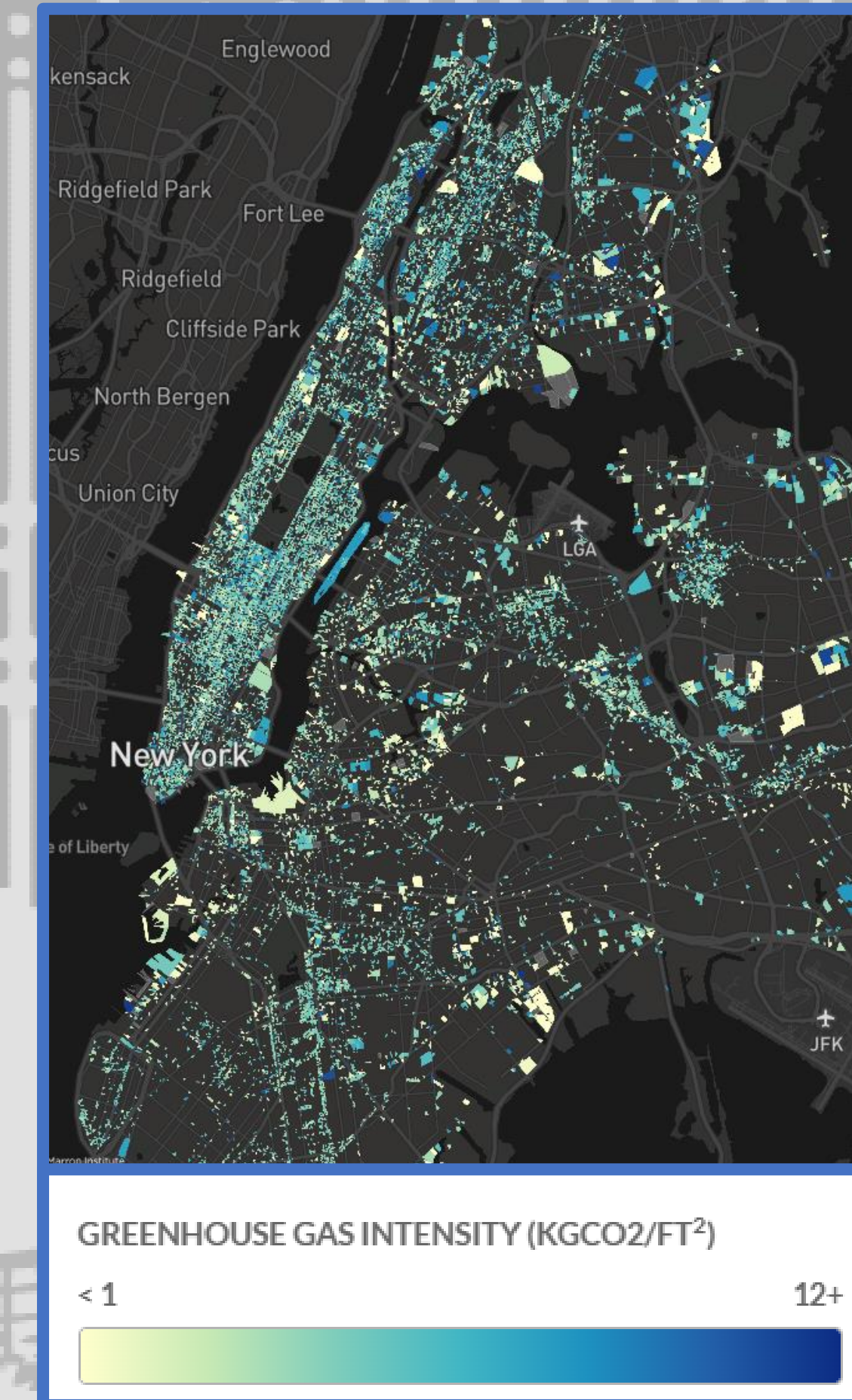


Figure 3: New York City Greenhouse Gas Intensity Map. Source: NYC Office of Sustainability

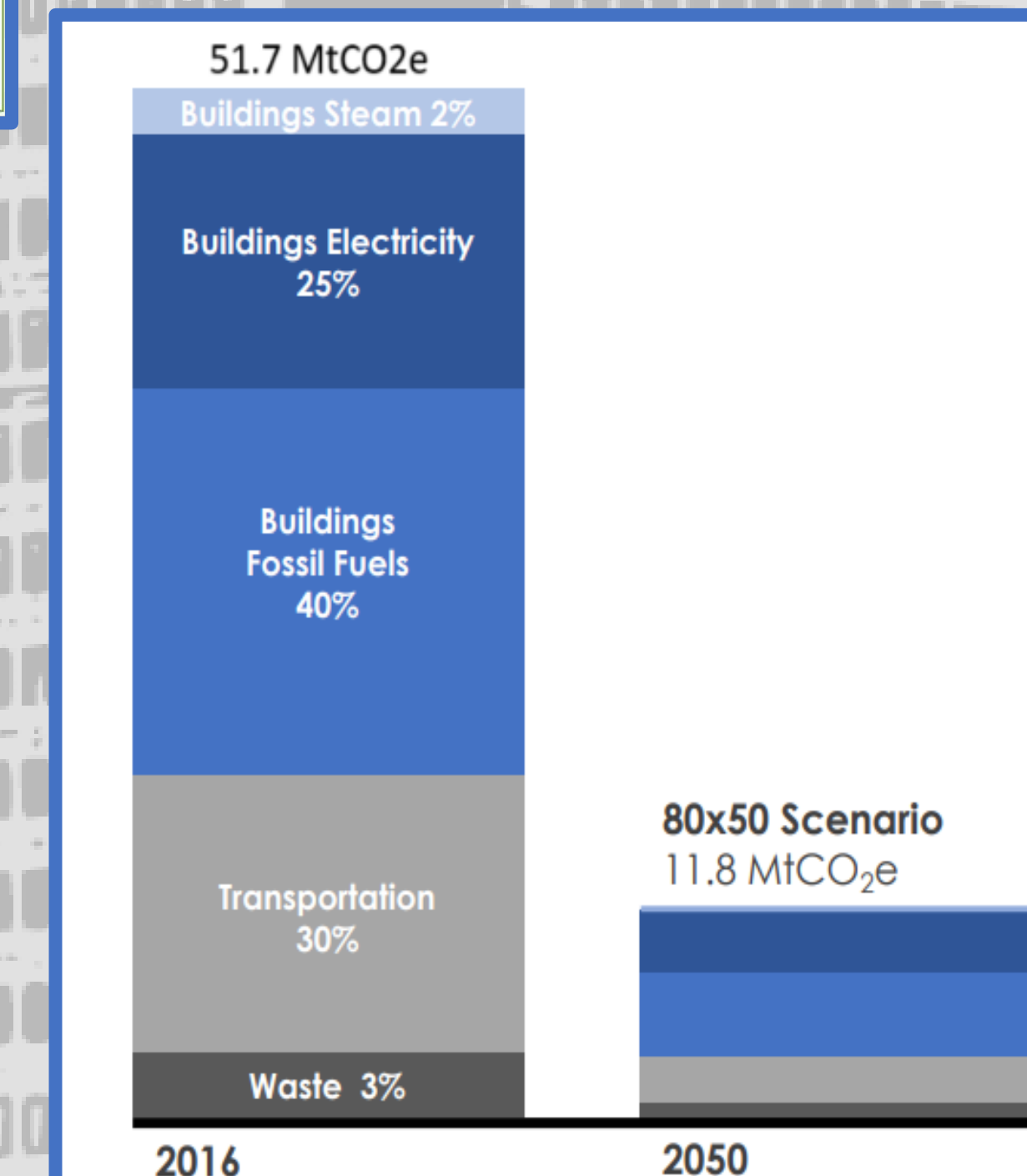
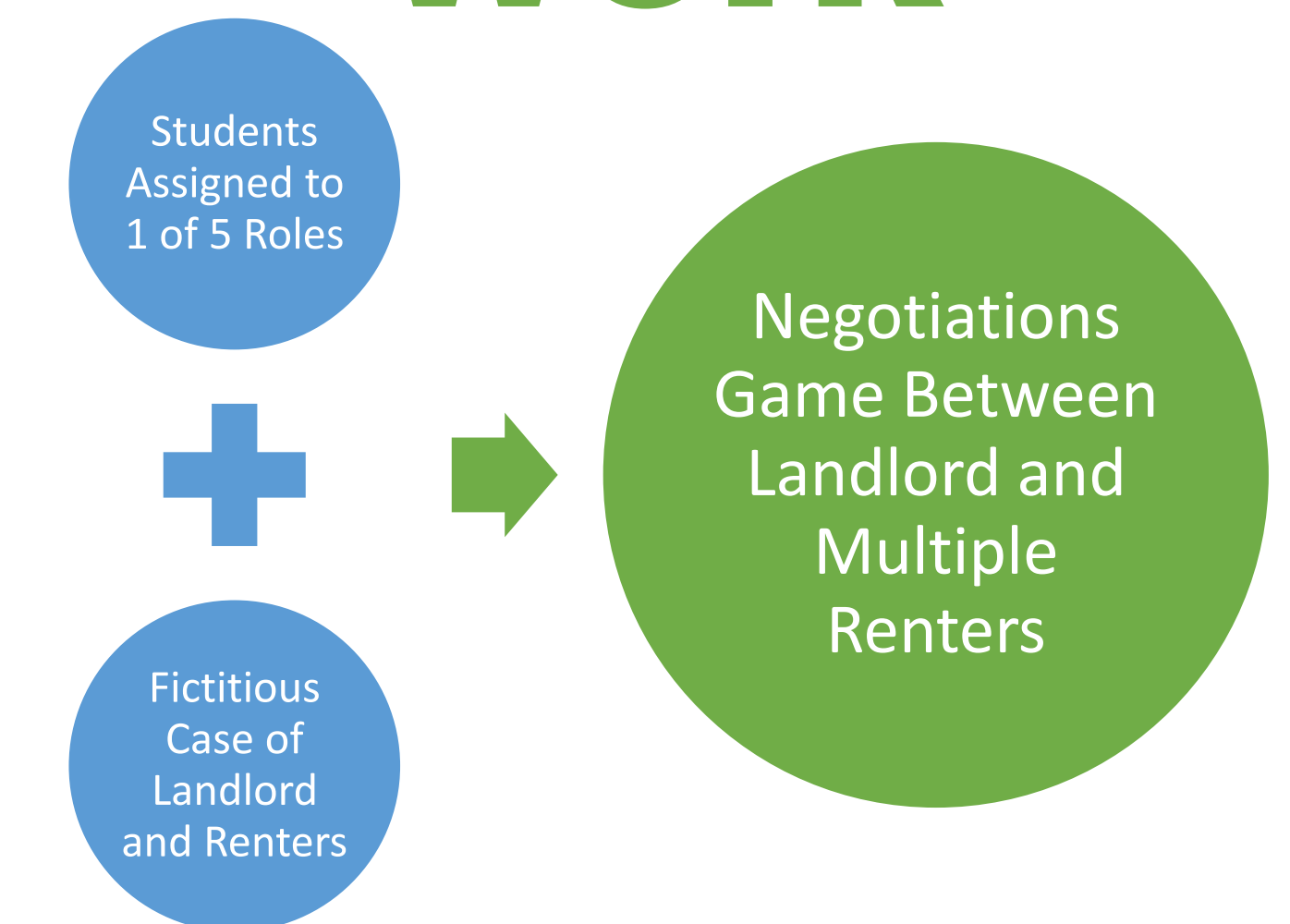


Figure 4: Ideal Total City Emissions Reductions by 2050. Source: NYC Department of Buildings

Part B

In Class Work



Roles include: City of New York, Landowner, Renter #1, Renter #2, and Renter #3

Each renter has different preferences for living in a "green" building, and various appetites for rent increase.

End of Class Discussion

Implications of LL97 on the interests of various NYC citizens – building owners and landlords, residential renters, commercial business renters, etc.