



Deadline for Local Law 84 compliance

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If you're anything like me, if I am given a deadline, it becomes a nagging thought in my brain. Somehow, I never feel like getting down and doing the particular thing that I must do by the date that it is due. But, I really feel that a great burden has been lifted from my shoulders when it is accomplished, especially if it is done within the time limit that I was given. This is how the owners of large residential and commercial buildings must be feeling about now.

On Dec. 9, 2009 the Greater Buildings Initiative of The City Council of New York passed Local Law 84. This became part of the city's Greener, Greater Buildings initiative. Specifically, article 309 of this law requires that all residential and commercial buildings (over 50,000 s/f gross) and city buildings over 10,000 (s/f gross) to benchmark their use of energy and water during 2010. The deadline for this initial survey is May 1. Henceforth, May 1 will be the deadline for this report after the initial report this year. If the parcel totals over 100,000 s/f with two or more buildings on the parcel are also required to participate.

There are approximately 20,000 qualifying buildings in N.Y.C. There is now very little time left until May 1. Should the deadline be missed, the penalty is \$500 per quarter.

The benchmarking process requires the use of Environmental Protection Agency's Portfolio Manager. This is an Internet-based database system. The process requires: Data collection, calendar year regarding energy and water usage, building size parameters, hours of operation (not applicable to multifamily buildings), number of computers, and other pertinent information relevant to the building type.

Considering that most residential units are privately and separately metered, complications with data collection are likely.

Con Edison will provide the records for consumption for 2010 for an entire building, broken down on a month-to-month basis for a fee of \$102.50. This is the best way to collect such data. Only if a building has been equipped with automatic meter reading equipment for the full previous year is water usage data required. Buildings that have had an automatic water meter for all of the previous year, the Dept. of Environmental Protection will provide the water consumption data. Other energy use data will include consumption of: oil, steam, propane and natural gas.

Energy usage will be separated on a monthly basis. Portfolio Manager will produce a Statement of Energy Performance, which in turn will be filed with N.Y.C.

Information will be published by the Dept. of Finance after the benchmarking is completed. This information will be published beginning on September 1 in the case of city buildings. Information on non-residential buildings will be posted no later than September 1, 2012. Residential buildings will be posted no later than September 1, 2013. These findings will be published on a yearly basis for each type of building following the initial disclosure.

Other information that will be disclosed by N.Y.C. will include: Energy utilization index, water use per

SFG, and comparison of data gathered from each year of benchmarking by the Portfolio Manager. Any score over 75 is to be considered very good and qualifies the building to pursue an Energy Star rating.

One of the most valuable results of benchmarking is that owners and occupants will be made much more conscious of their energy use. They will therefore set a measurement standard for energy reduction. The data that is gathered from benchmarking will be reported to the mayor and speaker of the N.Y.C. Council and will be instrumental in measuring future energy use reduction efforts.

If you are affected by these new procedures it is for your benefit to get this information in on time before the May 1 deadline. If your building, including cellar levels, is greater than 50,000 s/f gross you must comply with N.Y.C.'s Water Use Benchmarking law by May 1 and every year after.

Compliance not only avoids penalties. This is a very small part of the reason for submitting the specified reports.

The bigger picture is that these benchmarks will provide you with an accurate baseline from which to measure future building energy and water improvements. As you retrofit your building with higher efficiency HVAC, roofing, windows and solar power, you will be able to document your savings and improved cash flow.

With this information in hand, you will be able to attract new tenants and negotiate better re-financing terms with financial partners. Ultimately, if you decide to sell your property you will be able to document a high value based upon your savings benchmarking reports.

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