

ORDINANCE NUMBER 1360

Final Publication Number ~~3341-XXXX~~. First Publication in the Chronicle on ~~July 10, 2014XXXX~~.

City of Cambridge

In the Year Two Thousand and ~~Fourteen~~

Twenty-One AN ORDINANCE

In amendment to the Ordinance entitled “Building Energy Use,” Chapter 8.67 of the Municipal Code of the City of Cambridge

Be it ordained by the City Council of the City of Cambridge that the Municipal Ordinances of the City of Cambridge in be amended as follows:

~~City of Cambridge in be amended as follows:~~

Building Energy Use Disclosure and Emission Reductions

8.67.10 ~~Section A-~~ DEFINITIONS-

- (1) (1) — “Affordable Housing” shall mean Residential Covered Property in which all units are made permanently affordable to households earning up to 100% of area median income.
- (2) “Alternative Compliance Credit” shall mean a credit obtained by a Covered Property Owner to offset greenhouse gas emissions from the Covered Property. One Alternative Compliance Credit shall be equivalent to one metric ton of Greenhouse Gas Emissions. In the first Compliance Period, each Alternative Compliance Credit shall cost \$234. The Department shall promulgate regulations pursuant to 8.67.130 prior to each Compliance Period to establish the price of the Alternative Compliance Credit for that Compliance Period, based on review of the average cost of reducing one metric ton of greenhouse gas emissions in Covered Properties. Monies from Alternative Compliance Credits shall be used by the City for City programs and projects to support greenhouse gas reduction, including but not limited to, greenhouse gas reduction projects in Affordable Housing properties, if approved by the Cambridge Affordable Housing Trust.
- (3) “Approved Verification Body” shall mean a firm accredited by the American National Standards Institute to conduct greenhouse gas inventory verification services.

(4) “Baseline” shall mean the average of Greenhouse Gas Emissions of Covered Properties for two consecutive calendar years comprising the default baseline, alternative baseline, or new construction baseline as set forth in section 8.67.100 for purposes of calculating emissions reductions in order to meet the requirements of this ordinance set forth in section 8.67.100.

~~(4)~~(5) “Benchmarking ~~information~~ Information” shall mean information generated by the Benchmarking Tool, as ——— herein defined including descriptive information about the physical property and its ——— operational characteristics. The information shall include, but need not be limited to:-

- (a) ~~(a)~~ ——— Property address;-
- (b) ~~(b)~~ ——— Primary use type;
- (c) ~~(c)~~ ——— Gross floor area-
- (d) ~~(d)~~ ——— Site Energy Use Intensity (EUI) as defined in this section;
- (e) ~~(e)~~ ——— Weather normalized ~~source~~Source EUI;-
- (f) ~~(f)~~ ——— Annual greenhouse gas emissions;-
- (g) ~~(g)~~ ——— Water use;-
- (h) ~~(h)~~ ——— The energy performance score that compares the energy use of the building to that of ——— similar buildings, where available; and
- (i) ~~(i)~~ ——— Compliance or noncompliance with this Ordinance.

~~(2)~~(6) ~~(2)~~ ——— “Benchmarking Tool” shall mean the ENERGY STAR Portfolio Manager~~Internet-based~~ tool developed and maintained by the ——— U.S. Environmental Protection Agency to track and assess the relative energy performance of ——— buildings nationwide-, or other tools identified by the Department to collect and track Benchmarking Information necessary for compliance with this ordinance

~~(3)~~ ———  
(7) “Campus” shall mean a minimum of 5 (five) Covered Properties owned by the same organization that are owner-occupied properties or Affordable Housing.

~~(3)~~(8) “Covered Property” shall mean a parcel, as described in public records or as determined by the ——— Department, containing any of the following:

- (a) ~~(a)~~ ——— One or more non-residential building(s) where such building(s) singly or together ——— contain 25,000 to 49,999.99 square feet (“Small Non-Residential Covered ——— Property”);
- (b) ~~(b)~~ ——— One or more non-residential building(s), where such building(s) singly or together ——— contain 50,000 or more square feet (“Large Non-Residential Covered Property”); ——— and——
- (c) ~~(c)~~ ——— One or more residential building(s) that singly or together contain 50 or more ——— residential Dwelling Units whether they are rental Dwelling Units or Dwelling Units ——— owned as condominiums, cooperatives or otherwise (“Residential Covered ——— Property”).

~~(4)(9)~~ (4) —“Department” ~~means~~shall mean the City of Cambridge Community Development Department.

~~(5)(10)~~ (5) —“Dwelling Unit” shall mean a single residential unit consisting of one or more habitable rooms, ~~occupied or arranged to be occupied as a residential unit separate from all other residential~~ ~~units within a building, and used primarily for residential purposes and not primarily for~~ ~~professional or commercial purposes.~~

~~(6)~~ —“

(11) “Emission Factors” shall mean the multipliers used to determine the annual Greenhouse Gas Emissions produced by the production or consumption of Energy. The Department shall promulgate regulations pursuant to 8.67.130 no later than two years prior to each Compliance Period to establish the annual Emission Factors for that Compliance Period, and no later than two years prior to the first Compliance Period to establish the annual Emission Factors for 2010-2024.

(a) For the combustion of fuels, such as oil and gas, the Emission Factors will be based on standard scientific values published by federal agencies.

(b) For the use of all electricity other than Renewable Electricity, the annual Emission Factor will be based on the Commonwealth of Massachusetts’s calculations and projections of emissions from electricity consumed in Massachusetts.

(c) For the generation or consumption of steam, hot water, and chilled water, the Emission Factors will be calculated based on the Emission Factor published by the Commonwealth of Massachusetts for that product, unless the Commonwealth has not published such a multiplier, in which case the Emission Factor will be calculated using the methodology of the Greenhouse Gas Protocol developed by the World Resources Institute and World Business Council for Sustainable Development.

~~(6)(12)~~ (12) “Energy” shall mean purchased electricity, natural gas, steam, hot or chilled water, heating oil, or other ~~product~~ or electricity generated on site, for use in a building, ~~or renewable on-site electricity generation~~, for purposes of ~~providing heating, cooling, lighting, water heating, or for powering or fueling other end-uses in~~ ~~the building and related facilities.~~

~~(7)~~ —

(13) “Energy Audit” shall mean an energy assessment of a covered property that meets the standards of the ASHRAE Level 2 Audit as specified by the Procedures for Commercial Building Energy Audits published by the American Society of Heating, Refrigeration, and Air-Conditioning Engineers.

~~(7)(14)~~ (14) “Energy Performance Score” shall mean the numeric rating generated by the ENERGY STAR -Portfolio Manager tool or equivalent tool adopted by the department that compares the ~~energy usage of the building to that of similar buildings.~~

~~(8)~~ —

~~(8)(15)~~ (15) “ENERGY STAR” shall mean the U.S. Environmental Protection Agency program related to ~~improving energy efficiency in buildings and products.~~

~~(9)~~ —

~~(9)(16)~~ “ENERGY STAR Portfolio Manager” shall mean the tool developed and maintained by the U.S. Environmental Protection Agency to track and assess the relative energy performance of buildings nationwide.-

~~(10) —~~

~~(10)(17)~~ “Energy Use Intensity (EUI)” shall mean ~~the building’s annual energy~~ consumption measured in kBTUs (1,000 British Thermal Units) used per ~~—~~square foot of gross floor area.

~~(11) —~~

~~(18)~~ “Greenhouse Gas Emissions” (GHG) shall mean the carbon dioxide equivalent emissions produced from the operations of the Covered Property calculated by the Department according to the following calculation:

Greenhouse Gas Emissions are the sum of annual Energy use by fuel type multiplied by the Emission Factor for that type of Energy, minus Alternative Compliance Credits; provided that Renewable Electricity shall be subtracted from the electricity consumption, up to a limit of the total electricity consumption.

~~(19)~~ “Greenhouse Gas Emissions Reduction Plan” shall mean a detailed strategy based on an Energy Audit or similar assessment which lists plans to invest in measures such as energy efficiency improvements, fuel switching, and Renewable Electricity purchases which will lead to reductions in annual Greenhouse Gas Emissions. The Plan should detail what measures are planned, when they are scheduled to occur, and how much Greenhouse Gas Emissions are projected to be reduced by each measure.

~~(11)(20)~~ “Gross Square Feet” shall mean the gross floor area of the property as per the City of ~~—~~Cambridge Assessors’ records.

~~(12) —~~

~~(21)~~ “Laboratory” shall mean a Covered Property with 15% or more of occupied building square footage with an air exchange rate of 0.5 cubic feet per minute per square foot (CFM/ft<sup>2</sup>) or greater.

~~(12)(22)~~ “Municipal Property” shall mean a property with one or more buildings that is 10,000 gross ~~-~~square feet or more that is owned by the City of Cambridge.

~~(13)(23)(13)~~ “Owner” shall mean an owner of a Covered Property, including but not limited to:

- (a) ~~—(a)—~~ An individual or entity having title to a Covered Property;
- (b) ~~—(b)—~~ An agent authorized to act on behalf of the owner of a Covered Property;
- (c) ~~(c)—~~ The net lessee in the case of a ~~property~~Covered Property subject to a net lease with a term of at least ~~forty-nine~~ years, inclusive of all renewal options;
- (d) ~~—(d)—~~ The board of managers or trustees in the case of a condominium at the Covered Property; and/or
- (e) ~~—(e)—~~ The board of directors or trustees in the case of a cooperative apartment corporation at the Covered Property.

(24) ~~(14)~~ —“Net Zero Emission Building” shall mean a Covered Property that has an annual balance of zero greenhouse gas emissions from building operations as defined by standards qualified by the Department.

~~(14)~~(25) —“Qualified Benchmarker” is an entity that meets the Department’s qualifications for inputting —Benchmarking Information into the Benchmarking Tool.

(26) ~~(15)~~ —“Renewable Electricity” shall mean purchases from specific offsite renewable electricity programs approved by the Department, or the renewable energy attributes, measured in megawatt-hours, retired from renewable on-site electricity generation or from off-site zero greenhouse gas emission electricity sources qualified by the Department based on the following Cambridge Off-Site Renewable Electricity Standards:

- (a) The off-site renewable energy procurement shall support a renewable energy project that is new, meaning that the Covered Property Owner enters into a contract to purchase Renewable Electricity from a newly-built renewable energy generating source that is not operational at the time of contract execution. This includes contracts that lead to construction of a new project, as well as contracts that lead to expansion of existing projects with new renewable capacity.
- (b) Renewable Energy Certificates (RECs) and other environmental attributes associated with the procured off-site renewable energy shall be assigned to the building or aggregated portfolio of buildings in Cambridge for the duration of the contract and made available for inspection by the City of Cambridge upon request. The building owner shall maintain transparent accounting that clearly assigns renewable energy production in the form of RECs in megawatt-hours to the building or aggregated portfolio of buildings in Cambridge for the duration of the procured off-site renewable energy contract.
- (c) The renewable energy generating source shall be photovoltaic systems, solar thermal power plants, wind turbines, geothermal power plants, small hydropower, or other renewable energy generating sources that may be submitted to and certified by the Department.

~~(15)~~(27) —“Residential Property” shall mean a property containing one or more Dwelling Units.

~~(16)~~(28) ~~(16)~~ —“Site Energy” shall mean the amount of ~~heat and electricity~~ energy consumed by a Covered Property —or Municipal Property as reflected in utility bills or other documentation of actual energy use.

~~(17)~~(29) ~~(17)~~ —“Source Energy” shall mean ~~-all the energy used in delivering energy to a Covered Property, —including power generation and transmission and distribution losses, to perform a specific function, such as but not limited to space conditioning, lighting, or water heating.-~~

~~(18)~~(30) ~~(18)~~ —“Tenant” shall mean a person or entity leasing, occupying or holding possession of all or a portion of a Covered ~~-Property or Municipal Property.-~~

~~(19)~~(31) ~~(19)~~—“Utility” shall mean an entity that distributes and sells Energy for Covered Properties or ~~—~~Municipal Properties.-

#### ~~Section B-~~**8.67.020** Purpose

To encourage efficient use of energy and to reduce the emission of greenhouse gases, this Ordinance requires owners of Covered Properties and Municipal Properties to annually measure and disclose energy usage to the Department-and to achieve Greenhouse Gas Emissions reduction targets consistent with the commitments of the 2015 Cambridge Net Zero Action Plan as it may be amended from time to time. Furthermore, this Ordinance will authorize the Department to collect energy usage data to enable more effective energy and climate protection planning by the City and others and to provide information to the real estate marketplace to enable its members to make decisions that foster better energy performance.

#### ~~Section C-~~**8.67.030** APPLICABILITY-

- (1) ~~(1)~~—This Ordinance is applicable to the following:
  - (a) ~~(a)~~—All Municipal Properties as defined in Section A-8.67.010(12) of this Ordinance; and
  - (b) All Covered Properties as defined in Section A-8.67.010(3) of this Ordinance.

#### ~~Section D-~~**8.67.040** BENCHMARKING REQUIRED FOR MUNICIPAL PROPERTIES-

No later than December 31, 2014, and no later than May 1 every year thereafter, the total Energy consumed by each Municipal Property, along with all other descriptive information required by the Benchmarking Tool, shall be entered into the Benchmarking Tool for the previous calendar year. Renewable Electricity purchases shall be annually reported to the Department on the same schedule.

#### ~~Section E-~~**8.67.050** BENCHMARKING REQUIRED FOR COVERED PROPERTIES

- (1) ~~(1)~~—Owners shall annually input the total Energy consumed by each Covered Property, along with ~~—~~all other descriptive information required by the Benchmarking Tool, into the Benchmarking ~~—~~Tool for the previous calendar year. Renewable Electricity purchases shall be annually reported to the Department. The Owner shall input this information according to the ~~—~~following schedule:-
  - (a) ~~(a)~~—A Large Non-residential Covered Property by May 1, 2015 and by every May 1 ~~—~~thereafter;
  - (b) ~~(b)~~—A Residential Covered Property by May 1, 2015 and by every May 1 thereafter;
  - (c) ~~(c)~~—A Small Non-residential Covered Property by May 1, 2016 and by every May 1 ~~—~~thereafter; and
  - (d) ~~(d)~~—A new Covered Property ~~that has not accumulated 12 months of energy use-~~

data by ~~\_\_\_\_\_~~ May 1 of the first applicable date year following ~~occupancy for~~  
~~inputting the first full calendar year following the issuance of the Certificate of~~  
Occupancy.

- (2) Provided that the necessary mechanisms exist, Owners may authorize an Energy use into the \_\_\_\_\_ Benchmarking Tool shall or water utility or other third party to report Covered Property-specific data on their behalf to the Department. Such authorization shall not create an obligation on the part of Energy or water utilities or remove the obligation of Owners to comply with this Ordinance in the following year reporting requirements.

#### **Section F-8.67.060 NOTIFICATION OF COVERED PROPERTIES**

- (1) ~~Between September 1 and~~ By December ~~131~~ of each year, the City shall notify Owners of Covered Properties of their obligation to input Energy use into the Benchmarking Tool. By ~~January-February~~ 15 of each year, the City shall post the list of the addresses of Covered Properties on a public website. Greenhouse Gas Emissions shall be calculated by the Department and reported annually to Owners along with the performance requirements of Section 8.67.100.

#### **Section G-**

#### **8.67.070 QUALIFICATIONS OF BENCHMARKERS**

The Department may establish certification and/or licensing requirements for the users of Benchmarking Tools. ~~—~~

#### **Section H-**

#### **8.67.080 DISCLOSURE AND PUBLICATION OF BENCHMARKING INFORMATION**

-

~~(1)~~ \_\_\_\_\_

- (1) Owners shall annually provide Benchmarking ~~information~~ Information to the Department, in such form as ~~established by the Department, by the date provided by the schedule in Section~~ (E)-8.67.050(1). ~~—~~

~~(2)~~ \_\_\_\_\_

- (2) The Department shall make available to the public on the internet Benchmarking Information ~~for the previous calendar year: -a) no later than December 31, 2014 and by~~ September-1December 31 of ~~—~~ each year thereafter for Municipal Properties; and b) no later than September 1, 2015 and by ~~—September 1December 31~~ of each year thereafter for Covered Properties. ~~Benchmarking Information —received by the Department for the first year a Covered Property is required to input the total —Energy consumed, and other descriptive information as required by the Benchmarking Tool, into the Benchmarking Tool pursuant to Section (E)8.67.050 will be not be published except to disclose —whether or not the Covered Property is in compliance with this Ordinance.-~~

~~(3)~~ \_\_\_\_\_

- (3) The Department shall make available to the public and update at least annually, the following ~~information:-~~



- (a) ~~(a)~~ Summary statistics on energy consumption and greenhouse gas emissions for Municipal Properties and Covered ~~Properties~~ derived from aggregation of Benchmarking information for both;-
- (b) ~~(b)~~ Summary statistics on overall compliance with this Ordinance ~~including an assessment of accuracy;~~
- (c) ~~(c)~~ For each Municipal Property and Covered Property:-
  - (i) ~~(i)~~ The status of compliance with the requirements of this Ordinance;-
  - (ii) ~~(ii)~~ Annual summary statistics for the Municipal Property or Covered Property, ~~including~~ EUI, annual ~~greenhouse gas emissions~~ Greenhouse Gas Emissions, water use per square foot, ~~and~~ an energy performance score where available; and-
  - (iii) ~~(iii)~~ A comparison of Benchmarking Information and Greenhouse Gas Emissions across calendar years for any years ~~such~~ Municipal Property or Covered Property has input the total Energy ~~consumed~~ and other descriptive information for such Properties as required by the Benchmarking Tool into the Benchmarking Tool.-

#### ~~Section I.~~ 8.67.090 PROVISION OF BENCHMARKING INFORMATION BY TENANTS TO THE OWNER-

- (1) ~~(1)~~ Each Tenant located in a Covered Property shall, within 30 days of a request by the Owner and ~~in~~ a form to be determined by the Department, provide all information that cannot otherwise ~~be~~ acquired by the Owner and that is needed to comply with the requirements of this Ordinance. ~~Failure to provide information to an Owner may result in penalties as provided under Section (M)-8.67.130.~~
- ~~(2)~~ (2) Where the Owner is unable to input the total ~~energy~~ Energy consumed by the Covered Property, ~~as well as all other descriptive information for such Covered Property as required by the Benchmarking Tool, into the Benchmarking Tool due to the failure of any or all Tenants to report the information required by Section (H) 8.67.090(1), the Owner shall input alternate values as established by the Department prior to the implementation of this Ordinance, into the Benchmarking Tool.-~~

#### ~~Section J. ASSESSING RESULTS~~

##### 8.67.100 EMISSION REDUCTION REQUIREMENTS

Default Baseline: The default Baseline years

- (1) ~~By December 31, 2018, the Department shall review the effect of this Ordinance on improving energy performance for Covered Buildings. If energy performance for Properties shall be calendar years 2018 and 2019.~~
- (2) Performance requirement: Each Covered Buildings has not improved significantly, the Department Property shall make recommendations comply on an annual basis with Greenhouse Gas Emissions requirements according to the City Manager as following schedule:
  - (a) Compliance Period 1: 2025 to whether amendments 2029; annual Greenhouse Gas Emissions will not exceed 80% of the default Baseline



- (b) Compliance Period 2: 2030 to this Ordinance or other measures 2034; annual Greenhouse Gas Emissions will not exceed 60% of the default Baseline
- (c) Compliance Period 3: 2035 to 2039; annual Greenhouse Gas Emissions will not exceed 40% of the default Baseline
- (d) Compliance Period 4: 2040 to 2044; annual Greenhouse Gas Emissions will not exceed 20% of the default Baseline
- (e) Compliance Period 5: 2045 to 2049; annual Greenhouse Gas Emissions will not exceed 10% of the default Baseline
- (f) Compliance Period 6: 2050 onwards; annual Greenhouse Gas Emissions are necessary to improve net zero.

(3) Alternative Baseline: An Owner may request an alternative Baseline for a Covered Property that is prior to the default Baseline years of 2018-2019. The alternative Baseline must be the average Greenhouse Gas Emissions of two consecutive years, from 2010-2011 through 2018-2019. The request for an alternative Baseline must be submitted to the Department prior to the first compliance period and, if approved, shall remain the Baseline for all future compliance periods.

- (a) Owners shall ensure that the Energy use for the alternative Baseline years has been inputted into the Benchmarking Tool and that Benchmarking Information and any Renewable Electricity for the alternative Baseline years has been provided to the Department.
- (b) A Covered Property with an alternative Baseline shall comply on an annual basis with adjusted performance requirements according to the table below; annual Greenhouse Gas Emissions will not exceed the indicated percentage of the alternative Baseline:

	<u>Alternative Baseline Performance Requirements</u>							
	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>
<u>Compliance Period 1: 2025 to 2029</u>	<u>66.7%</u>	<u>68.1%</u>	<u>69.6%</u>	<u>71.1%</u>	<u>72.7%</u>	<u>74.4%</u>	<u>76.2%</u>	<u>78.0%</u>
<u>Compliance Period 2: 2030 to 2034</u>	<u>50.0%</u>	<u>51.1%</u>	<u>52.2%</u>	<u>53.3%</u>	<u>54.5%</u>	<u>55.8%</u>	<u>57.1%</u>	<u>58.5%</u>
<u>Compliance Period 3: 2035 to 2039</u>	<u>33.3%</u>	<u>34.0%</u>	<u>34.8%</u>	<u>35.6%</u>	<u>36.4%</u>	<u>37.2%</u>	<u>38.1%</u>	<u>39.0%</u>
<u>Compliance Period 4: 2040 to 2044</u>	<u>16.7%</u>	<u>17.0%</u>	<u>17.4%</u>	<u>17.8%</u>	<u>18.2%</u>	<u>18.6%</u>	<u>19.0%</u>	<u>19.5%</u>
<u>Compliance Period 5: 2045 to 2049</u>	<u>8.3%</u>	<u>8.5%</u>	<u>8.7%</u>	<u>8.9%</u>	<u>9.1%</u>	<u>9.3%</u>	<u>9.5%</u>	<u>9.8%</u>
<u>Compliance Period 6: 2050 onwards</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>

(4) Exemptions: A Covered Property will be exempted by the Department from the requirements of 8.67.100 if it qualifies as one of the following:

- (a) New construction: For Covered Properties that receive an initial Certificate of

Occupancy after the start of the default Baseline years, the Baseline shall be the average Greenhouse Gas Emissions of the first two full calendar years following the issuance of the Certificate of Occupancy. Such Covered Properties shall be exempt from the requirements of 8.67.100 for the five years following the conclusion of this Baseline period. The performance requirements for each subsequent five-year period shall be determined by a linear reduction to net zero emissions by 2050.

(b) A Net Zero Emissions Building;

(c) Vacancy: The Covered Property is fully vacant for the full year;

(d) The Covered Property is to be fully demolished within the forthcoming calendar year;

(e) Financial Distress: Owners of a financially distressed Covered Property may apply for an extension until the end of the current compliance period. Owners must provide a form of third-party verification to substantiate an exemption request due to financial distress. A building energy is considered in financial distress if it meets one of the following criteria:

(i) The Covered Property is qualified for sale at a public auction due to arrears of public taxes within two years of the start of the compliance period.

(ii) The Covered Property is controlled by a court-appointed receiver due to financial distress.

(iii) The Covered Property is owned by a financial institution through default by the borrower.

(iv) The Covered Property has been acquired by deed in lieu of foreclosure.

(v) The Covered Property has a senior mortgage which is subject to a notice of default.

(5) The following building type-specific compliance pathways shall be permitted:

(a) Campus:

(i) A Campus may choose to comply with the requirements of Section 8.67.100 at the level of each Covered Property or at the level of the aggregate Campus greenhouse gas emissions. Campus Owners must determine their Baseline according to the method by which they intend to comply with the requirements. Owners may request to adjust their Baseline to include in the aggregate Campus any new buildings that receive their Certificate of Occupancy after the start of the Baseline years.

(ii) If the Covered Property that is part of a Campus is included in an institutional comprehensive plan and a corresponding energy management plan, and these plans have reduced Greenhouse Gas Emissions from buildings at the institutional level by the required amount for that compliance period, then the Covered Property shall be considered to be in compliance. To show compliance with this pathway, the Owner must provide copies of the institutional comprehensive plan, institutional energy management plan, and the completed institution-wide greenhouse gas inventory for buildings for the compliance period.

(b) Laboratories and Affordable Housing:

(i) Laboratories and Affordable Housing shall have the option to comply with the following alternative compliance schedule:

1. Compliance Period 1: 2027 to 2033; annual Greenhouse Gas Emissions will not exceed 66.7% of the default Baseline
  2. Compliance Period 2: 2034 to 2040; annual Greenhouse Gas Emissions will not exceed 33.3% of the default Baseline
  3. Compliance Period 3: 2041 to 2049; annual Greenhouse Gas Emissions will not exceed 16.6% of the default Baseline
  4. Compliance Period 4: 2050 onwards; annual Greenhouse Gas Emissions are net zero.
- (ii) Laboratory and Affordable Housing owners choosing to follow the alternative compliance schedule shall submit documentation to the Department showing that the Covered Property qualifies as a Laboratory or Affordable Housing at the start of each 5-year compliance period.
- (iii) Laboratories and Affordable Housing choosing to follow the alternative compliance schedule shall submit a Greenhouse Gas Emissions Reduction Plan to the Department four years prior to the start of each alternative compliance period detailing how the greenhouse gas emissions reduction requirement for that compliance cycle will be met.
- ~~(i)~~(iv) For newly constructed Laboratories and Affordable Housing that choose to follow the alternative compliance schedule and receive an initial Certificate of Occupancy after the start of the default Baseline years, the Baseline shall be the average Greenhouse Gas Emissions of the first two full calendar years following the issuance of the Certificate of Occupancy. Such Laboratories and Affordable Housing shall be exempt from the requirements of 8.67.100 for the seven years following the conclusion of this Baseline period. The performance for Covered Buildings requirements for each subsequent seven-year period shall be determined by a linear reduction to net zero emissions by 2050.
- (v) ~~Section K.~~ For Laboratories and Affordable Housing that request an alternative Baseline pursuant to 8.67.100 (2), the adjusted performance requirements shall be as follows; annual Greenhouse Gas Emissions will not exceed the indicated percentage of the alternative Baseline:

	<u>Alternative Baseline Performance Requirements</u>							
	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>
<u>Compliance Period 1: 2027 to 2033</u>	<u>55.6%</u>	<u>56.8%</u>	<u>58.0%</u>	<u>59.3%</u>	<u>60.6%</u>	<u>62.0%</u>	<u>63.5%</u>	<u>65.1%</u>
<u>Compliance Period 2: 2034 to 2040</u>	<u>27.8%</u>	<u>28.3%</u>	<u>29.0%</u>	<u>29.6%</u>	<u>30.3%</u>	<u>31.0%</u>	<u>31.7%</u>	<u>32.5%</u>
<u>Compliance Period 3: 2041 to 2049</u>	<u>13.9%</u>	<u>14.2%</u>	<u>14.5%</u>	<u>14.8%</u>	<u>15.2%</u>	<u>15.5%</u>	<u>15.9%</u>	<u>16.3%</u>
<u>Compliance Period 4: 2050 onwards</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>

#### **8.67.110 MAINTENANCE OF RECORDS AND DATA VERIFICATION**

- (1) ~~(1)~~ Owners shall maintain records as the Department determines is necessary for carrying out the \_\_\_\_\_ purposes of this Ordinance, including but not limited to energy and water bills and ~~other~~ \_\_\_\_\_ documents received from Tenants and/or Utilities. ~~Such records shall be preserved by Owners \_\_\_\_\_ for a period of three (3) seven (7) years.~~ At the request of the Department, such records shall be made \_\_\_\_\_ available for inspection and audit by the Department.
- (2) ~~(2)~~ Owners shall self-certify their reporting data every year.
- (3) For the two Baseline years, Owners shall provide a third-party verification of their reporting data, submitted by the benchmarking deadline for the first year of the first compliance period. Verifications must be performed by an Approved Verification Body.
- (4) For the first year of each compliance period, Owners shall provide a third-party verification of their reporting data, submitted by the benchmarking deadline for that year per 8.67.050(1). Verifications must be performed by an Approved Verification Body.
- (5) In the event that there is a discrepancy between third-party verified data and an Owner's self-certified reporting data, any resulting lack of compliance with the emissions reduction requirements in Section 8.67.100 shall be a violation.
- ~~(2)~~(6) At the time any occupied Covered Building is transferred, the buyer and seller shall arrange for \_\_\_\_\_ the seller to provide to the buyer all information necessary for the buyer to report \_\_\_\_\_ Benchmarking ~~information~~ Information for the entire year in a timely manner. ~~It shall be a violation of this Ordinance for any seller to fail to so provide any such information.~~

#### **Section L-8.67.120 VIOLATIONS-**

It shall be unlawful for any entity or person to fail to comply with the requirements of this Ordinance or misrepresent any material fact in a document required to be prepared or disclosed by this Ordinance.-

#### **Section M-8.67.130 ENFORCEMENT AND ADMINISTRATION**

- (1) The Assistant City Manager for Community Development ~~and/or~~ his or her designee shall be the \_\_\_\_\_ Chief Enforcement Officer of this Ordinance.
- (2) The Assistant City Manager for Community Development may promulgate regulations relative \_\_\_\_\_ to the administration of the requirements of this Ordinance as necessary.
- (3) By December 31, \_\_\_\_\_ 2026, in consultation with Covered Property Owners, the Department shall review compliance with Section 8.67.100 of this Ordinance and report to the City

Council.

- ~~(3)~~(4) If any person or entity ~~violates any provision of this Ordinance, the~~ fails to report the Benchmarking Information, such failure to report shall be deemed a violation and the following enforcement — measures may be taken:
- (a) For the first violation, a written warning may be issued; and
  - (b) For any subsequent violation, the Department may issue a fine of up to \$300.00 per —violation, per day, pursuant to the provisions of Chapter 1.24 herein. Each day of violation shall constitute a separate offence.
- (5) ~~Section N.~~In the event that third-party verification of Benchmarking Information reported by an Owner identifies a discrepancy with an Owner’s self-certified reporting, such discrepancy shall be deemed a violation and the following enforcement measures may be taken:
- (a) For the first violation, a written warning may be issued; and
  - (b) For any subsequent violation, the Department may issue a fine of up to \$300.00 per violation, per day, pursuant to the provisions of Chapter 1.24 herein. Each day of violation shall constitute a separate offence.
- (6) If any person or entity fails to meet the emission reduction requirements, such failure shall be deemed a violation and the following enforcement measures may be taken:
- (a) For the first violation, a written warning may be issued; and
  - (b) For any subsequent violation, the Department may issue a fine of up to \$300.00 per violation, per day, pursuant to the provisions of Chapter 1.24 herein. Each day of violation shall constitute a separate offence.

**8.67.140 SEVERABILITY**

If any provision of this Ordinance shall be held to be invalid by a court of competent jurisdiction, then such provision shall be considered separately and apart from the remaining provisions, which shall remain in full force and effect.

~~Section O.~~**8.67.150 EFFECTIVE DATE**

The provisions of this Ordinance shall be effective immediately upon passage.