# Proposed City of Portland Multifamily Energy Reporting and Disclosure Requirements

In 2020, Portland City Council declared a climate emergency and adopted a goal to reduce Portland's carbon emissions to net zero by 2050. Nearly half of the carbon emissions produced locally come from heating, cooling and powering buildings. Therefore, we must eliminate carbon emissions from existing homes and commercial buildings to reach our shared goal.

### **Key policy actions**

Energy reporting and disclosure are key to Portland's building decarbonization efforts. They are already required for single family homes at time of sale and annually for large commercial buildings.

This proposal expands these efforts and establishes new City Code for two connected actions:

- 1. Add multifamily residential buildings to the list of those required to report energy and carbon emissions to the City (~1,600 buildings).
- 2. Require multifamily property owners and managers to disclose critical climate and health information to prospective renters (~143,000 units).

### **Policy goals**

- Enable the City to collect key climate and health data for multifamily buildings.
- Create a platform for property managers to measure and compare energy performance among their peers.
- Reduce building energy use and carbon emissions.
- Inform renters of potential utility bill expectations and health risks.
- Reduce displacement of economically vulnerable renters.
- Support resilience to climate change.

The actions we take today can set the City of Portland up for longer-term success.

## Policy action details

#### 1. Annual energy reporting to the City

Property owners of multifamily residential buildings would be required to report climate and energy information to the City of Portland once per year using the free, web-based <a href="mailto:ENERGY">ENERGY</a> <a href="mailto:STAR® Portfolio Manager®">STAR® Portfolio Manager®</a> tool:

- 1. Energy use
- 2. ENERGY STAR Score
- 3. Carbon emissions

The City would then make this information publicly accessible to inform prospective buyers and renters through the <u>online</u>, <u>web-based map</u> currently used for commercial buildings. The City also provides an Energy Reporting Help Desk to assist property owners with compliance.

Proposed start dates for energy and carbon emissions reporting requirements to the City are based on building size:

Gross floor area (square feet)	Annual reporting begins	First annual report due date
50,000+	Calendar year 2024	April 22, 2025
20,000 – 49,999	Calendar year 2025	April 22, 2026

The average 20,000 square foot apartment building has approximately 30 units. Buildings above this size threshold represent half of all building-sector carbon emissions in Portland.

#### 2. Climate and health information to prospective tenants

Property owners of multi-dwelling rental housing, that is duplex and larger buildings, would be required to disclose climate and health information to prospective renters at time of application:

- Potential annual and peak monthly energy costs;
- The presence and health risks associated with natural gas stoves and ventilation; and
- The presence and type of air-conditioning and passive cooling measures.

These disclosure requirements seek to protect human health and prevent displacement of renters. They also help inform the City of air-conditioning and natural gas stoves in buildings.

The proposed start date for disclosure of climate and health information to inform renter decisions is January 1, 2025, followed by annual notification to the City of Portland, beginning April 22, 2026.

### **Future steps**

This proposed City Code is the first part of a three-phase policy approach to help reduce carbon emissions and support affordable, healthy and resilient housing for all Portlanders:

- 1) Multifamily energy reporting and disclosure;
- 2) Maximum temperature standard for rental housing; and
- 3) Carbon performance standards for commercial and multifamily buildings.

#### Next steps for Phase 1:

August 2023 Stakeholder engagement
September 2023 30-day public comment period
November 2023 City Council consideration

January-June 2024 Rulemaking, technical assistance and outreach

January 2025 Begin disclosure of climate and health information to prospective tenants
April 2025 Annual energy reports due for multifamily buildings 50,000+ square feet
April 2026 Annual energy reports due for multifamily buildings 20,000+ square feet
April 2026 Annual climate and health information due for multi-dwelling units