SAMPLE: LL97 + J-51 Funding Memo -- a 108-unit Queens co-op

SAMPLE, identity removed. Built only from public records for one real Queens co-op; its name, address and tax-lot number are left out. The building has not been contacted and did not ask for this. Your memo would be about your building.

Prepared: Nov 28, 2026, by Eli Klein, an independent NYC operator (not an engineer, CPA or lawyer).

Disclaimer. This is a planning illustration, not engineering, legal, tax or accounting advice. Emissions below are recomputed from owner-reported Local Law 84 benchmarking data, not from the building's filed LL97 report; actual filings, deductions, offsets, adjustments and mitigation could change every number. New York cost-allocation rules for co-ops and condos (including Real Property Law 339-m for condominiums) are NOT modeled; "per unit" figures are simple averages across 108 units, not what any shareholder or unit owner would actually pay. J-51 eligibility must be confirmed with HPD and counsel; the City's certified reasonable cost schedule was not found published as of the date above. A registered design professional must certify LL97 reports.

1. Snapshot (public records)

Item	Value
Type	Co-op corporation (inferred from PLUTO building class D4)
Size	118,746 gross sf; 6 floors; 108 residential units; built 1960; 1 building(s)
LL97 status	On DOB Covered Buildings List 2026, CP0 = Article 320 from 2024; first report was due May 1, 2025
Energy use, CY2025 (LL84)	Natural gas 6,909,242 kBtu; grid electricity 533,830 kWh; #2 fuel oil 7,107,759 kBtu; site EUI 133.4 kBtu/sf; ENERGY STAR score 4
Energy use, CY2024 (LL84)	Natural gas 6,347,673 kBtu; grid electricity 546,320 kWh; #2 fuel oil 7,024,407 kBtu

2. Limits and penalty math

Official inputs: Multifamily Housing limit 0.00675 tCO2e/sf for 2024-29 and 0.003346640 for 2030-34; coefficients: gas 0.00005311; #2 oil 0.00007421 tCO2e/kBtu; electricity 0.000288962 tCO2e/kWh (2024-29) and 0.000145 (2030-34); district steam 0.00004493 / 0.0000432; penalty $268 per tCO2e over the limit, per year. Computed from unrounded values.

Step	2024-29 period (CY2025 data)	2030-34 period (same CY2025 energy use)
Limit = 118,746 sf x factor	118,746 x 0.00675 = **801.5 t**	118,746 x 0.003346640 = **397.4 t**
Gas	6,909,242 x 0.00005311 = 366.9 t	366.9 t
#2 fuel oil	7,107,759 x 0.00007421 = 527.5 t	527.5 t
Electricity	533,830 kWh x 0.000288962 = 154.3 t	x 0.000145 = 77.4 t
Emissions	**1,048.7 t**	**971.8 t**
Over limit	1,048.7 - 801.5 = **247.1 t** (31% above the limit)	971.8 - 397.4 = **574.4 t** (59% of emissions would have to go)
Annual penalty at $268	247.1 x 268 = **$66,233**	574.4 x 268 = **$153,945**
Average per unit (108)	$613 per year (about $51 per month)	$1,425 per year (about $119 per month)
Over the period if nothing changes	6 report years (CY2024-29): about $345,000 to $397,000 using the CY2024 and CY2025 results ($57,549 to $66,233 per year)	5 report years (CY2030-34): about $770,000 (5 x $153,945 = $769,725); CY2024 data would give $144,780 per year

Cross-check, CY2024: emissions 1,016.3 t, over the limit by 214.7 t, penalty $57,549 (about $533 per unit).

Not modeled: deductions for beneficial electrification and renewables; the up-to-10% offset purchase (priced at the same $268 per ton, so it does not lower cost; 10% of the 2024-29 limit here is 80.2 t); good-faith mitigation for 2024-29; financial-constraint adjustments; time-of-use electricity accounting; the 2035+ limits. LL84 data are owner-reported. Penalty exposure shown is what open data implies, not what DOB has assessed.

3. J-51 check (Local Law 160 of 2026, effective Jan 1, 2027)

Rules: an eligible co-op or condo must average no more than $60,000 assessed value per dwelling unit (CPI-adjusted yearly), measured at the start of construction; abatement of up to 100% of the HPD-certified reasonable cost of listed work, for up to 20 years, no more than 8 1/3% of that cost per year, and for co-ops no more than 50% of the property taxes payable in the year.

Test	Calculation	Result
Assessed value per unit	PLUTO total assessed value $5,630,850 / 108 units	**$52,138 per unit**, under $60,000 (headroom $7,862 per unit, 13%). Test is at construction start; a rise in assessed value can change this. PLUTO's number is not HPD's official test (UNVERIFIED).
Estimated annual property tax	(AV $5,630,850 - exemptions $374,929) x Class 2 rate 12.423% (tax year 2026-27)	about **$652,943** (estimate; billed tax uses billable AV, not PLUTO's total)
50% of taxes payable	0.5 x $652,943	about $326,472 per year ceiling on any abatement
Maximum yearly abatement for certified cost C	min(C / 12, $326,472)	The 8 1/3% rule binds until C is about $3.92 million

"Certified reasonable cost" is set by an HPD schedule and is not necessarily what the work costs. The schedule was not found published, so whether any LL97 retrofit item is on it is UNVERIFIED. The abatement lowers property tax over time; it does not pay for the project.

4. Funding options, shown per $1,000,000 of certified project cost (no project cost is estimated)

Option	Math per $1,000,000	Average per unit	Data support
Pay the penalty instead (baseline)	$153,945 per year from 2030 at today's energy use	$1,425 per year	Supported (Section 2)
Special assessment, one time	$1,000,000 / 108	**$9,259** one time	Arithmetic only
Financing, 20 years	Illustrative rates only, not quotes: 5% gives $6,600 per month; 7% gives $7,753 per month	**$61 to $72 per month**	Rates are ASSUMPTIONS; no lender quote or loan product was verified
Reserves	Reserve balance unknown	not modeled	No public data; needs the building's financial statements
J-51 abatement (if eligible)	Up to $1,000,000 / 12 = $83,333 per year for up to 12 years (100% of certified cost, subject to the tax cap)	Offsets about **$772 per unit per year** (about $64 per month)	Rule-supported; eligibility and certified cost UNVERIFIED

How to read it: for each $1M of certified cost, a 20-year loan at the illustrative rates costs about $61-$72 per unit per month; if J-51 applies in full, the property-tax abatement offsets about $64 per unit per month for roughly 12 years. Whether a project ever cuts emissions by the 574.4 tons needed for 2030-34 is an engineering question this memo does not answer.

5. What a board or manager would still need to decide

1. Confirm the filed LL97 numbers with the building's registered design professional.
2. Get an engineer's scope and cost for a pathway that removes about 574.4 t by CY2030 (59% of emissions). CY2025 emissions by source (2024-29 coefficients): oil 527.5 t; gas 366.9 t; electricity 154.3 t; of 1,048.7 t total.
3. Check J-51 eligibility, timing (commencement date, tenant notice 30-180 days before work, filing window) and whether the planned items are on HPD's schedule.
4. Have counsel and the managing agent decide how costs are shared under the building's documents.

Sources (public): NYC LL84 benchmarking data https://data.cityofnewyork.us/resource/5zyy-y8am ; PLUTO https://data.cityofnewyork.us/resource/64uk-42ks ; DOB Covered Buildings List 2026 https://www.nyc.gov/assets/buildings/excel/cbl26.xlsx ; rule 1 RCNY 103-14 https://www.nyc.gov/assets/buildings/rules/1_RCNY_103-14.pdf ; DOB Article 320 guide https://www.nyc.gov/assets/buildings/pdf/article_320_guide.pdf ; tax rates https://www.nyc.gov/site/finance/property/property-tax-rates.page ; Local Law 160 of 2026 on legistar.council.nyc.gov. Read Nov 28, 2026.

Questions: Eli Klein · 398 West St, New York, NY 10014 · contact via ll97-memo.pages.dev. This memo is not engineering, legal or tax advice.

SAMPLE