

**BY AUTHORITY**

1  
2 ORDINANCE NO. \_\_\_\_\_  
3 SERIES OF 2026

COUNCIL BILL NO. 26-0565  
COMMITTEE OF REFERENCE:  
Transportation and Infrastructure

**A BILL**

6 **For an ordinance amending chapter 10, article XIV, of the Denver Revised**  
7 **Municipal Code concerning High-Performance Existing Buildings.**

8  
9 **BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:**

10 **Section 1.** That chapter 10, article XIV, of the Code, concerning High-Performance Existing  
11 Buildings, shall be amended by deleting the language stricken below and adding the language  
12 underlined below, to read as follows:

13  
14 **ARTICLE XIV. HIGH-PERFORMANCE EXISTING BUILDINGS PROGRAM**

15  
16 **Sec. 10-400. Definitions.**

17  
18 The following words and phrases, as used in this article XIV, shall have the following  
19 meanings:

- 20 (a) *Benchmarking*: ~~M~~measuring a covered building's energy performance using the  
21 ENERGY STAR portfolio manager tool or other platforms as CASR may designate.
- 22 (b) *Benchmarking Submission*: ~~T~~the data submitted each year via the ENERGY STAR  
23 portfolio manager tool, or other platforms as CASR may designate, using a template  
24 and submission link to be distributed and publicized by CASR. All information expressly  
25 denoted as mandatory by either ENERGY STAR portfolio manager or CASR shall be  
26 included in the submission.
- 27 (c) *CASR*: ~~T~~the office of climate action, sustainability, and resiliency.
- 28 (d) *Covered building*: every building or structure that is regulated by the Denver Building  
29 and Fire code and that is not a detached one- or two-family dwelling or townhouse not  
30 more than three stories above grade plane height with a separate means of egress,  
31 and their accessory structures are not more than three stories above grade plane in  
32 height as defined in Section [A] 101.2 Scope section of the 2021 International Building  
33 Code.

1 (1) For purposes of benchmarking requirements in Section 10-403, a covered  
2 building ~~is any commercial or multifamily individual building in the City and~~  
3 ~~County of Denver except~~ does not include the following, as must be  
4 demonstrated by the owner:

- 5 i. A building that was not occupied, ~~and~~ or did not have a certificate of  
6 occupancy or temporary certificate of occupancy, for all twelve (12)  
7 months of the calendar year for which benchmarking is required;
- 8 ii. A building that was not occupied, due to renovation, for all twelve (12)  
9 months of the calendar year for which benchmarking is required;
- 10 iii. A building for which a demolition permit for the entire building has been  
11 issued and for which demolition work has commenced on or before the  
12 date the benchmarking report is due;
- 13 iv. A building that is presently experiencing qualifying financial distress, as  
14 defined; ~~by any of the following: (1) the building is the subject of a~~  
15 ~~qualified tax lien sale or public auction due to property tax arrearages;~~  
16 ~~(2) the building is controlled by a court appointed receiver; or (3) the~~  
17 ~~building has been acquired by a deed in lieu of foreclosure;~~
- 18 v. A stand-alone parking garage; or ~~A building that is used primarily for~~  
19 ~~manufacturing or agricultural processes; this exclusion applies only if a~~  
20 ~~facility where the majority of energy is consumed for manufacturing,~~  
21 ~~agriculture, or for other process loads. Process loads are energy~~  
22 ~~consumed for bona fide purposes other than heating, cooling, ventilation,~~  
23 ~~domestic hot water, cooking, lighting, appliances, office equipment, data~~  
24 ~~centers, or other plug loads.~~
- 25 vi. A building that is used for the generation of power produced and sold  
26 commercially to other parties and that meets the definition of the  
27 Energy/Power Station building type, as defined by ENERGY STAR  
28 Portfolio Manager.

29 (2) For purposes of existing building performance requirements in Section 10-404,  
30 a covered building ~~is any commercial or multifamily individual building in the City~~  
31 ~~and County of Denver except~~ does not include the following, as must be  
32 demonstrated by the building owner:

- 1                   i.       A building for which a demolition permit for the entire building has been
- 2                               issued and for which demolition work has commenced on or before the
- 3                               particular compliance date;
- 4                   ii.       A stand-alone parking garage; or
- 5                   iii.       A building that is used for the generation of power produced and sold
- 6                               commercially to other parties and that meets the definition of the
- 7                               Energy/Power Station building type, as defined by ENERGY STAR
- 8                               Portfolio Manager.
- 9       (3)       For purposes of existing building performance requirements in Section 10-405,
- 10                   a covered building does not include the following, as must be demonstrated by
- 11                   the building owner:
- 12                   i.       A building for which a demolition permit for the entire building has been
- 13                               issued and for which demolition work has commenced on or before the
- 14                               building’s prescribed compliance deadline; or
- 15                   ii.       A building that had received their Certificate of Occupancy or Temporary
- 16                               Certificate of Occupancy on or after November 22, 2021.
- 17       (e)       Covered Manufacturing/Agricultural/Industrial Building or Covered MAI Building: a
- 18                   covered building where energy is consumed in process loads for manufacturing,
- 19                   agricultural, or industrial purposes. Process loads are energy consumed for bona fide
- 20                   purposes other than comfort heating and cooling, ventilation, domestic hot water,
- 21                   cooking, lighting, appliances, office equipment, small, or other plug loads. This
- 22                   classification also includes buildings with Class A data centers as defined by rule, food
- 23                   manufacturing, and the ENERGY STAR Portfolio Manager building types Drinking
- 24                   Water Treatment & Distribution, Other – Utility, and Wastewater Treatment Plant.
- 25                   Multi-use buildings with at least one tenant that meets this definition may be classified
- 26                   as a Covered MAI Building.
- 27       (ef)       Covered municipal building: A covered building that is owned and/or operated by the
- 28                               City and County of Denver.
- 29       (fg)       ENERGY STAR portfolio manager: ~~T~~the online tool created by the U.S. Environmental
- 30                   Protection Agency Government used to measure and track a building's energy use,
- 31                   water consumption, and greenhouse gas emissions.
- 32       (gh)       Executive director: ~~T~~the executive director of the office of climate action, sustainability,
- 33                   and resiliency.

- 1 (hi) *Existing building performance:* ~~¶~~the energy efficiency and renewable energy of a  
 2 covered building measured by site energy use intensity (EUI), or EUI adjusted for  
 3 renewable energy using data reported via the ENERGY STAR portfolio manager tool  
 4 or other platforms as CASR may designate.
- 5 (j) *Financial solvency concerns:* a vacancy rate for the covered building that reduces the  
 6 net operating income so that the debt-service coverage (DSCR) ratio is less than 1.25;  
 7 the non-renewal of a tenant, costs to renew a tenant, or costs of finding a replacement  
 8 tenant would reduce the DSCR to less than 1.25; or loan maturities, interest rate resets,  
 9 capitalization rate movements, and insurance rate changes that reduce the DSCR to  
 10 less than 1.25. This definition also includes if the Covered Building does not currently  
 11 meet the definition of Qualifying Financial Distress and the requirements of D.R.M.C.  
 12 § 10-404 or § 10-405, but Owner can demonstrate that the required upgrades would  
 13 cause the Covered Building to go into qualifying financial distress.
- 14 (ik) *Gross floor area or GFA:* ¶the total ~~property~~ building square footage, measured  
 15 between the outside surface of the principal exterior surfaces of the enclosing fixed  
 16 walls of a building, ~~as defined in the ENERGY STAR portfolio manager definitions.~~  
 17 GFA should include lobbies, tenant areas, common areas, meeting rooms, break  
 18 rooms, atriums (base level only), restrooms, elevator shafts, stairwells, mechanical  
 19 equipment areas, basements, storage rooms. GFA should not include exterior spaces,  
 20 balconies, patios, exterior loading docks, driveways, covered walkways, outdoor play  
 21 courts, parking, or crawl spaces.
- 22 (jl) *High-performance existing buildings program:* ~~¶~~the administrative program  
 23 implemented by CASR requiring the benchmarking, reporting, and existing building  
 24 performance in commercial and multifamily buildings that are located within the City  
 25 and County of Denver.
- 26 (m) *Lighting Load:* the energy used to power electric lights in a building’s interior, exterior,  
 27 and parking areas as measured in kilowatt hours. The calculation of lighting load shall  
 28 include all lighting that is connected to the building’s electrical meter(s).
- 29 (n) *Lighting Power Density or LPD:* the lighting power in watts per square foot.
- 30 (o) *New Covered Building:* a covered building equal to or greater than twenty-five  
 31 thousand (25,000) square feet in gross floor area that received its certificate of  
 32 occupancy after November 22, 2021.

- 1        (p) *New Covered MAI Building*: a covered building equal to or greater than twenty-five  
2        thousand (25,000) square feet in gross floor area that meets one of the following  
3        criteria:
- 4        (1) New construction where the building received its certificate of occupancy after  
5        November 22, 2021 and meets the definition of a covered MAI building.
- 6        (2) A covered MAI building that undergoes an alternation or change of  
7        occupancy/use as defined by Denver Energy Code (DEC) Chapter 5, and has  
8        updated their building to comply with DEC Sections C403, C405.1, C405.2,  
9        C405.3, C405.4, and C408 as applicable to the type of occupancy and project  
10       type.
- 11       (3) A covered MAI building that has substantially upgraded their energy-using  
12       systems and has petitioned CASR and received approval for the building to be  
13       considered a “new covered MAI building” for performance requirements in Sec.  
14       10-404.
- 15       (kg) *Owner*: ~~¶~~the person or entity having a legal or equitable interest in real property and  
16       its fixtures and appurtenances, which shall explicitly include but not be limited to a  
17       homeowner's association.
- 18       (r) *Performance measurement period*: the defined timeframe of benchmarking data that  
19       is used for evaluation of energy performance requirements, usually January 1 to  
20       December 31 in the year the target is due.
- 21       (s) *Qualifying financial distress*: any of the following: (1) the building is the subject of a  
22       qualified tax lien sale or public auction due to property tax arrearages; (2) the building  
23       is controlled by a court appointed receiver; or (3) the building has been acquired by a  
24       deed in lieu of foreclosure.
- 25       (t) *Renewable Energy*: useful electrical, thermal, or mechanical energy converted directly  
26       or indirectly from resources of continuous energy flow or that are perpetually  
27       replenished and whose utilization is sustainable indefinitely and can be measured in  
28       kilowatt hours (kWh). The term includes, if it can be measured in kWh provided,  
29       sunlight, wind, geothermal energy, hydrodynamic forces, and organic matter available  
30       on a renewable basis such as forest residues, agricultural crops and wastes, wood and  
31       wood wastes, animal wastes, livestock operation residue, aquatic plants, and  
32       municipal wastes.

- 1       (u) Residential Condominium: if the property is a condominium or cooperative, each as  
2       defined in the Colorado Common Interest Ownership Act, C.R.S. § 38-33.3-101 et seq.,  
3       as amended, the responsible party shall be the association, as defined in the act.
- 4       (v) Site energy use intensity or EUI: A building's weather normalized site energy use  
5       expressed as energy per square foot per year as a function of its size, normalized for  
6       weather and other characteristics that are significant drivers of energy performance as  
7       feasible with the reporting platform used. A building's EUI is calculated by dividing the  
8       total energy consumed by the building in one (1) calendar year (measured in kBtu) by  
9       the total gross floor area of the building.
- 10      (w) Tenant: a person or entity having a legal or equitable interest in the possession,  
11      occupancy, or the benefits of real property and its fixtures and appurtenances under a  
12      lease or similar legal instrument.
- 13      (x) Transportation energy use: for use in this chapter, energy sourced from building utility  
14      meters that is sub-metered and consumed in vehicles that take people or goods from  
15      one place to another. This includes but is not limited to electric vehicles, compressed  
16      natural gas fleet vehicles, and electric or compressed natural gas forklifts, but does not  
17      include elevators or escalators. Transportation energy use is considered non-building  
18      energy use in this chapter.

19  
20   **Sec. 10-401. Purpose.**

21  
22       The purpose of this article is first to establish a high-performance existing buildings program  
23 that requires covered building owners to benchmark building energy performance, and to make such  
24 energy performance information publicly available in order to raise awareness and drive action. The  
25 article's purpose is also to require covered building owners to address existing building performance  
26 through energy efficiency, renewables energy generation, and/or renewable heating and cooling  
27 (electrification) to reduce greenhouse gas emissions from the built environment to further the City  
28 and County of Denver's climate action goal of zero greenhouse gas emissions in existing buildings  
29 by 2040.

30  
31   **Sec. 10-402. Applicability.**

1           The high-performance existing buildings program shall apply to all ~~commercial and multifamily~~  
2 covered buildings equal to or greater than five thousand (5,000) square feet within the City and  
3 County of Denver.

4  
5 **Sec. 10-403. Benchmarking and reporting.**

6  
7           (a) Each owner of a covered building with a gross floor area equal to or greater than  
8 twenty-five thousand (25,000) square feet shall benchmark the building's energy usage  
9 annually using the ENERGY STAR portfolio manager tool, or other platform as CASR  
10 may designate, and by June 1 each year, accurately report energy performance  
11 information to CASR for the previous calendar year.

12           (b) The energy performance information that must be reported to CASR shall include, at  
13 a minimum, a covered building's annual energy use intensity, ENERGY STAR portfolio  
14 manager score if eligible for a score, greenhouse gas emissions, and any other data  
15 fields needed to calculate the ENERGY STAR portfolio manager score for auditing and  
16 verification purposes. Specific energy uses as defined by CASR by rule may be  
17 excluded from the whole building energy use if sub-metered that include, but are not  
18 limited to, heated swimming pools, parking lighting, and parking ventilation.

19           (c) CASR shall create a process by rule for owners of covered buildings to apply for an  
20 extension in time to complete a benchmarking submission for reasons that include, but  
21 are not limited to, a delay in receiving data from the utility company, a change in  
22 ownership or management, or resolving required revisions in that year's benchmarking  
23 submission.

24           (ed) Owners of covered buildings with a gross floor area equal to or greater than twenty-  
25 five thousand (25,000) square feet shall keep records of monthly energy consumption  
26 for a minimum of twenty-four (24) months. Such records shall be made available to  
27 CASR for inspection upon request.

28  
29 **Sec. 10-404. Existing building performance for covered buildings with a gross floor area**  
30 **equal to or greater than 25,000 square feet.**

31  
32           (a) *In general.* Owners of covered buildings with a gross floor area equal to or greater than  
33 twenty-five thousand (25,000) square feet must meet energy performance targets in

calendar years 2025~~4~~, 2027 and 2030. The targets will be set for 2030 for every covered building type in Denver such that thirty (30) percent total energy savings across all covered buildings is achieved. CASR shall establish the rules by which every covered building will be assigned a building type. If a covered building's type changes over time, then CASR shall update the established target to align to the new building type. CASR will establish each covered building's required interim targets for 2025~~4~~ and 2027 by drawing a straight line from that covered building's 2019 baseline year EUI to the final EUI target for that building type. Renewable ~~power~~ energy generation on-site or off-site or transportation energy use as defined, as measured in kWh ~~delivered to the grid by the system~~ or therms used, will be credited towards energy use, lowering the EUI. After 2030, CASR is empowered to set new EUI final targets for 2040, 2050, and beyond through a rulemaking process with robust stakeholder input as CASR deems necessary to reach the city's climate goals.

(b) *Establishing baseline year and EUI.*

(1) For ~~existing~~ covered buildings that reported for benchmarking in 2019, the baseline shall be the EUI that was reported for the covered building that year.

(2) For ~~existing~~ covered buildings where no baseline data was received for 2019, CASR will establish a reasonable baseline based on the building type and benchmarking data from other years for that covered building if available.

(3) For covered buildings where 2019 does not reflect the building's normal business operations, the owner of the covered building may apply to use 2018 or 2020 as their baseline year. If a substantial renovation happens such that 2019 no longer reflects the normal energy use of the building, CASR can approve another baseline year.

~~(34)~~ For ~~n~~New ~~e~~Covered ~~b~~Buildings that received their certificate of occupancy after January 13, 2022, CASR shall establish a reasonable baseline using the Covered Building's first- or second-year Benchmarking Submission or the baseline shall be the predicted EUI for that covered building if ~~one~~ (1) a predicted EUI was submitted as part of energy code compliance. ~~If no predicted EUI is available, CASR will establish a reasonable baseline based on the building type.~~

(c) *Establishing interim targets.*

(1) For ~~existing~~ covered buildings that reported for benchmarking in 2019, CASR will set required interim targets by May 1, 2022.

- 1 (2) For ~~existing~~ covered buildings where no baseline data was received for 2019,  
2 or if CASR has determined that the building type needs to be reviewed and  
3 possibly corrected for submission in the 2022 benchmarking report, CASR will  
4 set required interim targets by September 1, 2022.
- 5 (3) For ~~n~~New ~~e~~Covered ~~b~~Buildings, CASR will set required interim targets within 6  
6 months of receiving the first benchmarking report for that building.
- 7 (d) *Existing building performance compliance demonstration.*
- 8 (1) Owners of covered buildings with a gross floor area equal or greater than  
9 twenty-five thousand (25,000) square feet shall use the ENERGY STAR  
10 portfolio manager tool or other platform that CASR may designate, and report  
11 to CASR the following:
- 12 i. In the benchmarking report due on June 1, 202~~6~~<sup>5</sup>, a demonstration that  
13 the covered building has met the interim energy performance target for  
14 calendar year 202~~5~~<sup>4</sup>.
- 15 ii. In the benchmarking report due on June 1, 2028, a demonstration that  
16 the covered building has met the interim energy performance target for  
17 calendar year 2027.
- 18 iii. In the benchmarking report due on June 1, 2031, a demonstration that  
19 the covered building has met the final energy performance target for  
20 calendar year 2030.
- 21 iv. If the covered building has an approved timeline extension, the  
22 demonstration of compliance method and due dates will be stated in the  
23 timeline extension notice.
- 24 (2) Each owner of a covered building must maintain the interim targets each  
25 subsequent year and must maintain the final energy performance target  
26 indefinitely. Maintenance of the interim and 2030 EUI targets shall be  
27 demonstrated annually using the Covered Building's Benchmarking  
28 Submission.
- 29 (3) If a covered building becomes exempt from submitting a benchmarking  
30 submission in a performance measurement period, the owner must have an  
31 approved alternate compliance option on file.
- 32 (4) CASR may define by rule additional requirements for third-party data verification  
33 of benchmarking submissions, target incentives and adjustments, renewable

energy generation credits, transportation energy use credits, or other similar functions.

(3e) CASR shall create alternate compliance options by rule that add flexibility for covered building owners while achieving the same end goal. Such options shall include, but are not limited to, a process to adjust timing for meeting the above requirements, including in cases of qualifying financial distress or financial solvency concerns; a process to adjust the end goal due to a building use or inherent characteristic of the building, prescriptive options for smaller buildings or residential condominiums; and compliance options for covered MAI buildings—where manufacturing and agricultural processes are the primary energy users. CASR may also create alternate compliance options that allow compliance through reductions in greenhouse gas emissions that are equivalent to a covered building’s target.

~~(e) *Disclosure upon sale.* The owner of a covered building shall disclose the covered building's compliance status, including all performance targets, any approved alternate compliance pathways, and any penalties assessed, to a prospective buyer prior to the sale of the building. The owner shall disclose to all prospective buyers the covered building's compliance status in all documentation or advertising concerning the sale of the covered building including, but not limited to, any listings, notices, advertisements of sale, term sheets, and contracts of sale.~~

**Sec. 10-405 Existing building performance for covered buildings with a gross floor area of 5,000—24,999 square feet.**

(a) Owners of covered buildings with a gross floor area of five thousand (5,000)—twenty-four thousand nine hundred ninety-nine (24,999) square feet shall either certify that a minimum of 90% of the building’s total lighting load is provided by LED lighting, ~~they have installed all LED lights~~ or that they have achieved an equivalent lighting power density ~~to what all LEDs would have resulted in.~~ Alternatively, owners of covered buildings may install solar panels or purchase off-site solar that generates enough electricity to meet twenty (20) percent of the building's annual energy usage.

(b) Owners of covered buildings will be required to comply by the following schedule:

(a1) December 31, 202~~6~~5: buildings ~~15,001—20,000~~20,000—24,999 square feet.

(b2) December 31, 202~~7~~6: buildings ~~10,001—15,000~~15,000—19,999 square feet.

- 1           (€3)   December 31, 2028~~7~~: buildings 5,000—10,000 10,000—14,999 square feet.
- 2           (4)   December 31, 2029: buildings 5,000-9,999 square feet.

3           (c)   CASR shall create alternate compliance options by rule that add flexibility for covered  
4 building owners while achieving the same end goal in energy or equivalent greenhouse  
5 gas emission reductions.

6

7   **Sec. 10-406. Disclosure upon sale and transfer of compliance data.**

8           (a)   The owner of a covered shall disclose the covered building's compliance status,  
9 including all compliance requirements, any approved alternate compliance options,  
10 and any penalties assessed, to a prospective buyer prior to the sale of the building.  
11 The owner shall disclose to all prospective buyers the covered building's compliance  
12 status in all documentation or advertising concerning the sale of the covered building  
13 including, but not limited to, any listings, notices, advertisements of sale, term sheets,  
14 and contracts of sale.

15          (b)   For covered buildings equal to or greater than 25,000 square feet in gross floor area,  
16 as part of the sale transaction, the owner of a covered building is required to transfer  
17 the ENERGY STAR Portfolio Manager account (or account from another CASR-  
18 designated platform) to the new building owner.

19

20   **Sec. 10-4076. Authority to adopt rules and regulations.**

21

22           The executive director is authorized to adopt rules and regulations the executive director may  
23 deem proper to implement the provisions of this article XIV, the high-performance existing buildings  
24 program.

25

26   **Sec. 10-4087. Enforcement.**

27

28          (a)   It is unlawful for any person to violate any provision of this article XIV or any rules or  
29 regulations adopted pursuant to this article XIV.

30          (b)   The executive director, or the executive director's designee, is empowered to enforce  
31 the provisions of this article XIV, ~~and~~ any rules and regulations adopted pursuant to  
32 this article, and any orders issued pursuant to this article, and may issue notices or  
33 orders for violations of this article XIV. When such enforcement is pursued through

1 administrative citations and civil penalties, the executive director shall act in  
2 accordance with article XII of chapter 2 of the Code, with the executive director, or the  
3 executive director's designee, acting as the manager.

4 (c) Upon receiving a notice of violation, as described in article XII of chapter 2 of the Code,  
5 an owner of a covered building will have ninety (90) calendar days to come into  
6 compliance before an administrative citation is issued. An owner of a covered building  
7 who has received a notice of violation with respect to performance requirements in  
8 section 10-404 or 10-405 may apply for an alternate compliance option or a corrective  
9 action plan as defined by CASR in rule. Such application must be received by CASR  
10 within 90 days of the date the building owner received the notice of violation, and such  
11 application will toll the issuance of an administrative citation until CASR has had time  
12 to review and make a decision on such application.

13 (d) Appeals of administrative citations shall be conducted in accordance with article XII of  
14 chapter 2 of the Code, except that a person served with an administrative citation under  
15 this article XIV shall have thirty (30) calendar days from the service of the notice of the  
16 administrative citation to file a notice of appeal.

17 (ee) This article applies to all agents, successors and assigns of an owner.

18 ~~(df) The executive director, or the executive director's designee, may issue notices or~~  
19 ~~orders for violations of this article XIV. Any covered building owner who violates any~~  
20 ~~provision of this article XIV, including any rules or regulations adopted pursuant to this~~  
21 ~~article, is subject to a civil penalty, amount of up to seventy cents (\$0.70) per year for~~  
22 ~~each required kBtu reduction that the owner's covered building fails to achieve in that~~  
23 ~~year.~~

24 (1) For Sec. 10-403:

25 (i) A \$2,000 civil penalty may be assessed annually for each violation of  
26 failing to submit the annual benchmarking submission, failing to correct  
27 errors in that submission, withholding required information, providing  
28 inaccurate data, or failing to provide third-party data verification when  
29 required.

30 (2) For Sec. 10-404:

31 (i) For covered buildings with three target year performance measurement  
32 periods, a civil penalty may be assessed of up to fifteen cents (\$0.15) per  
33 target year for each required kBtu reduction that the building fails to

achieve that year. If in the final target year, the covered building does not achieve the 2030 target, the civil penalty may be assessed annually thereafter.

(ii) For covered buildings with two target year performance measurement periods, a civil penalty may be assessed of up to twenty-three cents (\$0.23) per target year for each required kBtu reduction that the building fails to achieve that year. If in the final target year, the covered building does not achieve the 2030 target, the civil penalty may be assessed annually thereafter.

(iii) For covered buildings with one target year performance measurement period, a civil penalty may be assessed of up to thirty-five cents (\$0.35) per target year for each required kBtu reduction that the building fails to achieve that year. If in the final target year, the covered building does not achieve that 2030 target, the civil penalty may be assessed annually thereafter.

(iv) If an owner of a covered building fails to submit a timeline extension by the deadline defined by rule, a civil penalty of up to ten cents (\$.10) may be added to the penalty amounts for each kBtu as stated in subsections (i)-(iii).

(v) For covered buildings that do not submit an approved benchmarking submission in the year of the target year performance measurement period, a civil penalty may be assessed of up to five dollars (\$5.00) per square foot as listed by the Office of the Assessor. If in the final target year, the covered building does not achieve the 2030 target, the civil penalty may be assessed annually thereafter.

(vi) For new covered buildings or new covered MAI buildings, a civil penalty may be assessed of up to fifteen cents (\$0.15) per target year for each required kBtu reduction that the building fails to achieve that year. If in the final target year, the covered building does not achieve the 2030 target, the civil penalty may be assessed annually thereafter.

(vii) For covered buildings that have met their final target, but in subsequent years report an EUI that is non-compliant with the final target but is out of compliance 5% or less from the final target, a civil penalty may be

assessed or up to five cents (\$0.05) for each required kBtu reduction that the building fails to achieve that year. If the reported EUI is out of compliance more than 5% from the final target, a civil penalty may be assessed of up to fifteen cents (\$0.15) per year for each required kBtu reduction that the building fails to achieve that year.

(3) For Sec. 10-405:

(i) If an owner of a covered building fails to correct errors in a benchmarking submission, withholds information necessary for compliance determination, or provides inaccurate compliance information after the deadline, the building will be deemed non-compliant with the requirements.

(ii) A civil penalty may be assessed of up to one dollar and sixty cents (\$1.60) per square foot of gross floor area as listed by the Office of the Assessor for failure to certify compliance by the covered building's required deadline. Civil penalties may be reduced for partial compliance based on percent of square footage in compliance or up to thirty-three cents (\$0.33) per kBtu reduction not achieved.

(4) A \$5,000 civil penalty may be assessed on the owner of a covered building for each violation for failure to transfer the building's ENERGY STAR Portfolio Manager account (or account from another CASR-designated platform) to the building's new owner per Section 10-406.

(g) If an administrative citation or administrative enforcement order has been issued on a covered building that includes assessed penalties, the executive director or designee may allow the owner to reinvest a portion or entirety of the assessed penalties towards implementing measures that would ensure the covered building meets its target. This would require the owner to submit a compliance plan as defined by CASR by rule that identifies the proposed measures, associated costs, expected energy savings, implementation timeline, and methodology for compliance documentation.

(eh) If a covered building owner subject to the civil penalties above fails to pay the required amount within one hundred eighty (180) days, the civil penalty will be considered a debt to the city until paid in full. The debt is a perpetual lien on the property, and is superior and prior to all other liens, regardless of their dates of recordation, except for liens for general taxes and prior special assessments, until the civil penalty owed,

1 delinquent interest, and recording fees have been paid in full. In addition to the  
2 remedies set forth in this section, an action or other process provided by law may be  
3 maintained by the city to recover or collect any amounts, including interest, owing  
4 under this section. Interest is calculated in the same manner and same amount as  
5 delinquent property taxes. The executive director must record the lien with the clerk  
6 and recorder.

7  
8 COMMITTEE APPROVAL DATE: April 29, 2026

9 MAYOR-COUNCIL DATE: May 5, 2026

10 PASSED BY THE COUNCIL: 05/18/2026

11 Signed by:  
Amanda Sandoval - PRESIDENT  
B8E1DC2C8B93472...

12 APPROVED: Michael Johnston - MAYOR 5/20/2026  
Signed by:  
5DC361FDC863466...

13 ATTEST: \_\_\_\_\_ - CLERK AND RECORDER,  
14 EX-OFFICIO CLERK OF THE  
15 CITY AND COUNTY OF DENVER

16 NOTICE PUBLISHED IN THE DENVER POST: \_\_\_\_\_ ; \_\_\_\_\_

17 PREPARED BY: Kristin Brainerd, Assistant City Attorney DATE: May 7, 2026

18 Pursuant to section 13-9, D.R.M.C., this proposed ordinance has been reviewed by the office of the  
19 City Attorney. We find no irregularity as to form and have no legal objection to the proposed  
20 ordinance. The proposed ordinance is not submitted to the City Council for approval pursuant to §  
21 3.2.6 of the Charter.

22  
23 Miko Ando Brown, Denver City Attorney

24 BY: Jonathan Griffin, Assistant City Attorney DATE: 5/7/2026 | 10:29 AM MDT  
25 Signed by:  
B622307D59DE47B...