

Green Lease Leaders

REFERENCE GUIDE FOR **LANDLORDS**



Developed by:



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INTRODUCTION

Buildings generate nearly 40% of annual global greenhouse gas emissions.¹ Significant reductions in emissions can be achieved through the adoption of energy efficiency and renewable energy, however, in leased spaces, conventional leasing practices often hinder both landlords and tenants from investing in these projects. Green leasing practices (also called “energy-aligned” or “high-performance” leases) allow tenants and landlords to collaborate and save energy, reduce costs, and achieve organizational sustainability goals.²

Green Lease Leaders was created by the Institute for Market Transformation (IMT) and the U.S. Department of Energy’s (DOE) Better Buildings Alliance to recognize landlords and tenants who have implemented energy efficiency in a portfolio of leased spaces. This document provides guidance to landlords on how to comply with/ implement national green leasing standards and achieve recognition as a Green Lease Leader for their efforts. It also sets the national standards for what constitutes a green lease.

1. Source: “**2018 Global Status Report.**” Global Alliance for Buildings and Construction. 2018
2. Source: **Feierman, “What’s in a Green Lease?”** Institute for Market Transformation. 2015

Common Questions

What is a portfolio?

A portfolio is the group of buildings or leased spaces to which the participant's green leasing practices apply. Participants should strive to define the portfolio as all owned buildings or leased spaces. However, since this broad definition is not always feasible, participants may choose to define their Green Lease Leader portfolio as a subset of their portfolio. Examples include a regional portfolio or all buildings within an investment fund. Green Lease Leader portfolios which do not include the participant's entire portfolio will be considered on a case-by-case basis.

I have many leases that will not come up for renewal for years. Can my organization still be recognized as a Green Lease Leader?

Yes. Participants are not required to renegotiate existing leases to meet their new green leasing policies before the renewal date. Revised policies and lease language should be the "going-in" offer in lease negotiations in new leases and lease renewals as they occur.

The leasing process is a negotiation. What if I'm not able to get every green leasing clause my organization has committed to into every lease I sign?

That's OK. It is understood that some green lease requests may be denied or changed during the lease negotiation process. However, starting lease negotiations with these requests ensures that both parties will at least discuss the intent of green leasing clauses. Many Green Lease Leaders have found that energy and water-related clauses and requests are easily negotiated into the final lease.

For Gold level recognition, does my organization have to meet all prerequisites and credits in a single executed lease?

Yes. While it is not required that every executed lease contain each prerequisite and credit pursued, at least one lease provided for documentation purposes must show that all elements were executed.

How do I apply for recognition?

The online application can be found at www.greenleaseleaders.com/apply

Overview of Requirements

Green Lease Leaders recognizes two levels of achievement—Silver and Gold. The Silver level recognizes **the establishment of foundational policies and business practices** that encourage reduced energy and water consumption in leased spaces, while the Gold level builds on Silver level achievements, and recognizes **execution of green leases and energy-efficient tenant fit-outs**. Meeting the requirements for either level implies portfolio-wide implementation, i.e. the entire portfolio of leased spaces must be covered under the documentation provided to satisfy each prerequisite or credit. (See, “Common Questions” for definition of portfolio.) **The prerequisites and credits pursued to qualify for recognition do not need to appear in 100 percent of the final executed leases, but the intention is that they will be in most cases.**

To achieve Silver Recognition landlords must establish standard lease or corporate guidelines that meet two of the three prerequisites. Prerequisite 3 only applies to multifamily applicants.

1. Provide sustainability contact and/or information
2. Implement cost recovery clause for energy efficiency upgrades benefiting tenant
3. Multifamily - Implement energy efficiency improvements during unit turns

Credits

Organizations must also address at least 5 of the following best practices in a standard lease, policies, or corporate guidelines. Credit 4 only applies to multifamily applicants.

1. Track common area energy use
2. Track common area water use
3. Disclose whole-building ENERGY STAR score to tenant annually
4. Multifamily - Disclose whole-building ENERGY STAR water score to tenant annually
5. Ensure brokers or leasing agent(s) have energy training
6. Implement landlord energy management best practices
7. Require tenants to purchase on-site renewables if offered by landlord and competitively priced
8. Meter tenant spaces for electricity use
9. Request annual tenant energy disclosure
10. Require minimum energy efficiency fit-out for tenants
11. Establish a tenant energy efficiency engagement and training plan
12. Demonstrate innovation in leasing

To achieve Gold recognition, landlords must show implementation of at least two prerequisites and at least five credits listed above by providing an executed lease and other verifying documentation. Gold level recipients are eligible to be featured in a case study.

Each prerequisite and credit is described in more detail in this reference guide in the following manner:

Intent

Requirements

Silver level

Gold level

Documentation

Silver level

Gold level

Resources

The motivation behind each prerequisite or credit is described in the “Intent.” The “Requirements” describes how to satisfy each credit or prerequisite, while the “Documentation” section establishes the documentation needed to confirm achievement of the prerequisite or credit at the Silver or Gold level. ***Confidential information may be redacted from any documentation submitted.*** The “Resources” section provides practical information to assist participants in achieving credits such as templates, example lease clauses, and calculators.

Provide Sustainability Contact and/or Information

Intent

Ensure that tenants can learn about and participate in sustainability initiatives and can easily communicate with the correct person within the landlord organization if there is a need to discuss energy efficiency, retrofits, billing issues, etc.

Requirements

Silver level:

- Include a clause in the standard lease, establish corporate guidelines, welcome packet or online resource noting the landlord sustainability contact(s) and/or where information can be found on the landlord's sustainability program. The sustainability contact can be a general email address as long as it is monitored for inquiries from tenants.

Gold level:

- Meet the Silver level requirement AND
- Prove sustainability contact and/or sustainability information is accessible to tenants.

Documentation

Silver level:

- Standard lease or corporate guidelines providing sustainability contact and/or where information can be found about sustainability program.

Gold level:

- Silver level documentation AND
- At least one executed lease including a sustainability contact and/or reference to where sustainability information can be accessed by tenant AND
- Estimated percentage of building square footage meeting this prerequisite

Resources

1. **Retail Green Leasing (see "5. Share Contact information," page 2)**
Explains the benefits of sharing sustainability and energy contact information.

Example Lease Clause

Landlord and tenant shall provide a point of contact to discuss issues related to sustainability and energy. Issues include, but not limited to retrofit projects, billing issues, energy efficiency upgrades, and data access.

Tenant sustainability contact:

Email:

Phone:

Landlord sustainability contact:

Email:

Phone:

Implement Cost Recovery Clause for Energy Efficiency Upgrades Benefiting Tenant

Intent

Within typical lease structures, landlords incur capital expenses while making energy retrofits to their buildings, tenants often receive the monetary benefits attributed to the decrease in energy consumption. This leaves landlords with little incentive to make such energy-efficient improvements. To address this, landlords can adopt a cost recovery clause to amortize and recoup capital costs for energy-efficient improvements made to the building and common areas and reap the significant long-term savings that efficiency delivers.

Requirements

Silver level:

- Include a cost recovery clause in the standard lease allowing the landlord to amortize and recover capital costs from tenants for energy efficiency improvements made to the building which benefit tenants.

Gold level:

- Meet Silver level requirement AND
- Execute at least one lease containing the cost recovery clause.

Documentation

Silver level:

- Standard lease or corporate guidelines meeting the requirements of this prerequisite

Gold level:

- Silver level documentation AND
- At least one executed lease containing the requirements of this prerequisite AND
- Estimated percentage of total square footage meeting this prerequisite across the portfolio

Resources

1. **IMT: Green Lease Language Examples (see section “Pass-through Clauses: Operating Expenses vs. Capital Expenses”)**
Sample lease language for a cost recovery clause that eliminates the split-incentive issue.
2. **Retail Green Lease Primer (see item #5 “Capital Improvement Costs” on pg.1)**
Lease provisions, modifications, and costs & benefits to overcoming the split-incentive barrier.
3. **Retail Green Leasing (see “Capital Improvement Costs: Cost Recovery” on pg. 3)**
Sample lease language for a cost recovery clause that eliminates the split-incentive issue.

Example Lease Provision

Landlord may include the costs of certain capital improvements [intended to] [that] improve energy efficiency in operating expenses of tenant space. The amount passed through by Landlord to Tenant in any one year shall not exceed the prorated capital cost of that improvement over the expected life cycle term of that improvement [and shall not exceed in any year the amount of operating expenses actually saved by that improvement]. Interest/the cost of capital can be included.³

3. Source: “**Retail Green Leasing**,” Institute for Market Transformation

Multifamily - Implement Energy Efficiency Improvements During Unit Turns

Intent

Unlike commercial leases, residential lease agreements cannot include cost recovery clauses allowing amortization and recovery costs from residents due to short lease term. However, the landlord can implement efficiency upgrades when units are vacant between residents. Resident turnover in multifamily buildings provides an opportunity to improve energy efficiency in apartment units through cost-effective measures that reduce resident consumption. Energy improvements directly benefit the resident upon move-in that receives reduced utility bills and indirectly benefit the landlord from decreased maintenance calls, a reduction in whole building energy use, and improved affordability for residents.

Requirements

Silver level:

- Establish corporate guidelines or checklist outlining steps for implementing energy-efficient unit turns OR integrate resident unit energy efficiency guidance into existing turnover checklist.
- Corporate guidelines or checklist must include at least 4 out of 5 items from the list below.
 1. **HVAC:**
 - **Interior air sealing:** Identify areas in an apartment unit that typically cause air leaks such as around the perimeters of windows. Establish a plan to check and repair these leaks every time a unit turns over. This action can reduce the burden on HVAC units and reduce utility bills.
 - **Air conditioning units:** Perform basic inspection of air conditioning units to identify leaks around the unit, clean the filters as necessary and clean or replace air handler filters if present.
 - **Ventilation:** Establish a plan to check the condition of equipment. Clean bath and kitchen exhaust fans to improve airflow.
 - **Programmable thermostats:** Install programmable thermostats in resident units that facilitate precise control of HVAC temperature setpoints based on weekday and weekend occupancy schedules. Provide your maintenance staff and residents with guidance on how to efficiently program the thermostats.

2. **Domestic Hot Water:** Evaluate hot water heater insulation. If R-value of the current insulation is less than 24, add insulation to achieve an R-value of 24 or greater.
3. **Lighting:** Install LEDs in all light fixtures and replace older fixtures if needed. LEDs last longer than traditional lamps, significantly reduce kWh, do not give off heat and can contribute to increased comfort for tenants.
4. **Water:**
 - Check pipes and fixtures to fix temperature, insulation, flow, and leaks. This maintenance can help to avoid eroded pipes, mitigate costly damage and reduce the possibility of unusually high utility costs caused by leaks.
 - Install high-efficiency, low-flow faucet aerators and shower heads (i.e., those that have attained the EPA's WaterSense designation).
 - Inspect toilets for leaks and repair or replace flappers.
 - Establish a plan to replace all water fixtures (faucets, shower heads, toilets, etc.) with high efficiency fixtures like WaterSense labeled products at the end of their use life.
5. **ENERGY STAR Appliances:** Establish a plan to replace all appliance (refrigerator, washing machines, dishwashers, etc.) to ENERGY STAR appliances at the end of their use life.

Gold level:

- Meet Silver level requirements AND
- Provide documentation showing resident unit turnover energy efficiency checklist is implemented.

Documentation

Silver level:

- Corporate guidelines and/or checklist meeting the requirements of this credit.

Gold level:

- Silver level documentation AND
- Documentation showing how the guideline/checklist is executed (e.g. copy of email sent to property manager sharing guidance/checklist).

Resources

1. **Standards of Affordable Housing for the Future EZ Retrofit Tool**
EZ Retrofit is a free, do-it-yourself Excel-based audit tool that gives multifamily property owners and managers an easy way to identify cost-effective energy and water efficiency upgrades.
2. **Valuing Energy Efficiency in Multifamily Housing: An approach to cut energy and water bill while increasing property value**
An approach to cut energy and water bills while increasing property value.

Track Common Area Energy Use

Intent

Tracking energy use across the portfolio is the first step towards managing energy performance and reducing waste. As we often say in the energy efficiency world, “you can’t manage what you don’t measure” and doing so allows landlords to manage consumption over time and to evaluate the effectiveness of energy improvements.

Requirements

Silver level:

- Establish corporate guidelines that energy use in common areas is to be recorded at least monthly.

Gold level:

- Meet Silver level requirement AND
- Record energy use monthly for common areas of each building in the portfolio.

Documentation

Silver level:

- Corporate guidelines meeting the requirements of this credit

Gold level:

- Silver level documentation AND
- Documentation showing energy use is actively tracked across the portfolio. Acceptable documentation includes:
 - Spreadsheet of properties and monthly energy usage
 - Screenshot of ENERGY STAR Portfolio Manager account showing energy tracking.
- Estimated percentage of total square footage tracked across portfolio

Resources

1. **ENERGY STAR Portfolio Manager**
Free online tool from the U.S. EPA which allows building owners and tenants to track energy, water, and waste across their portfolios.
2. **Working Together for Sustainability: The RMI-BOMA Guide for Landlords and Tenants (see “Process” on pgs. 2-3)**
Insights to overcome the “split-incentive” barrier in green leasing and process to implement energy tracking.

Example Corporate Guideline

We are committed to reduce our carbon footprint by reducing the energy consumption at our facilities. We shall track energy consumption data of the common areas in all our properties on a monthly basis. This energy consumption data will be recorded monthly via ENERGY STAR Portfolio Manager or other tracking tools. Data will be used for the purposes of:

1. *Monitoring and improving the energy performance of the Premise and/or*
2. *Measuring the energy performance of the Premises against any agreed*

Track Common Area Water Use

Intent

Tracking water use across the portfolio in common areas enables both tenants and landlords to understand consumption patterns, identify water-saving opportunities, and evaluate the effects of water-saving measures.

Requirements

Silver level:

- Establish corporate guideline requiring common area water use to be tracked at least quarterly across the portfolio.

Gold level:

- Meet the requirement of Silver level AND
- Record water use quarterly for common areas of each building in the portfolio.

Documentation

Silver level:

- Corporate guidelines requiring water use common area to be recorded at least quarterly

Gold level:

- Silver level documentation AND
- Documentation showing water use is actively tracked across the portfolio. Acceptable documentation includes:
- Spreadsheet of properties and at least quarterly water usage:
 - Screenshot of ENERGY STAR Portfolio Manager account showing water tracking.
 - Estimated percentage of total square footage tracked across portfolio

Resources

1. **ENERGY STAR Portfolio Manager**
Free online tool from the U.S. EPA which allows building owners and tenants to track energy, water, and waste across their portfolios.

Example Corporate Guidelines

We are committed to reduce our water consumption. We shall track water usage of the common areas at all our properties on a quarterly basis. This water usage data will be recorded quarterly via ENERGY STAR Portfolio Manager or other tracking tools. Data will be used for the purposes of:

- 1. Monitoring and reducing the water usage of the Premise and/or*
- 2. Measuring the water usage of the Premises against any agreed targets.*

Disclose Whole Building ENERGY STAR Score to Tenant Annually

Intent

An ENERGY STAR score is a 1–100 score describing the energy performance of the whole building as compared to other similar buildings. The score is an indicator of overall building energy performance and operations. A high ENERGY STAR score translates to a low Power Usage Effectiveness metric. Visibility of an ENERGY STAR score allows tenants to better understand their own energy performance in the context of the whole building, increase transparency, and establish more communication between landlord and tenant.

Requirements

Silver level:

- Establish in standard lease or corporate guideline that whole-building ENERGY STAR scores be disclosed annually to tenants upon request.

Gold level:

- Meet Silver level requirement AND
- Execute at least one lease meeting the requirements of this credit.

Documentation

Silver level:

- Corporate guidelines requiring that whole-building ENERGY STAR scores be provided annually to tenants upon request

Gold level:

- Silver level documentation AND
- Executed lease meeting the requirements of this credit AND
- Documentation showing ENERGY STAR scores are provided upon request (e.g. copy of standard email sent tenant) AND
- Estimated percentage of total square footage meeting this credit across the portfolio

Resources

1. **Retail Green Lease Primer (see item #9 “Utility Data Sharing” on pg. 2)**
Lease provisions, modifications, and costs & benefits to implement energy data sharing.
2. **Retail Green Leasing (see “Utility Data Sharing” on pg. 4)**
Strategies, justifications, and sample lease language that tenants can adopt to share energy data.
3. **Template Energy Disclosure Tracker**
Template to track annual ENERGY STAR scores provided by tenants
4. **ENERGY STAR Score Lookup Table for Data Center**
See page 8, Figure 5 of this ENERGY STAR technical reference for an energy efficiency conversion table for ENERGY STAR scores.

Example Corporate Guideline

We are committed to increase our energy data transparency and help our tenants to be more sustainable, therefore we will disclose whole-building ENERGY STAR scores annually to tenants upon request.

Example Lease Provision

Landlord shall provide tenant with the building’s ENERGY STAR score annually. To the extent Tenant obtains electricity independently of the building, Tenant shall give Landlord access to Tenant’s data on energy use for inclusion in Landlord’s annual reports, ENERGY STAR annual rating and similar purposes.⁴

4. Source: “**High performance lease criteria and sample lease language**” created by The High Performance Leasing Task Group of GSA’s Green Building Advisory Committee

Multifamily - Disclose Whole Building ENERGY STAR Water Score to Tenant Annually

Intent

An EPA 1-100 water score for multifamily properties describing the water performance of the whole building with 20 or more units. The score is an indicator of overall building water performance and operations. Visibility of a water score allows tenants to better understand their own water performance in the context of the whole building, increase transparency, and establish more communication between landlord and tenant.

Requirements

Silver level:

- Establish in standard lease or corporate guideline that whole-building EPA 1-100 water scores be disclosed annually to tenants upon request.

Gold level:

- Meet Silver level requirement AND
- Execute at least one lease meeting the requirements of this credit.

Documentation

Silver level:

- Corporate guidelines requiring that whole-building EPA 1-100 water scores be provided annually to tenants upon request

Gold level:

- Silver level documentation AND
- Executed lease meeting the requirements of this credit AND
- Documentation showing EPA 1-100 water scores are provided upon request (e.g. copy of the standard email sent to the tenant) AND
- Estimated percentage of total square footage meeting this credit across the portfolio

Resources

1. **EPA 1-100 Water Score for Multifamily Properties.**

Consistent with the approach to the 1 – 100 ENERGY STAR score, you can now generate an EPA 1 – 100 water score to see how your multifamily property’s water consumption measures up against similar properties nationwide.

Example Corporate Guideline

We are committed to increase our water data transparency and help our tenants to be more sustainable, therefore we will disclose whole-building ENERGY STAR water scores annually to tenants upon request.

Example Lease Provision

Landlord shall provide tenant with the building’s ENERGY STAR water score annually. To the extent Tenant obtains water independently of the building, Tenant shall give Landlord access to Tenant’s data on water use for inclusion in Landlord’s annual reports, ENERGY STAR water score annual rating and similar purposes.

Ensure Brokers or Leasing Agent(s) Receive Energy Training

Intent

Maintaining a team of brokers or leasing agents with sustainability training facilitates negotiations and execution of energy-aligned lease contracts.

Requirements

Silver level:

- Establish corporate guidelines requiring any person responsible for managing leasing transactions between landlord and tenant (i.e. leasing agents or brokers) to complete at least one hour of training covering the fundamentals of energy efficiency and energy benchmarking in commercial buildings. Acceptable training includes the following:
 - Current LEED Green Associate or LEED Accredited Professional status
 - Completion of “The Business Case for High Performance Buildings” training, developed with support from the U.S. Department of Energy
 - Other training such as internally developed energy or sustainability trainings considered on a case-by-case basis

Gold level:

- Meet Silver level requirement AND
- Record name, date, length and source of training completed by each broker.

Documentation

Silver level:

- Corporate guidelines requiring brokers or leasing agent(s) receive energy training

Gold level:

- Silver level documentation AND
- Documentation of training completed by brokers or leasing agent(s) (e.g. Broker/leasing agent(s) name, title of training, date completed, and expiration date if applicable)

Resources

1. **The Business Case for High-Performance Buildings**
Online training from the Institute for Market Transformation with support from the U.S. Department of Energy that shows how leading property owners incorporate energy efficiency and broader sustainability elements into their operational and investment decisions.
2. **LEED Credential Exam Preparation Trainings**
Trainings to prepare individuals to sit for LEED credentialing exams (LEED GA, LEAD BD+C, LEED O+M, etc.).
3. **Template Broker Energy Training Tracker**
Template to track training completed by brokers.
4. **Green Leasing in DC (see “How do you motivate key stakeholders?”)**
Guide to green leasing and building the business case for implementing green leasing in real estate.

Example Corporate Guideline

All brokers employed by or supporting the organization shall complete at least one hour of sustainability training covering the fundamentals of energy efficiency in commercial buildings.

Implement Landlord Energy-management Best Practices

Intent

By implementing energy management best practices in base building systems and common areas landlords can reduce the energy waste and operating costs.

Requirements

Silver level:

- Establish corporate guidelines requiring at least five of the following energy management best practices to be implemented in the portfolio:
 1. **Restricted HVAC hours:** Restrict HVAC hours to the tenants' business hours, with a reasonable amount of extra time to allow the space to reach temperature set point. HVAC operation after hours available upon request.
 2. **Space heaters:** Prohibit use of space heaters.
 3. **Daytime cleaning:** Schedule janitorial work to occur during regular business hours to reduce time that building HVAC and lighting equipment are utilized.
 4. **Air filters:** To the extent managed by tenant, clean and replace air filters as often as recommended by manufacturers. Timely filter replacement can reduce HVAC equipment loads and energy use. Maintaining high indoor air quality can increase occupant comfort and reduce building- related illnesses.
 5. **Thermostat set-back/set-up:** Use programmable thermostats or other means to lower heating set point and increase cooling set point during unoccupied periods.
 6. **Lighting controls:** Install lighting controls such as occupancy sensors, daylight harvesting, or timers in all non-regularly occupied spaces, including break rooms, storage rooms, and bathrooms.
 7. **Plug load management:** Train common area and back-of-house occupants to turn off or unplug lights, electronics, and appliances when not in use and/or provide advanced powerstrips.
 8. **Ongoing maintenance:** Obtain regular (quarterly or annual) inspections of HVAC equipment, exhaust fans, etc., if controlled by landlord.
 9. **Energy audit:** Conduct base building and common area energy audits at least annually.

10. **Retrocommissioning:** Conduct base building retro-commissioning periodically, in order to optimize energy consuming systems/equipment.
11. **Walk-in refrigerators:** Inspect walk-in refrigerators for leaks. Install strip curtains and automatic door closures.
12. **Vending machines:** Prohibit vending machines or place on timers.
13. **Refrigerant leaks:** Monitor base building HVAC systems and refrigerators for leaks.
14. **Other:** Please specify additional energy management practices implemented if not listed above. Eligibility is subject to review.

Gold level:

- Meet the Silver level requirement AND
- Documentation verifying that energy management best practices are implemented in base building and common area spaces across the portfolio.

Documentation

Silver level:

- Corporate guidelines requiring at least five of the energy management best practices listed above to be implemented across the portfolio

Gold level:

- Silver level documentation AND
- Documentation verifying that energy management best practices are implemented (see template tracker below) AND
- Estimated percentage of total square feet meeting this credit across portfolio

Resources

1. **Making Efficiency Work For You (see “Energy Management” on pgs. 10-11)**
Sample lease language and operation recommendations to demonstrate how landlords can incorporate energy management best practices to lower energy usage.
2. **Building Innovation Hub: Operations and Maintenance Guide**
Outlines the critical role operations and maintenance play in increasing energy efficiency and adding value for landlords and their portfolios.
3. **Existing Building Commissioning Toolkit**
A collection of customizable templates and sample documents of many typical building commissioning deliverables and reports.

4. **Template Landlord Energy Management Best Practices Tracker**

Template to track Energy Management Best Practices implemented by landlord.

5. **Data Center Master List of Energy Efficiency Actions**

The Lawrence Berkeley National Laboratory created a Master List of best practice recommendations (actions) to increase energy efficiency in data centers. Designed for data center owners, operators, and qualified assessors, this document provides actionable guidance to both prioritize and implement energy saving measures in data centers. The Master List identifies seven key areas to drive energy savings in data centers:

- Energy monitoring and controls
- IT Equipment
- Environmental Conditions
- Cooling and Air Management
- Cooling Plant
- IT Power Distribution Chain
- Lighting

Example Corporate Guideline

We are committed to the following energy management practices in our base building systems and common areas:

1. *Restrict HVAC operating time to our business hours with ample warm-up/cool-down time to reach temperature set point*
2. *Prohibit use of personal space heaters*
3. *Schedule common area building cleaning to occur during daytime hours, allowing non-emergency lighting to be turned off at night*
4. *Clean and replace air filter as recommended by the manufacturer to ensure equipment efficiency and maintain good air quality, for HVAC equipment that we control*
5. *Adopt temperature reset practices during unoccupied periods to avoid unnecessary cooling/heating*
6. *Install occupancy sensors in all non-regularly occupied spaces such as break rooms, storage room, bathrooms*
7. *Administering trainings or other strategies to turn off lights and appliances when not in use*
8. *Conduct regular HVAC equipment maintenance to ensure proper operation*

9. *Conduct energy audits periodically to identify any energy conservation measures*
10. *Conduct retro-commissioning periodically, in order to optimize energy consuming systems/equipment*
11. *Inspect walk-in refrigerator door gaskets for leaks and install strip curtains and automatic door closures (if applicable)*
12. *Prohibit use of vending machines to reduce energy usage*
13. *Monitor supplemental air conditioning units and refrigeration for leaks*

Require Tenants to Purchase On-site Renewables if Offered by Landlord and Competitively Priced

Intent

Some building owners are installing on-site renewables to guard against future energy price fluctuations and draw tenants who value building sustainability features. Requiring tenants to purchase competitively priced onsite renewable power, if offered, helps to ensure the success of this innovative energy approach.

Requirements

Silver level:

- Establish a corporate guideline or include a clause in the standard lease requiring tenants purchase of on-site renewables if provided by the landlord and priced competitively.

Gold level:

- Meet Silver level requirement AND
- Execute at least one lease containing the tenant commitment to purchase on-site renewables if provided by the landlord and priced competitively.

Documentation

Silver level:

- Standard lease meeting the requirements of this credit

Gold level:

- Silver level documentation AND
- At least one executed lease containing the requirements of this credit AND
- Estimated percentage of total square footage meeting this credit across portfolio

Resources

1. **IMT Green Lease Language Examples (see section “Purchase of On-Site Renewables”)**
Sample lease language for financing, installation and operation clauses that allow both parties to invest in renewables.
2. **Green Lease Leaders: Using the Lease to Drive Innovation and Clean Energy**
Leading sustainability professionals share their organization’s best practices that every real estate or sustainability practitioner should consider when leasing property.
3. **Promoting Solar PV on Leased Buildings Guide**
DOE resource highlighting benefits, barriers to, and strategies for installing solar PV on leased buildings.
4. **Retail Green Leasing (see “Rooftop Access and Control: Solar Panels” on pg. 5)**
Sample Green Lease language requiring tenants to purchase energy from on-site renewable energy from the landlord.
5. **Regency Centers Landlord-Retailer Power Purchase Agreement Case Study**
Case study demonstrating the process and providing insight to successfully implement landlord-tenant PPA for a retailer space.

Example Corporate Guideline

We are committed to support renewable resources. We shall provide our tenants the option to purchase renewable energy for leased spaces and offer it at a rate that is at or below the rate offered by local utilities.

Example Lease Provision

Tenants shall purchase energy from on-site renewables as provided by the landlord via a Power Purchase Agreement (PPA). Landlord shall install, own, and maintain the on-site generation and sell power directly to the Tenants at a fixed rate that is at or below electricity rate offered by local utilities.

Meter Tenant Spaces for Electricity Use

Intent

Submetering creates energy transparency which helps identify energy waste and corrective actions, encourages energy conservation and responsible consumption behavior from tenants, and allows landlord to accurately and fairly bill tenants.

Note: This credit DOES NOT require installation of submeters for all new and renewed leases.

Requirement

Silver level:

- Include a clause the standard lease or establish corporate guidelines requiring submetering of leased spaces.

NOTE: This requirement applies only to electricity use. In lieu of a single sub-meter for the entire leased space, it also acceptable to have end-use submeters, provided that those submeters collectively cover at least 80 percent of the total electricity used within the leased space.

Gold level:

- Meet Silver level requirement AND
- Execute at least one lease meeting the requirements of this credit.

Documentation

Silver level:

- Standard lease or corporate guidelines containing the requirements of this credit

Gold level:

- Silver level documentation
- At least one executed lease containing the requirements of this credit
- Estimated percentage of total square footage meeting this credit across portfolio

Resources

1. **IMT Green Lease Language Examples (see section “Submetering”)**
Sample lease language to implement a submetering clause.
2. **Retail Green Lease Primer (see item #8 on pg. 2)**
Lease provisions, modifications, and costs and benefits to submeter leased spaces.
3. **Retail Green Leasing (see “Utility Metering & Operating Expense: Submetering” on pg 3)**
Sample lease language to implement a submetering clause.
4. **Local Laws of the City of New York (see “Article 311: Installation of Electrical Sub-meters in Tenant Spaces” on pg. 4)**
Lease language to implement submetering in tenant spaces.

Example Lease Clause

Landlord will install an electric submeter to service the lease premises to measure the consumption of electricity in the lease premises, and Landlord will charge Tenant and Tenant will pay as an additional charge hereunder such amounts as are invoiced by Landlord for Tenant’s electricity usage as measured by such submeter, without markup by Landlord, and Landlord will make appropriate adjustments to the electricity charges included in Operating Expenses so that Tenant’s proportionate share of operating expense increase will not include such amounts with are separately invoiced and paid by Tenant.⁵

5. Source: “**Retail Green Leasing**,” Institute for Market Transformation

Request Annual Tenant Energy Disclosure

Intent

Landlord visibility to tenant and whole-building energy use can help landlords see the effectiveness of energy efficiency improvements and determine needs for future upgrades or tenant energy efficiency engagement activities. This clause can also assist landlords who own or manage properties in cities implementing energy benchmarking laws which require landlords to track and report whole-building energy use publicly.

Requirements

Silver level:

- Include clause in standard lease requiring the tenants to share its energy usage with the landlord at least annually.

Gold level:

- Meet Silver level requirement AND
- Execute at least one lease containing the clause requiring tenants tenant to share energy usage annually.

Documentation

Silver level:

- Standard lease meeting the requirements of this credit

Gold level:

- Silver level documentation
- At least one executed lease containing the requirements of this credit
- Estimated percentage total square footage meeting this credit across portfolio

Resources

1. **IMT Green Lease Language Examples (see section “Data Sharing/Disclosure”)**
Sample lease language for tenant energy disclosure.
2. **Retail Green Lease Primer (see item #9 “Utility Data Sharing” on pg. 2)**
Lease provisions, modifications, and costs & benefits to implement energy data sharing lease clause.
3. **Retail Green Leasing (see “Utility Data Sharing” on pg. 4)**
Strategies, justifications, and sample lease language to share energy data.
4. **Making Efficiency Work for You (see “Building Utility Data Sharing” on pg. 9)**
Sample lease language for tenant energy disclosure.

Example Lease Provision

Tenant shall be required to submit on a(n) [monthly, quarterly, annual] basis to Landlord energy and water consumption data, including total usage and total charges as they appear on Tenant’s electric, gas, water, and other utility bills, in a format deemed reasonably acceptable by Landlord.

The Landlord participates in an energy benchmarking program with the United States Environmental Protection Agency (EPA) called ENERGY STAR Portfolio Manager®. This program helps the Landlord improve the energy efficiency of the Building. To this end, Landlord may request Tenant to provide monthly electricity data for the Leased Premise from the utility company.⁶

6. Source: “**Making Efficiency Work for You,**” Institute for Market Transformation and Council of Smaller Enterprises

Require Minimum Energy Efficiency Fit-out for Tenants

Intent

Requiring minimum energy efficiency standards for tenant fit-outs can significantly reduce whole-building energy use over the life of the lease, unleashing lower energy bills for tenants, lower operating costs for landlords, and higher ENERGY STAR scores.

Requirements

Silver level:

- Require leased space fit-outs to meet the **Environmental Protection Agency's (EPA) ENERGY STAR Tenant Space criteria** listed below, or other criteria equally or more stringent:
 1. Estimate tenant space energy use with **EPA's Target Finder Calculator or equivalent**.⁷
 2. Meter tenant energy use.
 3. Light efficiently (use **ENERGY STAR for Tenant Spaces: Lighting Analysis** to determine the target lighting energy unit intensity)
 4. Install efficient equipment.
 5. Share meter data with landlord on annual basis.

Gold level:

- Meet the Silver level requirements AND
- Execute at least one lease requiring fit-outs to meet the ENERGY STAR Tenant Space requirements or equivalent.

Documentation

Silver level:

- Standard lease requiring tenant fit-outs to meet EPA's ENERGY STAR Tenant Space criteria or equivalent

Gold level:

- Silver level documentation AND
- At least one executed lease and/ or work letter highlighting the requirements of this credit
- Estimated percentage of building square footage meeting this prerequisite

7. The Tenant Space estimation tool is developed for the purpose of benchmarking against the historical energy use and validating against design goals

Resources

1. **IMT Green Lease Language Examples (see section “Fit-Out and Building Requirements”)**
Sample lease language listing tenant fit-out requirements.
1. **ENERGY STAR Tenant Space: Eligibility and Criteria**
Details of eligibility and criteria to earn ENERGY STAR Tenant Space recognition and meet the Green Lease Leaders energy-efficient fit-out requirement.
2. **Retail Green Lease Primer (item 4 Leased Premises, page 1)**
Lease provisions, modifications, and costs and benefits to achieve an energy-efficient fit-out.
3. **Making Efficiency Works for You (see “Green Tenant Build out,” page 8)**
Sample lease language to achieve an energy-efficient fit-out.
4. **Retail Green Leasing (see “Leased Premises Standards: Efficient Buildouts,” page 3)**
Sample lease language to achieve an energy-efficient fit-out.

Example Lease Clause

Any and all Tenant Improvement Work and/or Alterations will be performed in accordance with Landlord sustainability practices that the Tenant has accepted as part of the lease agreement, namely the leased space fit-out must meet Environmental Protection Agency’s ENERGY STAR Tenant Space criteria.⁸

8. Source: “**Retail Green Leasing**,” Institute for Market Transformation

Establish a Tenant Energy Efficiency Engagement and Training Plan

Intent

Establish a process for informing tenants about efforts underway to optimize building performance and improve occupant comfort. Provide education and training opportunities to encourage their participation in operating their space with efficiency in mind and to significantly conserve resources.

Requirements

Silver level:

- Include a clause in the standard lease or establish corporate guidelines noting how landlord will engage tenants on efficiency opportunities.

Gold level:

- Meet Silver level requirements AND
- Execute at least one lease containing a clause describing the process for tenant awareness and engagement on efficiency practices

Documentation

Silver level:

- Standard lease including relevant clause pertaining to tenant engagement OR establish corporate guidelines

Gold level:

- Silver level documentation AND
- At least one executed lease containing the requirements of this credit AND
- Documentation showing how tenant engagement is executed (e.g. copy of email sent to tenants on an efficiency program, welcome packet or newsletter announcement).

Examples of Engagement May Include

- Sharing energy efficiency and sustainability goals and initiatives with tenants in newsletters, on property websites, and/or during leasing discussions.
- Providing tenants with energy saving tips.
- Host tenant events to raise awareness around energy efficiency best practices.

Resources

1. **Green Lease Leaders: Using the Lease to Galvanize Landlord-Tenant Engagement and Higher Performing Buildings**
Learn from Green Lease Leaders that are using strategies to increase tenant engagement that unlocks greener, higher-performing buildings and spaces that go above and beyond the critical goal of reducing energy consumption.
2. **Landlord-Tenant Partnership Efficiency Toolkit (see the “Engage Occupants” section)**
Changing the status quo is never easy but this section will help guide you through proven tactics to incentivizing energy efficient and sustainable behavior.
3. **ENERGY STAR At Home Tips**
ENERGY STAR provides tips on how to save energy inside and outside the home.
4. **ENERGY STAR’s Strategies for Engaging Occupants**
ENERGY STAR provides guidance on how to create and communications plan to engage occupants on energy savings.
5. **ENERGY STAR 8 Great Strategies to Engage Tenants**
Proven strategies to engage employees and tenants in saving energy.

Demonstrate Innovation in Leasing

Intent

Encourage landlords to advance energy efficiency in leased spaces with creative solutions not addressed in the Green Lease Leaders criteria.

Requirements

Silver level:

- Implement an innovative corporate guideline, lease clause or other best practice that directly or indirectly improves energy or water efficiency in the leased space portfolio. Proposed innovation credits will be considered by Green Lease Leaders program administrators on a case-by-case basis.

Gold level:

- Same as Silver level

Documentation

Silver level:

- Brief (500 words or less) narrative describing the proposed innovation credit and the extent to which it has been implemented across the portfolio
- Corporate guidelines, standard lease or other supporting documentation showing implementation of the innovative approach
- Estimated percentage total square footage meeting this credit across portfolio

Gold level:

- Same as Silver level