



GREEN OFFICE GUIDE

INTEGRATING LEED INTO
YOUR LEASING PROCESS

PREFACE FROM USGBC

The U.S. Green Building Council's LEED® Green Building Rating System™ provides a globally recognized framework for designing, building and operating high-performance buildings, using clearly defined environmental criteria, measurable goals and third-party verification of design intent and operational performance. LEED adoption has increased greatly as tenants and landlords realize the financial benefits of energy efficiency and indoor environmental quality both in their base building and tenant space. Yet there remain challenges to implementing green practices in multi-tenant office buildings due to standard lease language and a lack of understanding around key areas in the tenant and landlord relationship.

The keys to successful green projects have always been preparation, commitment and collaboration among all interested parties, and the *Green Office Guide: Integrating LEED® Into Your Leasing Process* is specifically focused on helping tenants and landlords collaborate. This resource will help tenants integrate green decision-making throughout the leasing process — encompassing team selection, site selection, negotiations, lease language, build-out and the tenant's ongoing operations within the leased space. The information and tools in this guide have been developed to assist tenants and their service providers (brokers, consultants, attorneys, design professionals) in reducing the environmental impact associated with real estate decisions and operations. The information contained within will also be useful for landlords and developers interested in preparing for negotiations with an understanding of the needs of tenants focused on obtaining LEED certification for their build-out.



The U.S. Green Building Council (USGBC) is a 501(c)(3) nonprofit organization that certifies sustainable businesses, homes, hospitals, schools and neighborhoods. USGBC is dedicated to expanding green building practices and education, and its LEED Green Building Rating System.



The LEED Green Building Rating System is a voluntary, consensus-based national rating system for developing high-performance, sustainable buildings. LEED addresses all building types and phases and emphasizes state-of-the-art strategies in five areas: sustainable site development, water savings, energy efficiency, materials and resources selection and indoor environmental quality.

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INTRODUCTION

Creating high-performance, environmentally responsible, healthy, yet cost-effective workplaces makes good business sense. In a volatile economic and environmental climate—domestically and globally—in which large-scale issues such as energy independence, global climate change, aging infrastructure and healthcare costs are affecting businesses, green building strategies offer tangible ways to counteract these issues as well as strengthen the bottom line.

By developing and implementing environmental strategies for their corporate real estate, tenants have the power to improve their work environment and minimize its environmental impact while more broadly accelerating the acceptance and implementation of green building design, construction and operations and maintenance practices. The U.S. Green Building Council's LEED Green Building Rating System provides a globally recognized framework—clearly defined sustainability criteria, measurable goals and third-party verification that environmental standards are being met. Achieving LEED certification requires preparation and commitment but provides tenants and landlords with tangible and recognized solutions for meeting corporate responsibility and sustainability reporting requirements while reducing the environmental impact of real estate decisions. Successfully meeting environmental goals requires implementing environmental strategies throughout the real estate process.

Purpose of This Guide

This guide is designed to provide a comprehensive manual to help tenants green the leasing process—encompassing team selection, site selection, negotiations, lease language, build-out and the tenant's ongoing operations within the leased space. By using this guide to integrate LEED into the leasing process, together both tenants and landlords can reduce the environmental impact of buildings.

Who Should Use This Guide

This guide has been developed to assist tenants and their service providers in reducing the environmental impact associated with real estate decisions and operations. The information contained within will also be useful for landlords and developers interested in preparing for negotiations with an understanding of the needs of tenants focused on obtaining LEED certification. Though the information can be applied across all property types, this guide is oriented toward office users.

How to Use This Guide

This guide should be used by tenants and their service providers to green the leasing process and ongoing operations throughout the lease term. Tenants are encouraged to use this guide with the assistance of LEED credentialed service providers who are typically involved in the leasing process—brokers, consultants, attorneys, design professionals and so on. This guide should be used in coordination with and not as a substitute for the various LEED rating systems and reference guides. For projects seeking LEED certification, the appropriate LEED reference guide should be followed.

The guide is divided into the following three sections:

- Section 1** Why Green the Leasing Process?
- Section 2** Greening the Leasing Process
- Section 3** Tools for Greening the Leasing Process

The first two sections provide critical background information, highlighting opportunities and challenges at various stages of the leasing process. The third section consists of functional tools that can be adapted and adopted for use in the leasing process.

Best Practices for LEED for Commercial Interiors Project Management, Design and Construction

This chapter is designed to help a tenant whose environmental strategy is to pursue LEED for Commercial Interiors certification. First, this chapter looks at selecting a qualified project team as a good foundation. Next, the goal-setting and overall process is defined, with specific information on how to approach project documents. If a project cannot achieve LEED for Commercial Interiors certification immediately, this chapter also serves as a guide for moving in that direction.

Intent of LEED for Commercial Interiors

The intent of the LEED for Commercial Interiors rating system is to assist in the creation of high-performance, healthful, durable, affordable and environmentally sound commercial interior tenant spaces. In pursuing LEED for Commercial Interiors certification, the path toward achieving that certification may prove easier in some buildings than in others.

Qualification and Selection of the Project Team

At the start of the project, tenants should engage a qualified LEED AP Interior Design and Construction professional—a project team member, independent consultant or project manager who will serve as the LEED Project Administrator. Ideally, tenants should choose a LEED Project Administrator who has worked on other LEED-certified projects. The primary role of the LEED Project Administrator is to interface with key decision makers and project team professionals to guide the LEED process. For more information, see Section 3.3, “Sample Criteria for Qualifying Project Team Professionals.”

Real Estate Broker/Consultant

A knowledgeable broker makes this process more successful. Qualifying and selecting tenant representation brokers with a general knowledge of the LEED rating systems and the certification process and its impact on project timelines, budgets and design development and construction activities will help mitigate unrealistic expectations for the transactional aspects of the project.



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Architects, Engineers and Project Managers

Design and engineering professionals are critical members of the project team. A growing number of architecture and engineering firms have team members who are LEED accredited. Tenants should confirm that the design and engineering professionals they are considering have experience working on LEED-certified projects. Tenants should also make sure that the project will have access to those individuals.

Some projects require energy modeling to meet the minimum energy requirements. The engineering team will often provide energy modeling. Identifying the person or team responsible for energy modeling should be done early in the process.

Commissioning Agent

A commissioning agent verifies that a project's energy-related systems are installed and calibrated for optimal performance. Note that the commissioning agent requirements differ within the LEED for Commercial Interiors prerequisite and credit requirements, as follows:

- **Fundamental Commissioning (prerequisite)**—This person should not be directly responsible for project design or construction management but can be a qualified individual on the owner's staff. Numerous third-party firms also perform commissioning activities for base building systems that interface with the tenant space.
- **Enhanced Commissioning (credit)**—To achieve optimal performance of energy-related project systems, additional verification and process documentation activities may be performed to earn this credit. In this case, a *third-party* commissioning agent is required.

The Building Commissioning Association, www.bcx.org, maintains a directory for locating qualified commissioning agents in the project area.

Lighting Consultant

Several specialty consultants can contribute to the LEED process. One who can be particularly helpful for tenant spaces is a lighting consultant, because lighting constitutes one of the largest tenant energy uses. If a lighting consultant is used, lighting can be designed that carefully balances functional requirements and aesthetic considerations while complying with the minimum energy requirements.

General Contractors and Subcontractors

Similarly, the contractor is critical to the LEED process, and the individual's experience with LEED-certified projects is important. Many prerequisites and credits hinge on the contractor's knowledge and commitment to green building practices, including the use of low-emitting materials such as adhesives and paints, as well as following a construction indoor air quality management plan during construction. A growing number of contracting firms have team members who are LEED credentialed professionals.

Project Team Objectives

Base Building Considerations

The project team should start the building qualification process with the Basic Environmental Impact Questionnaire (Section 3.2) well before target dates for RFP distribution and lease expiration. Once the candidate buildings have been narrowed to two or three, the team should consider holding at least one meeting with the landlord's asset manager, MEP engineer and construction manager for each candidate building to provide clarification on green building issues (see Section 3.5). Upon selection of the subject building, key landlord representatives should become permanent members of the project team and regularly attend meetings until project completion. Should the building be placed under contract for sale in the midst of the project, there are specific considerations related to environmental objectives that need to be considered. Discussions with the incoming landlord representatives should ensue as soon as possible to promote seamless project execution.

The team should clearly communicate the LEED prerequisites and credits being sought as soon as possible in the project process and provide the landlord with the project's LEED scorecard. If the building is LEED-certified, the team should ask the landlord to share its approved LEED scorecard and LEED documentation that will facilitate LEED certification of the leased premises.

Laying the Groundwork

Once the project team has been assembled, member roles and project goals should be clearly defined. Ideally, at least one initial strategy meeting or LEED "charrette" would be held to reveal, at minimum:

- Short- and long-term corporate goals
- Environmental standards (existing and desired)
- Green facility "wants" and "needs"
- LEED goals

This effort creates project boundaries, defines the scope and incorporates the LEED goals for integration into all aspects of the project. With integration in mind, it is important to include as many of the project team members in this initial meeting as possible—ideally, the tenant, landlord, architect, interior designer, engineers, lighting consultant, commissioning agent, furniture representative and contractor would be in attendance.

Goal-Setting Considerations

The team should identify potential constraints that could affect realistic project schedules and milestones. It should also consider the impact of fiscal year-end activities, mergers and acquisitions, bank credit limitations, materials shortages and changes in municipal building codes when creating schedules, and plan accordingly.

A LEED charrette is a one- or two-day collaborative session where building stakeholders and building experts address particular design or project issues. The group's goal is to develop possible design and strategies for greening a space.²⁵

SECTION 2.4

Other proactive strategies include:

- Determine all known internal corporate and potential external constraints that could threaten project success.
- Set a project completion date after obtaining informed input from all project stakeholders regarding their respective areas of expertise.
- Encourage the integration of more elements within the traditional design and construction process model to produce greater efficiencies (a key foundation of building green).
- Be open to suggestions that achieve environmental standards through cost-effective green solutions.
- Consider synergies and trade-offs. Some LEED credits assist each other. For example, synergies exist between using low-emitting paint and having an Indoor Air Quality Management Plan and achieving a favorable indoor air quality test result. Likewise, some credits have trade-offs that need to be considered. For example, improved ventilation may increase the amount of fresh air flowing through the space but may also increase energy use.

The typical deliverable from the initial strategy meeting is a LEED certification goal (certification level) accompanied by a LEED scorecard that shows the targeted credits for pursuit. (See Section 3.1, “LEED for Commercial Interiors Scorecard.”)

Understanding the LEED Process—Requirements and Form Submittals

The LEED Project Administrator is often tasked with managing the LEED process. Registration, certification and associated documentation all become integral components of the typical design and construction process.

Registration

- Registration of projects seeking certification is performed online at www.leedonline.com. Before registering, take the time to learn which rating system is appropriate for your project. Project registration will activate access to LEED Online forms and other resources, so it is recommended that projects register early in the process.

Certification and Documentation

- For each LEED prerequisite or credit, a corresponding form is used to validate conditions—through calculations, tests, material data or other relevant information.
- Often, backup documentation will be requested to support the form information, including but not limited to the following: project drawings and specifications, product data sheets, Material Safety Data Sheets (MSDS), construction photographs and so on. The forms in LEED Online and the Green Interior Design

Material Safety Data Sheets (MSDS) are a compilation of information on the identity of hazardous chemicals, health, and physical hazards, exposure limits, and precautions of a particular substance.²⁶

and Construction Reference Guide will relay the required submittal documentation.

- Once the credit requirement has been satisfied, each form must be signed and verified by the persons responsible for compliance.
- When project documentation is complete, it is submitted for review via LEED Online.

The LEED Project Administrator typically facilitates the LEED form completion and submittal process and should, ideally, have a leadership or co-leadership position within the project team. Typically, the LEED submittal documentation is provided by the applicable specific discipline within the project team. The LEED Project Administrator will coordinate with the appropriate team members for completion. The technical, verification and submittal aspects of LEED certification are somewhat intricate. Therefore, the LEED Project Administrator is usually tasked with reviewing all design, engineering and construction information to monitor documentation completion, obtain appropriate signatures, review and submit the forms and mitigate issues that could hinder project certification.



This process is highly recommended for completing the prerequisites and credits necessary to obtain the desired level of LEED certification. Project budgets, schedules, site visits, data entry and communication trails should be adjusted to facilitate smooth execution of the certification process.

The LEED Online documentation process should run in tandem with or just following the typical design and construction documentation process.

Design and Construction

Once the initial project team meeting is complete and the target scorecard has been developed, the team should use the scorecard as the team's guide (with the project documents). Of note, this scorecard is a living document and will fluctuate during the process as some credits become more or less possible based on actual project constraints. The LEED Project Administrator will typically be the "keeper" of the scorecard and update it accordingly.

Project Documents

From the schematics to construction documents phases, the team should integrate the LEED criteria into the project documents. Of note, the integration of LEED language within the documents is key to project success. This language is important because it represents the formal requirements of LEED in the binding project contract documents.

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Understanding LEED Requirement Criteria

Understanding how the LEED credit requirement thresholds are determined is important for integration into the project documents. For example, some credits are based on the percentage of cost relative to the entire construction budget. Understanding this helps the team prioritize with an emphasis on high-cost items. Other credits are prescriptive in nature and give specific requirements that must be met unrelated to cost.

LEED-specific information included in the documents reflects a careful balance between LEED requirements and products that can meet these requirements, as well as typical performance and aesthetic considerations. The team should manage the economic and environmental bottom line by leveraging products and materials specified for LEED purposes across several LEED credits. For example, the team should favor products that contain recycled content, are locally made and have low-emitting qualities.



Drawings and Specifications

Some project documents include only drawings and lack a formal specification book—especially on tenant build-outs with time constraints. In these cases, it is prudent to insert specific LEED notes and requirements in the drawings.

Final Review of Contract Documents

A final set of Contract Documents signed by the tenant becomes a legal, binding document (as an integral part of the lease document, per the Work Letter). For LEED certification, portions of the final Contract Documents must be submitted for third-party review by GBCI. Before signing off on Contract Documents, the tenant should consider the following steps to minimize errors, change orders and omissions:

- Have the LEED Project Administrator review the final Contract Documents and all accompanying form submittals (if applicable) for accuracy.
- If modifications are necessary, have the appropriate party make the corrections and clarifications to the Contract Documents.
- Realize that in most instances, “substantial completion” (as defined in the lease document) should not be contingent upon attaining LEED certification, because portions of the submittal documentation cannot be completed until after construction is finished and formal LEED review is completed, and LEED certification will probably not yet be obtained.

Alternates

The project team should isolate long-lead and expensive items, and simultaneously identify and price alternatives to these items that meet sustainability criteria as defined by the appropriate LEED rating system. The team should provide specifications and note these items as “alternates” on preliminary plans. Proactive bidding saves time and money should manufacturing glitches, delivery delays or unacceptable price increases be encountered. The team should also:

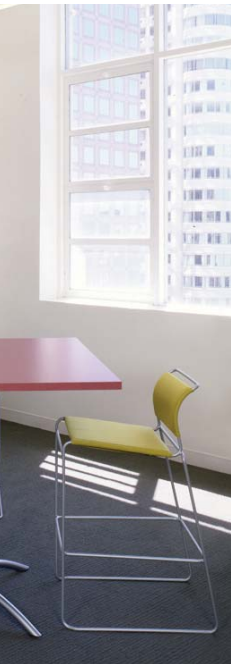
- Inform the contractor that this additional effort is required to ensure that schedule and budget constraints are met. Also, greater bid detail may be required for specific disciplines.
- Delineate between *required* LEED prerequisites and *optional* LEED credits to clarify priorities for the project team.

Construction

A preconstruction meeting with all members of the project team should be held to lay the groundwork for smooth project execution, preferably before any demolition or construction occurs.

The following initiatives have proved helpful in streamlining the LEED construction process:

- Involving the LEED Project Administrator during the construction process. Even with experienced general contractors and subcontractors, supervision of documentation and jobsite activities will facilitate attainment of project goals.
- For projects pursuing LEED for Commercial Interiors certification, submitting accurate documentation of the construction phase facilitates approval.
- Setting up an on-site LEED “go to” area where all of the latest LEED resources are housed for the project, including but not limited to the following:
 - Construction Waste Management Plan
 - Recycling areas
 - Indoor Air Quality Management Plan
 - Green Interior Design and Construction Reference Guide
 - Current project scorecard
- Ensuring that vendors are aware of the environmental standards and sustainability criteria of both tenant *and* landlord, and how these parameters affect product installations and service performance.
- Taking photographs during the construction process to highlight sustainable practices.
- Supervising punch-list activities, as “touch-ups” must also meet sustainability criteria.
- Ensuring that the final cleanup is in accordance with green cleaning practices and products.
- Once move-in activities are complete, touring the space with the LEED AP to ensure that design and performance intents for green elements are being met.



SECTION 2.4

Tools for LEED for Commercial Interiors Projects

The LEED for Commercial Interiors Scorecard (Section 3.1) should be used to initially evaluate the feasibility of LEED certification for the tenant build-out of an interior space. The full LEED for Commercial Interiors rating system is available at www.usgbc.org.

The Sample Criteria for Qualifying Project Team Professionals (Section 3.3) should be used when writing Requests for Proposals or otherwise determining the brokers, attorneys, interior designers, contractors and other professionals who will guide the leasing process.

The Building Questionnaire for Tenants Seeking LEED for Commercial Interiors Certification (Section 3.5) should be used to identify the points the base building can contribute toward the LEED certification for the tenant build-out of an interior space. This questionnaire is lengthy and should be reserved for only the most likely candidate buildings.

Summary

Engaging qualified team members with the right experience with LEED for Commercial Interiors projects will result in a well-designed and properly constructed tenant space that not only meets LEED requirements, but also provides a superior workplace for employees and meets the organization's environmental objectives.