

December 13, 2016

MEMORANDUM TO: REGIONAL COMMISSIONERS, PBS

REGIONAL LEASING DIRECTORS

REGIONAL LEASING ACQUISITION OFFICERS

12/13/2016

X James C. Wisner

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Signed by: JAMES WISNER

FROM: JAMES C. WISNER

Assistant Commissioner for the Office of Leasing - PR

SUBJECT: LEASING ALERT (LA-FY17-03) - Green Building Rating

Certification for New Construction and Tenant Interiors:

LEED® and Green Globes®

1. Purpose.

Previously, the RLP and Lease templates only listed one system as an acceptable sustainable building rating system to use for new lease construction and as an option for tenant interiors. The October 12, 2016, Leasing Alert (LA-FY17-01) titled "Revisions to RLP and Lease Templates" added the option for Green Globes®, in addition to LEED®, as green building rating certification systems to the RLP and Lease language. Green Globes® is sponsored by the Green Buildings Initiative (GBI) (http://www.thegbi.org/), and is a nationally recognized green rating assessment, guidance, and certification program for new construction projects, existing buildings, and interior spaces.

2. Background.

a. Reasons for Alternative Green Building Certification Systems

There are multiple reasons for allowing for more than one green building rating certification in leased space to include the following:

- i. Required Green Building Certification System Review (GBCSR) and GSA-Department of Energy (DOE) Recommendation Letter (Attachment 2):
 - The Energy Independence and Security Act (EISA) requires GSA to evaluate green building certification systems every 5 years. The most recent 2012 review determined that both LEED® (version 2009) and Green Globes® (version 2010) ratings criteria align well with Federal goals and requirements.
 - o In 2013, GSA issued recommendations to the DOE Secretary of Energy related to the agency's review of green building certification systems pursuant to EISA Section 436 (h) requirements. (http://www.gsa.gov/portal/mediald/180467/fileName/GSA_Green_Build ing_Certification_Systems_Review_Letter_to_Sec_Energy.action). The recommendations suggested that agencies use one of two green building certification systems (LEED® or Green Globes®) that best suit agency missions and needs. For new construction (in Federally owned and leased space), and major renovations (in Federally owned space), GSA recommended that Federal agencies obtain at least a LEED® Silver rating, or, if using Green Globes®, at least a Two Green Globes rating.
 - While GSA at the agency level selected LEED® as the rating system to use for buildings in its <u>owned</u> portfolio, as the acquisition representative for many other tenant agencies' leased needs, GSA's Office of Leasing is incorporating <u>both</u> rating system options (referenced in the 2012 review) in its RLP and Lease language in order to accommodate agencies who may have selected Green Globes® as their designated green building rating certification.
- ii. <u>Coverage of Different Buildings/Spaces</u>: Both LEED® and Green Globes® have rating systems that certify new building construction and tenant interiors. GSA has owned and leased space that has been certified by both LEED® and Green Globes® rating systems.

- iii. <u>Energy Efficiency Improvement Act (EEIA)</u>: The EEIA of 2015 requires GSA and DOE to develop Model Commercial Leasing Provisions (MCLPs) related to energy and water efficiency. A majority of Federal Register comments/responses to the initial draft MCLPs in August 2015, recommended that GSA use multiple green building rating systems (and not just LEED®).
- iv. <u>Guiding Principle (GP) Compliance</u>: For the past 6 years, GSA has recognized both LEED® and Green Globes® rating certifications as an alternative and acceptable path for achieving GP compliance (for leased space). As GSA's Office of Leasing continues to track and report GP compliance, all third-party green building rating certifications will be recognized in its compliance metric.

b. Evaluation of Appropriate Green Building Certification Systems

The RLP and Lease language was revised in LA-FY17-01 to now allow for both a LEED® and Green Globes® rating certification for new lease construction projects (10,000 RSF and above), and optionally for tenant interiors if a client agency voluntarily selects it. It is up to the client agency to select the appropriate green building rating system to use portfoliowide, based on their mission and needs. **The decision on which rating system to use must be made at the national level (i.e., portfolio-wide level) for the entire client agency**. This selection must be made <u>prior</u> to issuing the RLP package. The Leasing Specialist, or other PBS associate responsible for requirements development, must consult with the client agency's appropriate sustainability official to determine which green building rating certification to use for new construction or optionally for tenant interiors. If the selected green building rating system is not already specified in the requirements package, then in accordance with the GSA recommendation letter to DOE (identified here in Section 2.a.i.), the rating system must reflect the one that the client agency is using on a portfoliowide basis.

The two green building rating certifications to use for new lease construction projects include LEED® for New Construction and Green Globes® for New Construction. The two green building rating certifications that a client agency can optionally pursue for tenant interiors include LEED® for Interior Design & Construction and Green Globes® for Sustainable Interiors. The Global RLP and Lease language now incorporate these two versions in RLP paragraphs 3.06 (Additional Submittals) and 3.10 (Green Building Rating Certification for Tenant Interiors), and in Lease paragraphs 3.49 (Green Building Rating Certification for New Construction), 3.50 (Green Building Rating Certification for Tenant Interiors), and 4.05 (Green Lease Submittals). After the appropriate rating system is

selected, the other one should be deleted from the RLP and Lease document as stated in the blue text, prior to issuing the RLP package.

For new lease construction projects (10,000 RSF and above), either a LEED®-NC certification at the <u>Silver</u> level (at minimum), or a Green Globes® for New Construction certification at the <u>Two Green Globes</u> level (at minimum) are equally acceptable. For client agencies who optionally choose to pursue a green certification for their tenant interiors, either a LEED®-ID&C certification at the <u>Certified</u> level (at minimum) or a Green Globes® for Sustainable Interiors certification at the <u>One Green Globes</u> level (at minimum) are equally acceptable.

- **3.** <u>Effective Date</u>. This Leasing Alert is effective on the date of signature unless modified, cancelled, or reissued.
- 4. Cancellation. None.
- **5.** <u>Applicability</u>. This Leasing Alert and its attachments apply to all General Services Administration (GSA) real property leasing activities and to activities delegated by GSA to other Federal agencies.
- 6. <u>Instructions and Procedures</u>. For RLPs where the use of green building standard language is required or requested, Leasing Specialists, or other parties within PBS responsible for requirements development, must confirm with the client agency which green building rating system (LEED® or Green Globes®) the agency has adopted as their portfolio-wide standard. This selection must be made <u>prior</u> to issuing the RLP, and is not based on individual case-by-case decisions, but instead reflects a portfolio-wide decision made by the client agency at a national level. The Leasing Specialist, or other responsible PBS associate, must consult with the client agency's appropriate national level sustainability official to determine which green building rating certification to use for new lease construction or optionally for tenant interiors.

ATTACHMENT 1

Attachment 1 identifies the RLP and Lease language changes in the Global templates. Modifications to green building rating certifications affect the Global RLP (in paragraphs 3.06 and 3.10) and the Global Lease (in paragraphs 3.49, 3.50, and 4.05).

ATTACHMENT 2

GSA recommendation letter to DOE (identified in Section 2.a.i.).

ATTACHMENT 1: Revised Global RLP and Lease Language

The modifications to green building rating certifications affect the Global RLP (in paragraphs 3.06 and 3.10) and the Global Lease (in paragraphs 3.49, 3.50, and 4.05).

Revisions to the Global RLP:

3.06 ADDITIONAL SUBMITTALS (OCT 2016)

ACTION REQUIRED: THE NEXT SUB-PARAGRAPH IS MANDATORY WHEN A NEWLY CONSTRUCTED BUILDING OF 10,000 RSF AND ABOVE IS THE ONLY SOLUTION THAT WILL MEET THE CLIENT AGENCY'S NEEDS AND EXISTING BUILDINGS ARE NOT COMPETING. OTHERWISE, DELETE.

ACTION REQUIRED: PRIOR TO ISSUING THE RLP, CONSULT WITH CLIENT AGENCY TO DETEMINE WHICH GREEN BUILDING RATING SYSTEM FOR NEW CONSTRUCTION TO USE – EITHER LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN (LEED® – NC) SILVER LEVEL OR GREEN GLOBES® FOR NEW CONSTRUCTION TWO GREEN GLOBES LEVEL.

THERE ARE 2 VERSIONS OF SUB-PARAGRAPH S. CHOICE MUST BE CONSISTENT WITHIN RLP AND LEASE DOCUMENTS.

VERSION 1: CHOOSE THIS VERSION IF LEED® FOR NEW CONSTRUCTION IS SELECTED

S. For projects 10,000 RSF and above, the Offeror must provide documentation of the proposed LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN FOR NEW CONSTRUCTION (LEED®-NC) credits for Silver level certification. For LEED®, this documentation is the LEED®-NC scorecard. Along with the proposed scorecard or checklist, the Offeror shall submit a brief statement outlining how each of the proposed credits will be achieved. If pursuing LEED®-NC, the Offeror must identify the USGBC LEED® Accredited Professionals (APs) as team members, including their roles throughout the project.

VERSION 2: CHOOSE THIS VERSION IF GREEN GLOBES (GG® - NC) FOR NEW CONSTRUCTION IS SELECTED.

S. For projects 10,000 RSF and above, the Offeror must provide documentation of the proposed GREEN GLOBES® FOR NEW CONSTRUCTION (GG®-NC) credits for Two Green Globes level certification. If pursuing Green Globes®-NC, the Offeror may add GBI Green Globes®-Professionals (GGPs) to the project team, but it is not required. If one or more GGPs are added, the Offeror must identify any GGPs as team members, including their roles throughout the project.

ACTION REQUIRED: OPTIONAL SUB-PARAGRAPH, TO BE INCLUDED WHEN CLIENT AGENCIES REQUEST USE OF LEED® FOR INTERIOR DESIGN AND CONSTRUCTION (LEED®-ID&C), OR GREEN GLOBES® FOR SUSTAINABLE INTERIORS (GREEN GLOBES® SI). ACTION REQUIRED: PRIOR TO ISSUING THE RLP, CONSULT WITH THE CLIENT AGENCY TO DETERMINE WHICH GREEN BUILDING RATING SYSTEM FOR TENANT INTERIORS TO USE --

EITHER LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN FOR INTERIOR DESIGN AND CONSTRUCTION (LEED® -ID&C) AT THE CERTIFIED LEVEL, AT MINIMUM, OR GREEN GLOBES® FOR SUSTAINABLE INTERIORS (GG® -SI) AT THE ONE GREEN GLOBES LEVEL, AT MINIMUM.

NOTE: DELETE BOTH VERSIONS IF NOT APPLICABLE

THERE ARE 2 VERSIONS OF SUB-PARAGRAPH T. CHOICE MUST BE CONSISTENT WITHIN RLP AND LEASE DOCUMENTS.

VERSION 1: CHOOSE THIS VERSION IF LEED® FOR INTERIOR DESIGN & CONSTRUCTION IS SELECTED

T. The Offeror must provide a LEED®-ID+C scorecard documenting the proposed credits to meet LEED® certification (at the minimum Certified level). Along with the proposed LEED®-ID+C scorecard, the Offeror shall submit a brief statement outlining how each of the Credits proposed on the scorecard or checklist will be achieved. In addition, the Offeror must identify the USGBC LEED® accredited professionals (APs) as team members, including their roles throughout the project.

VERSION 2: CHOOSE THIS VERSION IF GREEN GLOBES (GG® – NC) FOR SUSTAINABLE INTERIORS IS SELECTED.

T. The Offeror must provide a Green Globes® for ® Along with the proposed Green Globes® SI checklist, the Offeror shall submit a brief statement outlining how each of the Credits proposed on the scorecard or checklist will be achieved. The Offeror may add GBI Green Globes®Professionals (GGPs) to the project team, but it is not required. If one or more GGPs are added, the Offeror must identify any GGPs as team members, including their roles throughout the project.

ACTION REQUIRED: USE THIS PARAGRAPH ONLY FOR AGENCIES REQUESTING USE OF LEED® FOR INTERIOR DESIGN AND CONSTRUCTION (LEED® -ID&C), OR GREEN GLOBES® FOR SUSTAINABLE INTERIORS (GG® SI). FOR ALL OTHER PROCUREMENTS, DELETE PARAGRAPH.

3.10 GREEN BUILDING RATING CERTIFICATION FOR TENANT INTERIORS (OCT 2016)

THERE ARE 2 VERSIONS OF THIS PARAGRAPH. CHOICE MUST BE CONSISTENT WITHIN RLP AND LEASE DOCUMENTS.

VERSION 1: CHOOSE THIS VERSION IF LEED® FOR INTERIOR DESIGN & CONSTRUCTION IS SELECTED

The project TIs shall incorporate any necessary design parameters for the Space to meet Leadership in Energy and Environmental Design for Interior Design and Construction (LEED®-ID+C) requirements (at the minimum Certified level) into the Design Intent Drawings (DIDs), if applicable, or Construction Drawings. The Lessor must coordinate TI and shell requirements as necessary to meet the certification.

VERSION 2: CHOOSE THIS VERSION IF GREEN GLOBES® FOR SUSTAINABLE INTERIORS IS SELECTED

The project TIs shall incorporate any necessary design parameters for the Space to meet Green Globes® for Sustainable Interiors (GG®-SI) requirements into the Design Intent Drawings (DIDs), if applicable, or Construction Drawings. The Lessor must coordinate TI and shell requirements (at the minimum One Green Globes level) as necessary to meet the certification.

Revisions to the Global Lease:

ACTION REQUIRED: THE FOLLOWING PARAGRAPH IS MANDATORY WHEN A NEWLY CONSTRUCTED BUILDING OF 10,000 RSF AND ABOVE IS THE ONLY SOLUTION THAT WILL MEET THE CLIENT AGENCY'S NEEDS AND EXISTING BUILDINGS ARE NOT COMPETING. OTHERWISE, DELETE.

ACTION REQUIRED: THERE ARE TWO GREEN BUILDING RATING SYSTEMS FOR NEW CONSTRUCTION LISTED BELOW. PRIOR TO ISSUING THE RLP, CONSULT WITH CLIENT AGENCY TO DETEMINE WHICH GREEN BUILDING RATING SYSTEM FOR NEW CONSTRUCTION TO USE; THE OTHER SHOULD BE DELETED. CHOICE MUST BE CONSISTENT WITHIN THE RLP AND LEASE DOCUMENTS.

3.49 GREEN BUILDING RATING CERTIFICATION FOR NEW CONSTRUCTION (OCT 2016)

THERE ARE 2 VERSIONS OF THIS PARAGRAPH

VERSION 1: LEED® FOR NEW CONSTRUCTION (LEED® – NC)

- A. Within 12 months of occupancy, the Lessor shall obtain certification at the Silver level from the U.S. Green Building Council (USGBC) -- LEED®-NC program. For requirements to achieve the Silver certification, Lessor must refer to the latest version at the time of submittal of the LEED®-NC Reference Guide (at https://www.usgbc.org/). At completion of all documentation and receipt of final certification, the Lessor must provide the Government two electronic copies on compact disks, flash drives, or appropriate electronic media of all documentation submitted to USGBC. Acceptable file format is Adobe PDF from the LEED—Online workspace and templates. In addition, the Lessor will provide the Government viewing access to the LEED-Online workspace during design and through the term of the Lease.
- B. Prior to the end of the first year of occupancy, if the Lessor fails to achieve LEED® Silver certification, the Government may assist the Lessor in implementing a corrective action program to achieve a LEED® Silver certification and deduct its costs (including administrative costs) from the rent.

VERSION 2: GREEN GLOBES® FOR NEW CONSTRUCTION (GREEN GLOBES® NC)

A. Within 12 months of occupancy, the Lessor shall obtain certification at the Two Green Globes level from the Green Building Initiative's (GBI) Green Globes® NC program. For requirements to achieve the Two Green Globes certification, Lessor must refer to the latest version at the time of submittal of the <u>Green Globes® NC Technical Reference Manual (at HTTP://WWW.THEGBI.ORG/)</u>. At completion of all documentation and receipt of final certification, the Lessor must provide the Government two electronic copies on compact disks, flash drives, or appropriate electronic media of all documentation submitted to GBI. Acceptable file format is Adobe PDF from the Green Globes®

online surveys. In addition, the Lessor will provide the Government viewing access to the Green Globes® online surveys, as applicable, during design and through the term of the Lease.

B. Prior to the end of the first year of occupancy, if the Lessor fails to achieve a Two Green Globes® certification, the Government may assist the Lessor in implementing a corrective action program to achieve a Two Green Globes® certification and deduct its costs (including administrative costs) from the rent.

ACTION REQUIRED: THE FOLLOWING PARAGRAPH IS OPTIONAL, TO BE INCLUDED WHEN A GREEN RATING CERTIFICATION FOR TENANT INTERIOR SPACE IS REQUESTED BY THE CLIENT AGENCY. OTHERWISE, DELETE.

ACTION REQUIRED: THERE ARE TWO GREEN BUILDING RATING SYSTEMS FOR TENANT INTERIORS LISTED BELOW. PRIOR TO ISSUING THE RLP, CONSULT WITH CLIENT AGENCY TO DETEMINE WHICH GREEN BUILDING RATING SYSTEM FOR TENANT INTERIORS, IF ANY, TO USE AND DELETE THE OTHER ONE. CHOICE MUST BE CONSISTENT WITHIN THE RLP AND LEASE DOCUMENTS.

NOTE: DELETE BOTH VERSIONS IF NOT APPLICABLE

3.50 GREEN BUILDING RATING CERTIFICATION FOR TENANT INTERIORS (OCT 2016)

THERE ARE 2 VERSIONS OF THIS PARAGRAPH.

VERSION 1: LEED® FOR INTERIOR DESIGN AND CONSTRUCTION (LEED® – ID&C)

- A. The tenant Space must meet the requirements of LEED®-ID+C--Leadership in Energy and Environmental Design for Interior Design and Construction at the Certified level, at a minimum. The Lessor, at the Lessor's expense, shall obtain certification from the USGBC (for LEED®) within 9 months of occupancy. For requirements to achieve certification, Lessor must refer to latest version at the time of submittal of the LEED®-ID+C Reference Guide (at HTTP://WWW.USGBC.ORG/). At completion of all documentation and receipt of final certification, the Lessor must provide the Government two electronic copies on compact disks of all documentation submitted to the USGBC. Acceptable file format is Adobe PDF copied to disk from the LEED®-Online workspace. In addition, the Lessor will provide the Government viewing access to the LEED®-Online workspace as applicable during design and through the term of the Lease.
- B. Prior to the end of the first 9 months of occupancy, if the Lessor fails to achieve LEED® certification, the Government may assist the Lessor in implementing a corrective action program to achieve LEED® certification and deduct its costs (including administrative costs) from the rent.
- C. Any Building shell modifications necessary for the Space to meet the requirements of LEED®-ID+C certification, shall be noted and incorporated into the construction documents and shall be included as part of the Building shell costs. The Lessor must coordinate TI and shell requirements as necessary to meet the certification.

VERSION 2: GREEN GLOBES® FOR SUSTAINABLE INTERIORS (GREEN GLOBES® SI)

- A. The tenant Space must meet the requirements of Green Globes® SI at the One Green Globes level, at a minimum. The Lessor, at the Lessor's expense, shall obtain certification from the GBI (for Green Globes®) within 9 months of occupancy. For requirements to achieve certification, Lessor must refer to latest version at the time of submittal of the Green Globes® SI Technical Reference Manual (at HTTP://WWW.THEGBI.ORG/). At completion of all documentation and receipt of final certification, the Lessor must provide the Government two electronic copies on compact disks of all documentation submitted to the GBI. Acceptable file format is Adobe PDF copied to disk from the Green Globes® online surveys. In addition, the Lessor will provide the Government viewing access to the Green Globes® online surveys as applicable during design and through the term of the Lease. B. Prior to the end of the first 9 months of occupancy, if the Lessor fails to achieve Green Globes® certification, the Government may assist the Lessor in implementing a corrective action program to achieve Green Globes® certification and deduct its costs (including administrative costs)
- from the rent.

 C. Any Building shell modifications necessary for the Space to meet the requirements of Green Globes® SI certification, shall be noted and incorporated into the construction documents and shall be included as part of the Building shell costs. The Lessor must coordinate TI and shell requirements as necessary to meet the certification.

4.05 GREEN LEASE SUBMITTALS (OCT 2016)

ACTION REQUIRED: THE FOLLOWING SUB-PARAGRAPH APPLIES WHEN EITHER: (1) A NEWLY CONSTRUCTED BUILDING OF 10,000 RSF AND ABOVE IS THE ONLY SOLUTION THAT WILL MEET THE CLIENT AGENCY'S NEEDS AND EXISTING BUILDINGS ARE NOT COMPETING; OR (2) AN AGENCY REQUESTS A GREEN BUILDING CERTIFICATION FOR TENANT INTERIORS. OTHERWISE, DELETE.

THERE ARE 2 VERSIONS OF SUB-PARAGRAPH J. CHOICE MUST BE CONSISTENT WITHIN THE RLP AND LEASE DOCUMENTS.

VERSION 1: CHOOSE THIS VERSION IF LEED IS SELECTED.

J. At completion of LEED[®], documentation and receipt of final certification, along with two electronic copies of all supporting documentation for certification on compact disk.

VERSION 2: CHOOSE THIS VERSION IF GREEN GLOBES IS SELECTED.

J. At completion of Green Globes®, documentation and receipt of final certification, along with two electronic copies of all supporting documentation for certification on compact disk.