

March 9, 2016

MEMORANDUM FOR: REGIONAL COMMISSIONERS, PBS

REGIONAL LEASING DIRECTORS

REGIONAL LEASING ACQUISITION OFFICERS

FROM: JAMES C. WISNER

ASSISTANT COMMISSIONER FOR OFFICE OF LEASING - PR

SUBJECT: LEASING ALERT – EISA Related Revisions to Global.

Simplified, Small (3626), and Warehouse RLPs and Leases

- 1. <u>Purpose</u>. This Leasing Alert issues revisions to all RLP and Lease documents to correct and update them in order to be in compliance with the Energy Independence and Security Act (EISA) of 2007, as modified by the Energy Efficiency Improvement Act of 2015, also known as The Better Buildings Act of 2015.
- 2. <u>Effective Date</u>. This Leasing Alert and attachments are effective immediately for all RLPs issued on or after the signature date. Additionally, any procurement where the due date for final proposal revisions has not passed should be amended to incorporate these new provisions, unless the Lease Contracting Officer (LCO) determines that such amendment would be detrimental to either obtaining the best price or result in unacceptable delays in awarding the lease contract.
- 3. <u>Cancellation</u>. Prior revisions of applicable RLP and Lease forms are canceled and replaced by versions containing the new language attached hereto.
- 4. <u>Applicability</u>. This Leasing Alert and its attachments are mandatory and apply to all General Services Administration (GSA) real property leasing activities and to activities delegated by GSA to other Federal agencies.
- 5. <u>Instructions and Procedures</u>. This Leasing Alert, instructions, and attachments are effective for all RLPs issued on or after the effective date of this Leasing Alert. RLP packages issued prior to this date may be modified at the discretion of the LCO.
 - Attachment 1, Leasing Alert Summary



- Attachment 2, Revised Global RLP Paragraphs 2.09 and 3.06 (MAR 2016)
- Attachment 3, Revised Global Lease Paragraphs 1.18 (Hidden Blue Text Only) and 3.16 (MAR 2016)
- Attachment 4, Revised Simplified RLP Paragraphs 2.09 and 3.05 (MAR 2016)
- Attachment 5, Revised Simplified Lease Paragraphs 1.10 (Hidden Blue Text Only) and 3.14 (MAR 2016)
- Attachment 6, Revised Small (3626) RLP Paragraph 3.05 (MAR 2016)
- Attachment 7, Revised Small Lease (3626) Supplemental Lease Requirements Paragraph 2.12 (MAR 2016)
- Attachment 8, Revised Warehouse RLP Paragraphs 2.09 and 3.06 (MAR 2016)
- Attachment 9, Revised Warehouse Lease Paragraphs 1.22 (Hidden Blue Text Only) and 3.15 (MAR 2016)

COVER PAGE FOR ATTACHMENTS 1 THROUGH 9

Leasing Alert Summary

EISA RELATED REVISIONS TO GLOBAL, SIMPLIFIED, SMALL (3626), AND WAREHOUSE RLPs AND LEASES.

This Leasing Alert issues revisions to applicable RLP and Lease documents to correct and update them in order to be in compliance with the Energy Independence and Security Act (EISA) of 2007, as modified by the Energy Efficiency Improvement Act of 2015 (Better Buildings Act of 2015).

The Better Buildings Act of 2015 modified the EISA Energy Star requirements in lease procurements to require that a federal agency leasing space in a building without an Energy Star label must, (in addition to agreeing to make all cost-effective energy efficiency and conservation improvements), include in its lease provisions requirements that the space's energy efficiency be measured against a nationally-recognized benchmark and meet certain energy consumption information disclosure requirements.

These revised RLP and Lease paragraphs make the changes to the EISA RLP and Lease language to add these new requirements. It also removes the unintentional maximum on energy efficient lighting improvements that inadvertently resulted from the change to the lighting requirement in sub-paragraph 2.09(D)(2) made in September 2015 to the Global RLP and adds the hydrology maintenance requirements contained in EISA Section 438.

Revised Global RLP Paragraphs

Revised Global RLP Paragraph 2.09 (MAR 2016):

2.09 ENERGY INDEPENDENCE AND SECURITY ACT (MAR 2016)

- A. The Energy Independence and Security Act (EISA) establishes requirements for Government leases relating to energy efficiency standards and potential cost effective energy efficiency and conservation improvements.
- Unless one of the statutory exceptions listed in sub-paragraph C below applies, GSA may award a lease for a Building only if the Building has earned the ENERGY STAR® label conferred by the U.S. Environmental Protection Agency (EPA) within the most recent year prior to the due date for final proposal revisions. The term "most recent year" means that the date of award of the ENERGY STAR® label by EPA must not be more than 1 year prior to the due date of final proposal revisions. For example, an ENERGY STAR® label awarded by EPA on October 1, 2010, is valid for all lease procurements where final proposal revisions are due on or before September 30, 2011. In lieu of the above, all new Buildings being specifically constructed for the Government must achieve an ENERGY STAR® label within 18 months after occupancy by the Government. In addition, Offerors of the following Buildings shall also have up to 18 months after occupancy by the Government, or as soon thereafter as the Building is eligible for Energy Star® consideration, to achieve an Energy Star® label: 1) All existing Buildings that have had an Energy Star® label but are unable to obtain a label in the most recent year (i.e., within 12 months prior to the due date for final proposal revisions) because of insufficient occupancy; 2) Newly built Buildings that have used Energy® Star's Target Finder tool and either achieved a "Designed to Earn the Energy Star®" certification or received an unofficial score (in strict adherence to Target Finder's usage instructions, including the use of required energy modeling) of 75 or higher prior to the due date for final proposal revisions and who are unable to obtain a label in the most recent year because of insufficient occupancy; 3) An existing Building that is unable to obtain a label because of insufficient occupancy but that can produce an indication, through the use of energy modeling or past utility and occupancy data input into Energy Star's® Portfolio Manager tool or Target Finder, that it can receive an unofficial score of 75 or higher using all other requirements of Target Finder or Portfolio Manager, except for actual data from the most recent year. ENERGY STAR® tools and resources can be found at WWW.ENERGYSTAR.GOV.
- C. EISA allows a Federal agency to lease Space in a Building that does not have an ENERGY STAR® Label if:
 - 1. No Space is offered in a Building with an ENERGY STAR® Label that meets RLP requirements, including locational needs;
 - 2. The agency will remain in a Building it currently occupies;
 - 3. The Lease will be in a Building of historical, architectural, or cultural significance listed or eligible to be listed on the National Register of Historic Places; or
 - 4. The Lease is for 10.000 RSF or less.
- D. If one or more of the statutory exceptions applies, and the offered Space is not in a Building that has earned the ENERGY STAR® Label within one year prior to the due date for final proposal revisions, Offerors are required to include in their lease proposal an agreement to renovate the Building for all energy efficiency and conservation improvements that it has determined would be cost effective over the Firm Term of the Lease, if any, prior to acceptance of the Space (or not later than one year after the Lease Award Date of a succeeding or superseding lease). Such improvements may consist of, but are not limited to, the following:
 - 1. Heating, Ventilating, and Air Conditioning (HVAC) upgrades, including boilers, chillers, and Building Automation System (BAS)/Monitoring/Control System (EMCS).
 - 2. Lighting Improvements.
 - 3. Building Envelope Modifications.

Note: Additional information can be found on http://www.gsa.gov/leasing under "Green Leasing."

- E. The term "cost effective" means an improvement that will result in substantial operational cost savings to the landlord by reducing electricity or fossil fuel consumption, water, or other utility costs. The term "operational cost savings" means a reduction in operational costs to the landlord through the application of Building improvements that achieve cost savings over the Firm Term of the Lease sufficient to pay the incremental additional costs of making the Building improvements.
- F. Instructions for obtaining an ENERGY STAR® Label are provided at http://www.energystar.gov/buildings/facility-owners-and-managers/existing-buildings/earn-recognition/energy-star-certification (use "Portfolio Manager" to apply). ENERGY STAR®

tools and resources can be found at www.energystar.gov. The ENERGY STAR® Building Upgrade Manual (http://www.energystar.gov/buildings/facility-owners-and-managers/existing-buildings/save-energy/comprehensive-approach/energy-star) and Building Upgrade Value Calculator (http://www.energystar.gov/buildings/tools-and-resources/building-upgrade-value-calculator) are tools which can be useful in considering energy efficiency and conservation improvements to Buildings.

- G. If one or more of the statutory exceptions applies, and the offered Space is not in a Building that has earned the ENERGY STAR® Label within one year prior to the due date for final proposal revisions, the successful Offeror will be excused from performing any agreed-to energy efficiency and conservation renovations, and benchmarking with public disclosure (as provided in (I) below, if it obtains the ENERGY STAR® Label prior to the Government's acceptance of the Space (or not later than one year after the Lease Award Date for succeeding and superseding leases).
- H. If no improvements are proposed, the Offeror must demonstrate to the Government using the ENERGY STAR® Online Tools why no energy efficiency and conservation improvements are cost effective. If such explanation is unreasonable, the offer may be rejected.
- I. As described in Section 3 of the Lease, successful Offerors meeting one of the statutory exceptions above must agree to benchmark and publicly disclose the Building's current ENERGY STAR® score, using EPA's Portfolio Manager online software application. See the Lease for additional details.
- J. All new Buildings being specifically constructed for the Government must achieve the ENERGY STAR® Label within 18 months after occupancy by the Government.
- K. As part of the cost effective upgrades specified under sub-paragraph D above, existing lighting systems must be upgraded to meet or exceed the stated lighting specifications in the Lease unless, with respect to upgrades otherwise in excess of the minimum stated requirements, Offeror can demonstrate, using the Building Upgrade Value Calculator discussed above, that such additional upgrades are not cost effective over the Firm Term of the Lease.

Revised Global RLP Paragraph 3.06 (MAR 2016):

3.06 ADDITIONAL SUBMITTALS (MAR 2016)

[ADD THE FOLLOWING SUB-PARAGRAPH AT THE END OF EXISTING RLP PARAGRAPH 3.06]:

Z. If more than 5,000 square feet of land area is to be disturbed in order to meet the Government's requirements, (as more fully described in the lease paragraph named ENERGY INDEPENDENCE AND SECURITY ACT, sub-paragraph (B)(1)(b)), a statement from Offeror that the Offeror is aware of and will comply with the specific lease requirements concerning maintenance and restoration of the real property's hydrology.

Revised Global Lease Paragraphs

Revised Global Lease (Hidden Blue Text) Paragraph 1.18 ("Building Improvements") (MAR 2016):

Revised Global Lease Paragraph 3.16 (MAR 2016):

3.16 ENERGY INDEPENDENCE AND SECURITY ACT (MAR 2016)

A. <u>Energy-related Requirements</u>:

- 1. The Energy Independence and Security Act (EISA) establishes the following requirements for Government Leases in Buildings that have not earned the ENERGY STAR® Label conferred by the Environmental Protection Agency (EPA) within one year prior to the due date for final proposal revisions ("most recent year").
 - 2. If this Lease was awarded under any of EISA's Section 435 statutory exceptions, the Lessor shall either:
- a. Earn the ENERGY STAR® Label prior to acceptance of the Space (or not later than one year after the Lease Award Date of a succeeding or superseding Lease); or
- b. (i) Complete energy efficiency and conservation improvements if any, agreed to by Lessor in lieu of earning the ENERGY STAR® Label prior to acceptance of the Space (or not later than one year after the Lease Award Date of a succeeding or superseding Lease); and
- (ii) Obtain and publicly disclose the Building's current ENERGY STAR® score (using EPA's Portfolio Manager tool), unless the Lessor cannot access whole building utility consumption data, or there is no building category within Portfolio Manager to benchmark against, including spaces—
 - I. That are located in States with privacy laws that provide that utilities shall not provide such aggregated information to multitenant building owners; and
 - II. For which tenants do not provide energy consumption information to the commercial building owner in response to a request from the building owner. (A Federal agency that is a tenant of the space shall provide to the building owner, or authorize the owner to obtain from the utility, the energy consumption information of the space for the benchmarking and disclosure required by this subparagraph D).
 - III. That cannot be benchmarked (scored) using EPA's Portfolio Manager tool because of excessive vacancy; in which case Lessor agrees to obtain the score and publicly disclose it within 120 days of the eligibility to obtain a score using the EPA Portfolio Manager tool.

Note: "public disclosure" means posting the Energy Star® score on state or local websites in those areas that have applicable disclosure mandates, and reporting the score to the Government via Portfolio Manager. In the absence of an applicable state or local disclosure mandate, Lessor shall either generate and display the Energy Star® score in a public space at the building location or post the score on Lessor's or Lessor's Parent/Affiliate website.

- 3. If this Lease was awarded to a Building to be built or to a Building predominantly vacant as of the due date for final proposal revisions and was unable to earn the ENERGY STAR® label for the most recent year (as defined above) due to insufficient occupancy, but was able to demonstrate sufficient evidence of capability to earn the ENERGY STAR® label, then Lessor must earn the ENERGY STAR® label within 18 months after occupancy by the Government.
- 4. The Lessor is encouraged to purchase at least 50 percent of the Government tenant's electricity from renewable sources.

B. <u>Hydrology-related Requirements</u>:

- 1. Per EISA Section 438, the sponsor of any development or redevelopment project involving a Federal facility with a footprint that exceeds 5,000 square feet shall use site planning, design, construction, and maintenance strategies for the property to maintain or restore, to the maximum extent technically feasible, the predevelopment hydrology of the Property with regard to the temperature, rate, volume, and duration of flow. If the Lessor proposes to satisfy the Government's space requirements through a development or redevelopment project, and the Government will be the sole or predominant tenant such that any other use of the Property will be functionally or quantitatively incidental to the Government's use, the Lessor is required to implement hydrology maintenance and restoration requirements as required by EISA Section 438.
 - a. For the purposes of applying EISA Section 438 in this lease, "sponsor" shall mean "Lessor", and "exceeds 5,000 square feet" shall mean construction that disturbs 5,000 square feet or more of land area at the Property or on

adjoining property to accommodate the Government's requirements, or at the Property for whatever reason. Information regarding implementation of the hydrology maintenance and restoration requirements can be found at: http://www.epa.gov/greeningepa/technical-guidance-implementing-stormwater-runoff-requirements-federal-projects

b. Lessor is required to implement these hydrology maintenance and restoration requirements to the maximum extent technically feasible, prior to acceptance of the Space, (or not later than one year after the Lease Award Date or Lease Term Commencement Date, whichever is later, of a succeeding or superseding Lease). Additionally, this Lease requires EISA Section 438 storm water compliance not later than one year from the date of any applicable disturbance (as defined in EISA Section 438) of more than 5,000 square feet of ground area if such disturbance occurs during the term of the Lease if the Government is the sole or predominant tenant. In the event the Lessor is required to comply with EISA Section 438, Lessor shall furnish the Government, prior to the filing for permits for the associated work, with a certification from Lessor's engineer that the design meets the hydrology maintenance and restoration requirements of EISA Section 438.

ATTACHMENT 4

Revised Simplified RLP Paragraphs

Revised Simplified RLP Paragraph 2.09 (MAR 2016):

- 2.09 ENERGY INDEPENDENCE AND SECURITY ACT (SIMPLIFIED) (MAR 2016)
- A. The Energy Independence and Security Act (EISA) establishes requirements for Government leases relating to energy efficiency standards and potential cost effective energy efficiency and conservation improvements.
- B. Unless one of the statutory exceptions listed in sub-paragraph C below applies, GSA may award a Lease for a Building only if the Building has earned the ENERGY STAR® label conferred by the U.S. Environmental Protection Agency (EPA) within the

most recent year prior to the due date for final proposal revisions. The term "most recent year" means that the date of award of the ENERGY STAR® label by EPA must not be more than 1 year prior to the due date of final proposal revisions. For example, an ENERGY STAR® label awarded by EPA on October 1, 2010, is valid for all lease procurements where final proposal revisions are due on or before September 30, 2011. In lieu of the above, all new Buildings being specifically constructed for the Government must achieve an ENERGY STAR® label within 18 months after occupancy by the Government. In addition, Offerors of the following Buildings shall also have up to 18 months after occupancy by the Government, or as soon thereafter as the Building is eligible for Energy Star® consideration, to achieve an Energy Star® label: 1) All existing Buildings that have had an Energy Star® label but are unable to obtain a label in the most recent year (i.e., within 12 months prior to the due date for final proposal revisions) because of insufficient occupancy; 2) Newly built Buildings that have used Energy Star's Target Finder tool and either achieved a "Designed to Earn the Energy Star®" certification or received an unofficial score (in strict adherence to Target Finder's usage instructions, including the use of required energy modeling) of 75 or higher prior to the due date for final proposal revisions and who are unable to obtain a label in the most recent year because of insufficient occupancy; 3) An existing Building that is unable to obtain a label because of insufficient occupancy but that can produce an indication, through the use of energy modeling or past utility and occupancy data input into Energy Star's Portfolio Manager tool or Target Finder, that it can receive an unofficial score of 75 or higher using all other requirements of Target Finder or Portfolio Manager, except for actual data from the most recent year. ENERGY STAR tools and resources can be found at WWW.ENERGYSTAR.GOV.

- C. EISA allows a Federal agency to lease Space in a Building that does not have an ENERGY STAR® Label if:
 - 1. No Space is offered in a Building with an ENERGY STAR® Label that meets RLP requirements, including locational needs;
 - 2. The agency will remain in a Building it currently occupies;
 - 3. The Lease will be in a Building of historical, architectural, or cultural significance listed or eligible to be listed on the National Register of Historic Places; or
 - 4. The Lease is for 10,000 RSF or less.
- D. If one or more of the statutory exceptions applies, and the offered Space is not in a Building that has earned the ENERGY STAR® Label within one year prior to the due date for final proposal revisions, Offerors are required to include in their lease proposal an agreement to renovate the Building for all energy efficiency and conservation improvements that it has determined would be cost effective over the Firm Term of the Lease, if any, prior to acceptance of the Space (or not later than one year after the Lease Award Date of a succeeding or superseding Lease). Such improvements may consist of, but are not limited to, the following:
 - 1. Heating, Ventilating, and Air Conditioning (HVAC) upgrades, including boilers, chillers, and Building Automation System (BAS)/Monitoring/Control System (EMCS).
 - 2. Lighting Improvements.
 - 3. Building Envelope Modifications.

Note: Additional information can be found on http://www.gsa.gov/leasing under "Green Leasing."

- E. The term "cost effective" means an improvement that will result in substantial operational cost savings to the landlord by reducing electricity or fossil fuel consumption, water, or other utility costs. The term "operational cost savings" means a reduction in operational costs to the landlord through the application of Building improvements that achieve cost savings over the Firm Term of the Lease sufficient to pay the incremental additional costs of making the Building improvements.
- F. Instructions for obtaining an ENERGY STAR® Label are provided at http://www.energystar.gov/buildings/facility-owners-and-managers/existing-buildings/earn-recognition/energy-star-certification (use "Portfolio Manager" to apply). ENERGY STAR® tools and resources can be found at www.energystar.gov. The ENERGY STAR® Building Upgrade Manual (http://www.energystar.gov/buildings/facility-owners-and-managers/existing-buildings/save-energy/comprehensive-approach/energy-star) and Building Upgrade Value Calculator (http://www.energystar.gov/buildings/tools-and-resources/building-upgrade-value-calculator) are tools which can be useful in considering energy efficiency and conservation improvements to Buildings.
- G. If one or more of the statutory exceptions applies, and the offered Space is not in a Building that has earned the ENERGY STAR® Label within one year prior to the due date for final proposal revisions, the successful Offeror will be excused from performing any agreed-to energy efficiency and conservation renovations, and benchmarking with public disclosure (as provided in (I) below, if it obtains the ENERGY STAR® Label prior to the Government's acceptance of the Space (or not later than one year after the Lease Award Date for succeeding and superseding leases).
- H. If no improvements are proposed, the Offeror must demonstrate to the Government using the ENERGY STAR® Online Tools why no energy efficiency and conservation improvements are cost effective. If such explanation is unreasonable, the offer may be rejected.
- I. As described in Section X of the Lease, successful Offerors meeting one of the statutory exceptions above must agree to benchmark and publicly disclose the Building's current ENERGY STAR® score, using EPA's Portfolio Manager online software application. See the Lease for additional details.

- J. All new Buildings being specifically constructed for the Government must achieve the ENERGY STAR® Label within 18 months after occupancy by the Government.
- K. As part of the cost effective upgrades specified under sub-paragraph D above, existing lighting systems must be upgraded to meet or exceed the stated lighting specifications in the Lease unless, with respect to upgrades otherwise in excess of the minimum stated requirements, Offeror can demonstrate, using the Building Upgrade Value Calculator discussed above, that such additional upgrades are not cost effective over the Firm Term of the Lease.

Revised Simplified RLP Paragraph 3.05 (MAR 2016):

3.05 EISA SUBMITTALS (SIMPLIFIED) (MAR 2016)

[ADD THE FOLLOWING SUB-PARAGRAPH AT THE END OF EXISTING RLP PARAGRAPH 3.05]:

Z. If more than 5,000 square feet of land area is to be disturbed in order to meet the Government's requirements, (as more fully described in the lease paragraph named ENERGY INDEPENDENCE AND SECURITY ACT, sub-paragraph (B)(1)(b)), a statement from Offeror that the Offeror is aware of and will comply with the specific lease requirements concerning maintenance and restoration of the real property's hydrology.

ATTACHMENT 5

Revised Simplified Lease Paragraphs

Revised Simplified Lease (Hidden Blue Text) Paragraph 1.10 ("Building Improvements") (MAR 2016):

Revised Simplified Lease Paragraph 3.14 (MAR 2016):

3.14 ENERGY INDEPENDENCE AND SECURITY ACT (MAR 2016)

Energy-related Requirements:

- A. The Energy Independence and Security Act (EISA) establishes the following requirements for Government Leases in Buildings that have not earned the ENERGY STAR® Label conferred by the Environmental Protection Agency (EPA) within one year prior to the due date for final proposal revisions ("most recent year").
- B. If this Lease was awarded under any of EISA's Section 435 statutory exceptions, the Lessor shall either:
 - 1. Earn the ENERGY STAR® Label prior to acceptance of the Space (or not later than one year after the Lease Award Date of a succeeding or superseding Lease); or
 - (i) Complete energy efficiency and conservation improvements if any, agreed to by Lessor in lieu of earning the ENERGY STAR® Label prior to acceptance of the Space (or not later than one year after the Lease Award Date of a succeeding or superseding Lease); and
- (ii) Obtain and publicly disclose the Building's current ENERGY STAR® score (using EPA's Portfolio Manager tool), unless the Lessor cannot access whole building utility consumption data, or there is no building category within Portfolio Manager to benchmark against, including spaces—
 - I. That are located in States with privacy laws that provide that utilities shall not provide such aggregated information to multitenant building owners; and
 - II. For which tenants do not provide energy consumption information to the commercial building owner in response to a request from the building owner. (A Federal agency that is a tenant of the space shall provide to the building owner, or authorize the owner to obtain from the utility, the energy consumption information of the space for the benchmarking and disclosure required by this subparagraph D).
 - III. That cannot be benchmarked (scored) using EPA's Portfolio Manager tool because of excessive vacancy; in which case Lessor agrees to obtain the score and publicly disclose it within 120 days of the eligibility to obtain a score using the EPA Portfolio Manager tool.

Note: "public disclosure" means posting the Energy Star® score on state or local websites in those areas that have applicable disclosure mandates, and reporting the score to the Government via Portfolio Manager. In the absence of an applicable state or local disclosure mandate, Lessor shall either generate and display the Energy Star® score in a public space at the building location or post the score on Lessor's or Lessor's Parent/Affiliate website.

C. If this Lease was awarded to a Building to be built or to a Building predominantly vacant as of the due date for final proposal revisions and was unable to earn the ENERGY STAR® label for the most recent year (as defined above) due to insufficient occupancy, but was able to demonstrate sufficient evidence of capability to earn the ENERGY STAR® label, then Lessor must earn the ENERGY STAR® label within 18 months after occupancy by the Government.

Hydrology-related Requirements:

- D. 1. Per EISA Section 438, the sponsor of any development or redevelopment project involving a Federal facility with a footprint that exceeds 5,000 square feet shall use site planning, design, construction, and maintenance strategies for the property to maintain or restore, to the maximum extent technically feasible, the predevelopment hydrology of the Property with regard to the temperature, rate, volume, and duration of flow. If the Lessor proposes to satisfy the Government's space requirements through a development or redevelopment project, and the Government will be the sole or predominant tenant such that any other use of the Property will be functionally or quantitatively incidental to the Government's use, the Lessor is required to implement hydrology maintenance and restoration requirements as required by EISA Section 438.
- a. For the purposes of applying EISA Section 438 in this lease, "sponsor" shall mean "Lessor", and "exceeds 5,000 square feet" shall mean construction that disturbs 5,000 square feet or more of land area at the Property or on adjoining property to accommodate the Government's requirements, or at the Property for whatever reason. Information regarding implementation of the hydrology maintenance and restoration requirements can be found at: http://www.epa.gov/greeningepa/technical-guidance-implementing-stormwater-runoff-requirements-federal-projects
- b. Lessor is required to implement these hydrology maintenance and restoration requirements to the maximum extent technically feasible, prior to acceptance of the Space, (or not later than one year after the Lease Award Date or Lease Term Commencement Date, whichever is later, of a succeeding or superseding Lease). Additionally, this Lease requires EISA Section 438 storm water compliance not later than one year from the date of any applicable disturbance (as defined in EISA Section 438) of more than 5,000 square feet of ground area if such disturbance occurs during the term of the Lease if the Government is the sole or predominant tenant. In the event the Lessor is required to comply with EISA Section 438, Lessor shall furnish the Government, prior to the filing for permits for the associated work, with a certification from Lessor's engineer that the design meets the hydrology maintenance and restoration requirements of EISA Section 438.

Revised Small (3626) RLP Paragraphs

Revised Small RLP Paragraph 3.05 (MAR 2016):

- 3.05 ENERGY INDEPENDENCE AND SECURITY ACT (SMALL) (MAR 2016)
- A. The Energy Independence and Security Act (EISA) establishes requirements for Government leases relating to energy efficiency standards and potential cost effective energy efficiency and conservation improvements.
- B. If the offered Space is not in a Building that has earned the ENERGY STAR® Label within one year prior to the due date for final proposal revisions, Offerors are required to:
- (i). Include in their lease proposal an agreement to renovate the Building for all energy efficiency and conservation improvements that it has determined would be cost effective over the Firm Term of the Lease, if any, prior to acceptance of the Space, (or not later than one year after the Lease Award Date of a succeeding or superseding lease); and
- (ii). Obtain and publicly disclose the Building's current ENERGY STAR® score (using EPA's Portfolio Manager tool), unless the Lessor cannot access whole building utility consumption data, or there is no building category within Portfolio Manager to benchmark against, including spaces—
 - That are located in States with privacy laws that provide that utilities shall not provide such aggregated information to multitenant building owners; and
 - II. For which tenants do not provide energy consumption information to the commercial building owner in response to a request from the building owner. (A Federal agency that is a tenant of the space shall provide to the building owner, or authorize the owner to obtain from the utility, the energy consumption information of the space for the benchmarking and disclosure required by this subparagraph D).

III. That cannot be benchmarked (scored) using EPA's Portfolio Manager tool because of excessive vacancy; in which case Lessor agrees to obtain the score and publicly disclose it within 120 days of the eligibility to obtain a score using the EPA Portfolio Manager tool.

"Public disclosure" means posting the Energy Star® score on state or local websites in those areas that have applicable disclosure mandates, and reporting the score to the Government via Portfolio Manager. In the absence of an applicable state or local disclosure mandate, Lessor shall either generate and display the Energy Star® score in a public space at the building location or post the score on Lessor's or Lessor's Parent/Affiliate website.

NOTE: Additional information can be found on http://www.gsa.gov/leasing under "Green Leasing."

- C. The term "cost effective" means an improvement that will result in substantial operational cost savings to the landlord by reducing electricity or fossil fuel consumption, water, or other utility costs. The term "operational cost savings" means a reduction in operational costs to the landlord through the application of Building improvements that achieve cost savings over the Firm Term of the Lease sufficient to pay the incremental additional costs of making the Building improvements.
- D. Instructions for obtaining an ENERGY STAR® Label are provided at http://www.energystar.gov/buildings/facility-owners-and-managers/existing-buildings/earn-recognition/energy-star-certification (use "Portfolio Manager" to apply). ENERGY STAR® tools and resources can be found at www.energystar.gov. The ENERGY STAR® Building Upgrade Manual (http://www.energystar.gov/buildings/facility-owners-and-managers/existing-buildings/save-energy/comprehensive-approach/energy-star) and Building Upgrade Value Calculator (http://www.energystar.gov/buildings/tools-and-resources/building-upgrade-value-calculator) are tools which can be useful in considering energy efficiency and conservation improvements to Buildings.
- E. If the offered Space is not in a Building that has earned the ENERGY STAR® Label within one year prior to the due date for final proposal revisions, the successful Offeror will be excused from performing any agreed-to energy efficiency and conservation renovations if it obtains the Energy Star Label prior to the Government's acceptance of the Space
- F. If no improvements are proposed, the Offeror must demonstrate to the Government using the ENERGY STAR® Online Tools why no energy efficiency and conservation improvements are cost effective. If such explanation is unreasonable, the offer may be rejected.

Revised Small (3626) Supplemental Lease Requirements Paragraphs

Revised Small Supplemental Lease Requirements Paragraph 2.12 (MAR 2016):

2.12 ENERGY INDEPENDENCE AND SECURITY ACT (SMALL) (MAR 2016)

- A. The Lessor shall either earn the ENERGY STAR® Label or,
- B. (i). Complete all cost effective energy efficiency and conservation improvements, agreed to by Lessor prior to acceptance of the Space (or not later than one year after the Lease Award Date of a succeeding or superseding Lease), and
- (ii). Obtain and publicly disclose the Building's current ENERGY STAR® score (using EPA's Portfolio Manager tool), unless the Lessor cannot access whole building utility consumption data, or there is no building category within Portfolio Manager to benchmark against, including spaces—
 - That are located in States with privacy laws that provide that utilities shall not provide such aggregated information to multitenant building owners; and
 - II. For which tenants do not provide energy consumption information to the commercial building owner in response to a request from the building owner. (A Federal agency that is a tenant of the space shall provide to the building owner, or authorize the owner to obtain from the utility, the energy consumption information of the space for the benchmarking and disclosure required by this subparagraph D).
 - III. That cannot be benchmarked (scored) using EPA's Portfolio Manager tool because of excessive vacancy; in which case Lessor agrees to obtain the score and publicly disclose it within 120 days of the eligibility to obtain a score using the EPA Portfolio Manager tool.

"Public disclosure" means posting the Energy Star® score on state or local websites in those areas that have applicable disclosure mandates, and reporting the score to the Government via Portfolio Manager. In the absence of an applicable state or local disclosure mandate, Lessor shall either generate and display the Energy Star® score in a public space at the building location or post the score on Lessor's or Lessor's Parent/Affiliate website.

C. <u>Hydrology-related Requirements</u>:

1. Per EISA Section 438, the sponsor of any development or redevelopment project involving a Federal facility with a footprint that exceeds 5,000 square feet shall use site planning, design, construction, and maintenance strategies for the

property to maintain or restore, to the maximum extent technically feasible, the predevelopment hydrology of the Property with regard to the temperature, rate, volume, and duration of flow. If the Lessor proposes to satisfy the Government's space requirements through a development or redevelopment project, and the Government will be the sole or predominant tenant such that any other use of the Property will be functionally or quantitatively incidental to the Government's use, the Lessor is required to implement hydrology maintenance and restoration requirements as required by EISA Section 438.

- a. For the purposes of applying EISA Section 438 in this Lease, "sponsor" shall mean "Lessor", and "exceeds 5,000 square feet" shall mean construction that disturbs 5,000 square feet or more of land area at the Property or on adjoining property to accommodate the Government's requirements, or at the Property for whatever reason. Information regarding implementation of the hydrology maintenance and restoration requirements can be found at: http://www.epa.gov/greeningepa/technical-guidance-implementing-stormwater-runoff-requirements-federal-projects
- b. Lessor is required to implement these hydrology maintenance and restoration requirements to the maximum extent technically feasible, prior to acceptance of the Space, (or not later than one year after the Lease Award Date or Lease Term Commencement Date, whichever is later, of a succeeding or superseding lease). Additionally, this Lease requires EISA Section 438 storm water compliance not later than one year from the date of any applicable disturbance (as defined in EISA Section 438) of more than 5,000 square feet of ground area if such disturbance occurs during the term of the Lease if the Government is Government is the sole or predominant tenant. In the event the Lessor is required to comply with EISA Section 438, Lessor shall furnish the Government, prior to the filing for permits for the associated work, with a certification from Lessor's engineer that the design meets the hydrology maintenance and restoration requirements of EISA Section 438.

ATTACHMENT 8

Revised Warehouse RLP Paragraphs

Revised Warehouse RLP Paragraph 2.09 (MAR 2016):

- 2.09 ENERGY INDEPENDENCE AND SECURITY ACT (MAR 2016)
- A. The Energy Independence and Security Act (EISA) establishes requirements for Government leases relating to energy efficiency standards and potential cost effective energy efficiency and conservation improvements.
- Unless one of the statutory exceptions listed in sub-paragraph C below applies, GSA may award a Lease for a Building only if the Building has earned the ENERGY STAR® label conferred by the U.S. Environmental Protection Agency (EPA) within the most recent year prior to the due date for final proposal revisions. The term "most recent year" means that the date of award of the ENERGY STAR® label by EPA must not be more than 1 year prior to the due date of final proposal revisions. For example, an ENERGY STAR® label awarded by EPA on October 1, 2010, is valid for all lease procurements where final proposal revisions are due on or before September 30, 2011. In lieu of the above, all new Buildings being specifically constructed for the Government must achieve an ENERGY STAR® label within 18 months after occupancy by the Government. In addition, Offerors of the following Buildings shall also have up to 18 months after occupancy by the Government, or as soon thereafter as the Building is eligible for Energy Star consideration, to achieve an Energy Star label: 1) All existing Buildings that have had an Energy Star label but are unable to obtain a label in the most recent year (i.e., within 12 months prior to the due date for final proposal revisions) because of insufficient occupancy; 2) Newly built Buildings that have used Energy Star's Target Finder tool and either achieved a "Designed to Earn the Energy Star" certification or received an unofficial score (in strict adherence to Target Finder's usage instructions, including the use of required energy modeling) of 75 or higher prior to the due date for final proposal revisions and who are unable to obtain a label in the most recent year because of insufficient occupancy; 3) An existing Building that is unable to obtain a label because of insufficient occupancy but that can produce an indication, through the use of energy modeling or past utility and occupancy data input into Energy Star's Portfolio Manager tool or Target Finder, that it can receive an unofficial score of 75 or higher using all other requirements of Target Finder or Portfolio Manager, except for actual data from the most recent year. ENERGY STAR tools and resources can be found at WWW.ENERGYSTAR.GOV.
- C. EISA allows a Federal agency to lease Space in a Building that does not have an ENERGY STAR® Label if:
 - 1. No Space is offered in a Building with an ENERGY STAR® Label that meets RLP requirements, including locational needs;
 - The agency will remain in a Building it currently occupies;
 - 3. The Lease will be in a Building of historical, architectural, or cultural significance listed or eligible to be listed on the National Register of Historic Places; or

- 4. The Lease is for 10,000 RSF or less.
- D. If one or more of the statutory exceptions applies, and the offered Space is not in a Building that has earned the ENERGY STAR® Label within one year prior to the due date for final proposal revisions, Offerors are required to include in their lease proposal an agreement to renovate the Building for all energy efficiency and conservation improvements that it has determined would be cost effective over the Firm Term of the Lease, if any, prior to acceptance of the Space (or not later than one year after the Lease Award Date of a succeeding or superseding Lease). Such improvements may consist of, but are not limited to, the following:
 - 1. Heating, Ventilating, and Air Conditioning (HVAC) upgrades, including boilers, chillers, and Building Automation System (BAS)/Monitoring/Control System (EMCS).
 - 2. Lighting Improvements.
 - 3. Building Envelope Modifications.

Note: Additional information can be found on http://www.gsa.gov/leasing under "Green Leasing."

- E. The term "cost effective" means an improvement that will result in substantial operational cost savings to the landlord by reducing electricity or fossil fuel consumption, water, or other utility costs. The term "operational cost savings" means a reduction in operational costs to the landlord through the application of Building improvements that achieve cost savings over the Firm Term of the Lease sufficient to pay the incremental additional costs of making the Building improvements.
- F. Instructions for obtaining an ENERGY STAR® Label are provided at http://www.energystar.gov/buildings/facility-owners-and-managers/existing-buildings/earn-recognition/energy-star-certification (use "Portfolio Manager" to apply). ENERGY STAR® tools and resources can be found at www.energystar.gov. The ENERGY STAR® Building Upgrade Manual (http://www.energystar.gov/buildings/facility-owners-and-managers/existing-buildings/save-energy/comprehensive-approach/energy-star) and Building Upgrade Value Calculator (http://www.energystar.gov/buildings/tools-and-resources/building-upgrade-value-calculator) are tools which can be useful in considering energy efficiency and conservation improvements to Buildings.
- G. If one or more of the statutory exceptions applies, and the offered Space is not in a Building that has earned the ENERGY STAR® Label within one year prior to the due date for final proposal revisions, the successful Offeror will be excused from performing any agreed-to energy efficiency and conservation renovations, and benchmarking with public disclosure (as provided in (I) below, if it obtains the ENERGY STAR® Label prior to the Government's acceptance of the Space (or not later than one year after the Lease Award Date for succeeding and superseding leases).
- H. If no improvements are proposed, the Offeror must demonstrate to the Government using the ENERGY STAR® Online Tools why no energy efficiency and conservation improvements are cost effective. If such explanation is unreasonable, the offer may be rejected.
- I. As described in Section 3 of the Lease, successful Offerors meeting one of the statutory exceptions above must agree to benchmark and publicly disclose the Building's current ENERGY STAR® score, using EPA's Portfolio Manager online software application. See the Lease for additional details.
- J. All new Buildings being specifically constructed for the Government must achieve the ENERGY STAR® Label within 18 months after occupancy by the Government.
- K. As part of the cost effective upgrades specified under sub-paragraph D above, existing lighting systems must be upgraded to meet or exceed the stated lighting specifications in the Lease unless, with respect to upgrades otherwise in excess of the minimum stated requirements, Offeror can demonstrate, using the Building Upgrade Value Calculator discussed above, that such additional upgrades are not cost effective over the Firm Term of the Lease.

Revised Warehouse RLP Paragraph 3.06 (MAR 2016):

3.06 ADDITIONAL SUBMITTALS (WAREHOUSE) (MAR 2016)

[ADD THE FOLLOWING SUB-PARAGRAPH AT THE END OF EXISTING RLP PARAGRAPH 3.06]:

U. If more than 5,000 square feet of land area is to be disturbed in order to meet the Government's requirements, (as more fully described in the Lease paragraph named ENERGY INDEPENDENCE AND SECURITY ACT, subparagraph (B)(1)(b)), a statement from Offeror that the Offeror is aware of and will comply with the specific Lease requirements concerning maintenance and restoration of the real property's hydrology.

Revised Warehouse Lease Paragraphs

Revised Warehouse Lease (Hidden Blue Text) Paragraph 1.22 ("Building Improvements") (MAR 2016):

Revised Warehouse Lease Paragraph 3.15 (MAR 2016):

3.15 ENERGY INDEPENDENCE AND SECURITY ACT (MAR 2016)

A. <u>Energy-related Requirements</u>:

- 1. The Energy Independence and Security Act (EISA) establishes the following requirements for Government leases in Buildings that have not earned the ENERGY STAR® Label conferred by the Environmental Protection Agency (EPA) within one year prior to the due date for final proposal revisions ("most recent year").
 - 2. If this Lease was awarded under any of EISA's Section 435 statutory exceptions, the Lessor shall either:
- a. Earn the ENERGY STAR® Label prior to acceptance of the Space (or not later than one year after the Lease Award Date of a succeeding or superseding lease); or
- b. (i) Complete energy efficiency and conservation improvements if any, agreed to by Lessor in lieu of earning the ENERGY STAR® Label prior to acceptance of the Space (or not later than one year after the Lease Award Date of a succeeding or superseding lease); and
- (ii) Obtain and publicly disclose the Building's current ENERGY STAR® score (using EPA's Portfolio Manager tool), unless the Lessor cannot access whole building utility consumption data, or there is no building category within Portfolio Manager to benchmark against, including spaces—
 - That are located in States with privacy laws that provide that utilities shall not provide such aggregated information to multitenant building owners; and
 - II. For which tenants do not provide energy consumption information to the commercial building owner in response to a request from the building owner. (A Federal agency that is a tenant of the space shall provide to the building owner, or authorize the owner to obtain from the utility, the energy consumption information of the space for the benchmarking and disclosure required by this subparagraph D).
 - III. That cannot be benchmarked (scored) using EPA's Portfolio Manager tool because of excessive vacancy; in which case Lessor agrees to obtain the score and publicly disclose it within 120 days of the eligibility to obtain a score using the EPA Portfolio Manager tool.

Note: "public disclosure" means posting the Energy Star® score on state or local websites in those areas that have applicable disclosure mandates, and reporting the score to the Government via Portfolio Manager. In the absence of an applicable state or local disclosure mandate, Lessor shall either generate and display the Energy Star® score in a public space at the building location or post the score on Lessor's or Lessor's Parent/Affiliate website.

- 3. If this Lease was awarded to a Building to be built or to a Building predominantly vacant as of the due date for final proposal revisions and was unable to earn the ENERGY STAR® label for the most recent year (as defined above) due to insufficient occupancy, but was able to demonstrate sufficient evidence of capability to earn the ENERGY STAR® label, then Lessor must earn the ENERGY STAR® label within 18 months after occupancy by the Government.
- 4. The Lessor is encouraged to purchase at least 50 percent of the Government tenant's electricity from renewable sources.

B. <u>Hydrology-related Requirements</u>:

- 1. Per EISA Section 438, the sponsor of any development or redevelopment project involving a Federal facility with a footprint that exceeds 5,000 square feet shall use site planning, design, construction, and maintenance strategies for the property to maintain or restore, to the maximum extent technically feasible, the predevelopment hydrology of the Property with regard to the temperature, rate, volume, and duration of flow. If the Lessor proposes to satisfy the Government's space requirements through a development or redevelopment project, and the Government will be the sole or predominant tenant such that any other use of the Property will be functionally or quantitatively incidental to the Government's use, the Lessor is required to implement hydrology maintenance and restoration requirements as required by EISA Section 438.
- a. For the purposes of applying EISA Section 438 in this Lease, "sponsor" shall mean "Lessor", and "exceeds 5,000 square feet" shall mean construction that disturbs 5,000 square feet or more of land area at the Property or on adjoining property to accommodate the Government's requirements, or at the Property for whatever reason. Information regarding implementation of the hydrology maintenance and restoration requirements can be found at: http://www.epa.gov/greeningepa/technical-guidance-implementing-stormwater-runoff-requirements-federal-projects
- b. Lessor is required to implement these hydrology maintenance and restoration requirements to the maximum extent technically feasible, prior to acceptance of the Space, (or not later than one year after the Lease Award Date or Lease Term Commencement Date, whichever is later, of a succeeding or superseding lease). Additionally, this Lease requires EISA Section 438 storm water compliance not later than one year from the date of any applicable disturbance (as defined in EISA Section 438) of more than 5,000 square feet of ground area if such disturbance occurs during the term of the Lease if the Government is Government is the sole or predominant tenant. In the event the Lessor is required to comply with EISA Section 438, Lessor shall furnish the Government, prior to the filing for permits for the associated work, with a certification from Lessor's engineer that the design meets the hydrology maintenance and restoration requirements of EISA Section 438.