



**Rent Stabilization Board**

DATE: March 20, 2017

TO: Honorable Members of the Berkeley Rent Stabilization Board

FROM: The Habitable and Sustainable Housing Committee

SUBJECT: Recommended action regarding the Model Green Lease Addendum (attached)

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**RECOMMENDATION:**

The Board should add the attached Model Green Lease Addendum to our website as a voluntary addition to existing and new leases. It should also direct staff and the Outreach Committee to publicize it as appropriate to the public and to other City agencies.

**BACKGROUND:**

In an effort to encourage green, resilient, and sustainable practices in our rental housing, the Habitable & Sustainable Housing Committee (formerly the Resilience and Sustainability Committee) has been working since May 2016 on a voluntary Green lease addendum for Berkeley tenants and property owners to add to existing or new leases.

This is seen as the first step in creating a Green Unit designation for multi-unit buildings in Berkeley. We plan on examining how we can develop a “Green Certification” of some sort for multi-family buildings- much like the existing LEED certification for new construction. One of the focuses would be being able to certify pre-1980 construction as “Green” in order to help preserve existing rental housing and encourage rehabilitation rather than demolition, as that is inherently less environmentally damaging.

The attached Model Green Lease Addendum is modeled on various existing commercial green leases from around the country. The committee also received valuable input from the Ecology Center and the Berkeley Rental Housing Coalition that improved the document during its development.

The proposed Green lease addendum addresses one of the goals of Berkeley’s 2011 Building Energy Efficiency Solutions (BEES) report:

“Development of legally vetted model lease language that property owners would be encouraged to incorporate into their lease agreements designed to enable energy improvements to be made under specified conditions with a clear process for identifying costs and benefits to both parties and a structure

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for enabling costs to be recouped in an appropriate manner.”

- p. 44, “Increasing Energy Efficiency in Existing Multifamily Buildings”, Final BEES Report 2011  
[https://www.cityofberkeley.info/uploadedFiles/Planning\\_and\\_Development/Level\\_3\\_-\\_Energy\\_and\\_Sustainable\\_Development/BEES2011FINALfullWeb.pdf](https://www.cityofberkeley.info/uploadedFiles/Planning_and_Development/Level_3_-_Energy_and_Sustainable_Development/BEES2011FINALfullWeb.pdf)

The addendum is broken into 5 parts:

- The first part delineates various responsibilities of the property owner.
- The second part delineates various responsibilities of the tenant.
- The third part delineates various joint responsibilities.
- The fourth part sets out the energy reduction goals of this agreement.
- The fifth part makes clear that violation of this agreement is not grounds for eviction.

In addition to identifying specific numbers for reduction of energy use, this lease addendum brings the following sustainable issues into lease language:

Green/renewable energy providers, energy efficient product buying pools, Energy Star/comparably efficient appliances, beefed-up recycling (including periodic electronics recycling), low-VOC paints/carpets\*, energy data sharing, intentional energy use reduction, sustainable ground cover, and native/drought-tolerant plants.

Additionally, the Ecology Center and committee members included a number of government and utility programs that may assist participants further green our rental housing stock.

A key component of the lease is the final section which specifies that “material violation” of this addendum is not a “material violation” of the underlying lease- in other words, that a violation of this addendum cannot cause an eviction.

The Habitable & Sustainable Housing Committee unanimously voted to forward this item to the full Rent Board at our March 2, 2017 committee meeting.

\*- VOC, or Volatile Organic Compounds, are chemicals used in many household materials that easily become vapors or gases.

**FINANCIAL IMPACT:**

Minimal to upload to Rent Board website. Outreach related to this item should fall within existing outreach budget line items.

### **Green Lease Addendum**

This Addendum modifies the attached Lease Agreement between Landlord and Tenant, who have agreed to cooperate on meeting sustainability and high performance building goals.

1. Landlord shall:

- (a) Purchase [50% / or 75%/ or 100% ] “Green Power” (electricity from documented renewable energy sources) for the [ common areas / or/ entire building].
- (b) Purchase and install: sink and shower aerators, efficient shower heads, and water efficient washing machines.
- (c) New and replacement toilets shall be low-flow toilettes, which is 1.28 gallons per flush, and new and replacement washing machines shall be water efficient.
- (d) Purchase and install: weatherstripping on all exterior doors, and an insulation blanket on all domestic storage water heaters that are rated at a minimum thermal resistance value of R-6.
- (e) Set up an energy efficiency products buying pool for tenants (and for common areas), which shall maximize opportunities and discounts for products such as LED light bulbs, power strips, phantom load light switches (ensure no draw on electricity when switch is off), etc.
- (f) Always purchase Energy Star or comparably efficient appliances for [the building and/or unit] as existing non-Energy Star or comparably efficient appliances need to be replaced.
- (g) Replace natural gas-powered appliances such as dryers and ranges with energy efficient electric versions, in an effort to wean dependence on fossil fuels.
- (h) Set up a building-wide infrastructure for materials recycling and composting by supplying the appropriate recycling bins to Tenant for paper, metals, plastics and the appropriate composting bins. Landlord shall also provide electronics disposal bins for computers, etc. at least once a year.
- (i) Protect indoor air quality by using low-VOC paints and carpets and require landlord-hired cleaners to use “green” and non-toxic cleaning products that are certified by the Environmental Working Group tests and providing appropriate plants in common areas. To limit chemical offgassing from carpet and carpet underlayment, choose products that carry the Carpet and Rug Institute's (CRI) Green Label Plus logo. These have been tested to meet standards for low-VOC emissions. Consider carpets made of natural fibers, or containing recycled content.
- (j) Keep HVAC units tuned up to work efficiently, including annual maintenance of systems.
- (k) Publish an annual report on Green Lease and sustainability measures. This shall include monthly measurements of building energy and water use, and shall annual targets for those measures. This report should be made available to all tenants.

(1) Designate a representative (“Building Environmental Manager”) for questions or suggestions on Green Lease sustainability issues. This could be the building manager or a tenant.

2. Tenant shall:

- (a) Use best efforts to recycle by separating waste stream into the appropriate recycling bins (paper, plastic, metals), and dispose of all electronic items (cell phones, computers, etc.) in designated bins when they are available.
- (b) Use best efforts to compost plant debris and kitchen scraps, and food soiled paper in an orderly manner (when composting bins are available).
- (c) Give Landlord access to data on unit energy and water use for annual reports.
- (d) Use best efforts to help meet building-wide energy use reduction goals and minimize unnecessary use of electricity, water, heating, and air conditioning, including recommended use of window shades and curtains to keep out summer heat and keep in winter warmth.
- (e) Consider using the energy efficiency products buying pool that Landlord has set up and consider Energy Star or comparably efficient appliances for Tenant’s unit.
- (f) Protect indoor air quality by using low-VOC paints and carpets and using “green” and non-toxic cleaning products whenever possible. To limit chemical offgassing from carpet and carpet underlayment, choose products that carry the Carpet and Rug Institute's (CRI) Green Label Plus logo. These have been tested to meet standards for low-VOC emissions. Consider carpets made of natural fibers, or containing recycled content.

3. Landlord and Tenant Shall:

- (a) Plant drought-tolerant, native perennials to replace water-intensive annuals. These have the benefit of often reseeding themselves, ensuring longevity.
- (b) Utilize succulents and ornamental/native grasses.
- (c) Replace lawn areas with mulch, tree clippings, gravel, rock, recycled materials such as concrete, or other natural materials.
- (d) Regularly check for water leaks.

4. Landlord and Tenant agree that a primary goal of the Green Lease Addendum is to reach a \_\_\_\_\_% reduction in water use//electricity use//gas use from energy use as of \_\_\_\_\_ [date].

5. Landlord and Tenant agree that a material violation of this Green Lease Addendum that continues more than 30 days after written notice of such violation shall be considered cause for mediation under the Lease Agreement. Material violation of this Addendum is not a Material Violation of the underlying Lease Agreement and cannot be good cause for eviction under Berkeley Municipal Code Section 13.76.130A.2

## Resources and Helpful Links

1. By the end of 2017, Berkeley residents will be able to purchase their power through East Bay Community Energy ([www.ebce.org](http://www.ebce.org)), the Alameda County community choice energy program (CCE). The CCE is likely to offer an energy portfolio that exceeds PG&E's in terms of renewable energy, as well as a 100% renewal option. PG&E's webpage for "Electric Service Alternatives" lists various options to source energy from more renewable sources
2. [EBMUD's water conservation page.](#)
3. Property-Assessed Clean Energy (PACE) Financing may help owners finance improvements to enhance energy efficiency and save water
4. For recycling questions, tenants may call the Ecology Center hotline at 510- 548-2220 x233 or email [erc@ecologycenter.org](mailto:erc@ecologycenter.org). Stopwaste's webpage "Recycle Where?" helps tenants find out where to recycle or safely dispose of various household items: [www.recyclewhere.org](http://www.recyclewhere.org). There is also a [free monthly compost giveaway](#) at the Berkeley Marina.
5. Cleaning products advertised as "green" or "natural" may be neither. Environmental Working Group's Guide to Healthy Cleaning <http://www.ewg.org/guides/cleaners> contains reliable information on the toxicity of cleaning products. Other useful links include Ecology Center fact sheet on Indoor Air Quality: <http://ecologycenter.org/wp-content/uploads/2013/06/Air-Quality.pdf> and Rodale's list of indoor plants that purify indoor air: <http://www.rodalesorganiclife.com/garden/7-plants-purify-indoor-air>
6. Rising Sun Energy Center, offers free [Green House Calls](#) to renters.