

Case Study – RBC’s Green Leasing Standard

What was the initiative implemented?

A green leasing standard was developed by RBC Corporate Real Estate. The green leasing standard is a set of environmental criteria for use by Corporate Real Estate when negotiating space requirements with landlords, and in operating and maintaining RBC’s leased premises.

Who implemented it?

RBC’s Corporate Real Estate department developed the green leasing standard. RBC’s real estate department applies the green leasing standard wherever possible across RBC’s global operations. In addition to its Canadian retail banking operations, RBC business units are major tenants of commercial office buildings in the Greater Toronto Area, across Canada, and internationally.

Lessons learned

A **green leasing standard** can take the form of a list of premises related environmental concepts and criteria, which are applied to leasing documents and used in operating leased premises. Alternatively, it may take the form of a **green lease agreement template** with specific clauses and language developed, which is used for all leased premises. With either a green leasing standard or a green lease, it is important to take the following steps:

1. Get agreement and support for the initiative at the most senior levels within your organization.
2. Review guidance documents published by industry organizations (e.g., [REALPac green lease guide](#)).
3. Decide whether to develop a set of green leasing criteria and concepts, or a template green lease agreement, depending upon your business requirements and objectives.
4. Engage all relevant internal stakeholders in the development of your green leasing standard or green lease, including your leasing department as a key stakeholder.
5. Obtain "buy in" for the green leasing standard or green lease from all stakeholders.
6. If you are developing a set of green leasing criteria, ensure the requirements are captured in the various leasing documents and operational/maintenance standards used by your organization.

What are some typical Green Leasing concepts?

Leasing documentation can address some of the common environmental impacts of occupying a building by including the following green leasing criteria categories: energy, water, waste, travel management and indoor air quality. Each of these categories should include some of the following criteria in order to improve a building’s sustainability performance:

- monitoring and reporting;
- operational programs and standards;
- building management and tenant support;
- standards for capital work; and
- achievement and maintenance of third party green building standards (e.g., BOMA Best, LEED)

Overall benefit

The primary benefit of developing and implementing green leasing standards or using a green lease is that your organization is better positioned to meet sustainability objectives that come into play after the leasing process. Meeting premises related environmental objectives often requires a partnership between tenants and landlords. Negotiating green leasing concepts into your leasing documentation, either from the outset of a tenancy or during a lease renewal, will ensure that both the landlord and tenant are committed to environmental sustainability at the highest levels.