

WHAT DEFINES SUSTAINABILITY?

"Meeting the needs of the present without compromising the ability of future generations to meet their own needs."

–U.N World Commission on Environment and Development



SOME FACTS...

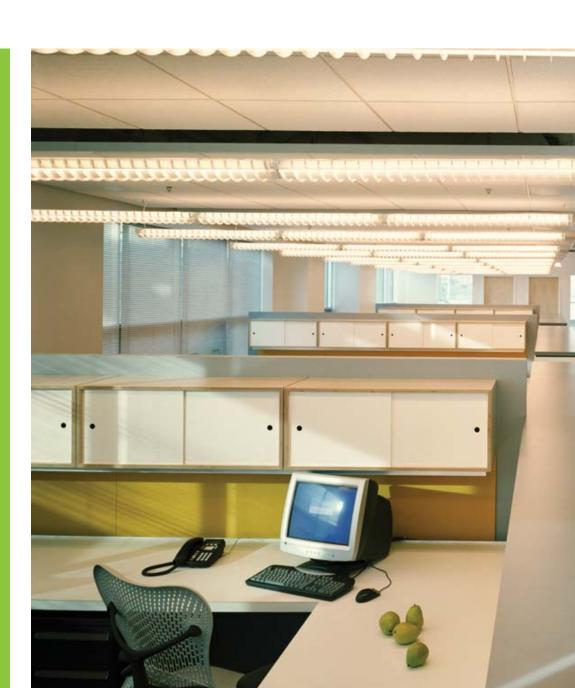
The average time Americans spend indoors => than 90%

Energy costs

Health care costs

24% of office workers feel that air quality is poor in their work environment

20% of office workers believe this affects work performance



FROM INTEREST TO MANDATE?

Since its first release in 2000, voluntary LEED compliance has spread rapidly

LEED projects in all 50 states and 12 countries

Government agencies, corporations and universities have declared their intent to meet LEED standards

The momentum is growing!



Leadership in

Energy and

Environmental

Design

Volunteer Committees Full Membership **LEED**

The USGBC

WHAT IS LEED?

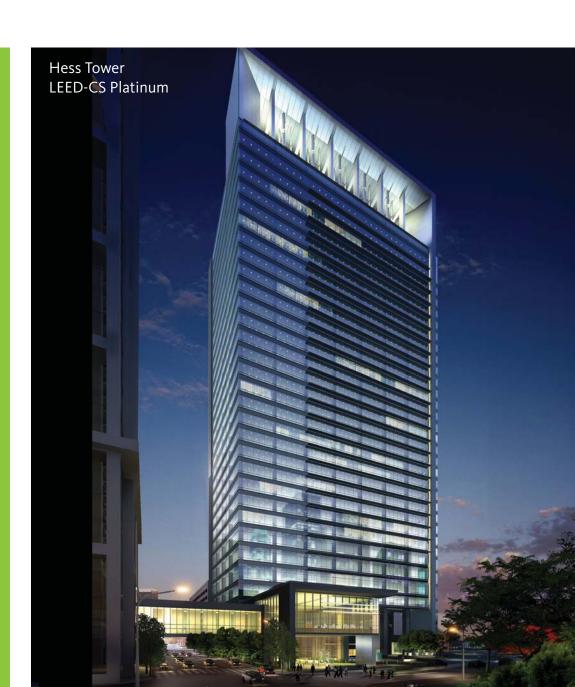
Evaluates environmental performance from a "Whole Building" perspective

Establishes a market value

Provides independent, third-party verification

Works throughout a building's life cycle

Prevents "greenwashing" by establishing a standard of measure



WHAT IS USGBC?

Non profit organization established in 1993

Develops LEED-based education & research programs



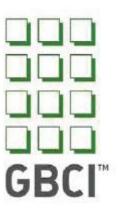
USGBC's MISSION:

To promote the design and construction of buildings that are environmentally responsible, profitable, and healthy places to live and work.

WHAT IS GBCI?

Established in 2008 to administer certifications

GBCI performs third-party technical reviews of registered projects to determine if they have met the LEED standards

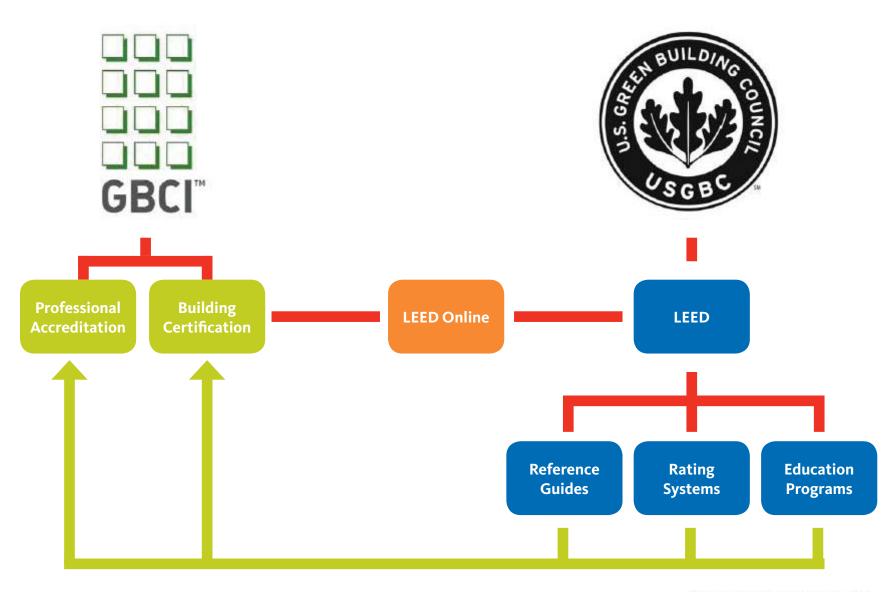


GBCI's MISSION:

To be the premier organization independently recognizing excellence in green building performance and practice globally.

HOW IT ALL FITS TOGETHER

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LEVELS OF LEED RATINGS

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Green buildings worldwide are certified with a voluntary, consensus-based rating system.

USGBC has four levels of LEED.



80 - 110 Points 60 - 79 Points 50 - 59 Points 40 - 49 Points

© U.S. Green Building Council, 2008

COMMERCIAL PROJECTS

NUMBER OF LEED REGISTERED PROJECTS

13,265

NUMBER OF LEED CERTIFIED PROJECTS

SQUARE FOOTAGE OF LEED CERTIFIED PROJECTS

2 billion

© U.S. Green Building Council, 2011

As of Februray 2012

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TYPES OF LEED CERTIFICATION

HOMES

NEIGHBORHOOD DEVELOPMENT

COMMERCIAL INTERIORS CORE & SHELL EXISTING BUILDINGS NEW CONSTRUCTION & MAJOR RENOVATIONS **OPERATIONS & MAINTENANCE** RETAIL **HEALTHCARE BUILDING LIFE CYCLE DESIGN CONSTRUCTION OPERATIONS** source: USGBC

WHAT IS LEED EB: OM

LEED-OM

VS.

LEED-NC & CI

An on-going process ————— One-time opportunity

Operating budgets ————— Capital budgets

Life of building ── Design & construction

THE POWER OF O&M

Fastest-growing LEED Rating system in 2009, with more than 2,000 new projects representing 400 million square feet.

Over the next 30 years, property owners will build or renovate about 75% of all buildings that will be operating in the year 2040.

The EB market is 80 times larger than the New Construction Market.

More than 80% of these projects were registered by private sector owners, surest indication that greening of real state operations delivers marketplace benefits.

WHY LEED EB: OM

- 1.LEED certification provides third-party verification of a building's performance.
- 2.The process of certification helps facility managers evaluate current practices, identifies inefficiencies, and provides a road map to operational improvement.
- 3. Addresses building exterior and site maintenance programs, efficient and optimize use of energy and water, the purchase of environmentally preferred products and food, waste stream management and ongoing indoor environmental quality.

LEED EB: OM BUILDING ELIGIBILITY

Owner-occupied

Multi-building projects

Single, multi-tenant buildings with all tenants' cooperation and participation

Individual tenant spaces are ineligible due to the whole-building rating system

A minimum of 50% occupancy (by square footage) for 12 consecutive months prior to certification

Federal, state and local environmental law/regulation compliance

LEED EB: OM PERFORMANCE PERIOD

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The time frame within which all applicable policies, programs, and tracking systems must be in place and operational.

INITIAL CERTIFICATION

The most recent period of operations preceding certification application and must be a minimum of 3 months, with the exception of EA prerequisite 2 and credit 1, which have longer durations.

RECERTIFICATION

The performance period depends on whether the credit is newly pursued.

PREREQUISITES AND CREDITS EARNED IN THE INITIAL CERTIFICATION

The performance period is the entire period between the previous certification and current application.

NEW CREDITS

Performance period is the same as for initial certification.

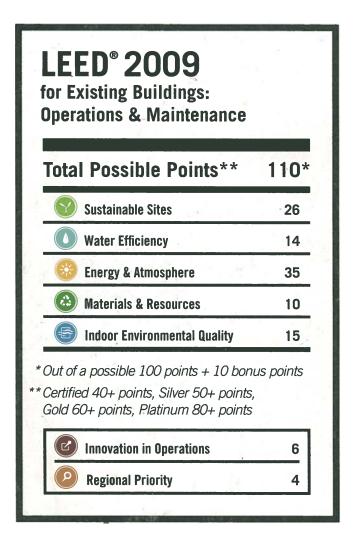
- 1. Sustainable Sites
- 2. Water Efficiency
- 3. Energy & Atmosphere
- 4. Materials and Resources
- 5.Indoor Environmental Quality
- 6.Innovation and Design
- 7. Regional Priority



LEED EB: OM TOTAL POINTS:

Total Possible Points:

Sustainable Sites	26
Water Efficiency	14
Energy & Atmosphere	35
Materials & Resources	10
Indoor Environmental Quality	15
Innovation Points	6
Regional Priority	4
Total Possible LEED Points:	110
Plus Prerequisites	9
Bonus Points (Regional)	4
Priority Credits????	



LEED EB: OM ADDRESSES:

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- Energy consumption overtime
- Sustainable purchasing
- alterations

- Thermal comfort
- ongoing operations
- Innovation in operations



























WHY ARE TENANTS PURSUING LEED?

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attract & retain the best & brightest

reduce absenteeism & increase productivity

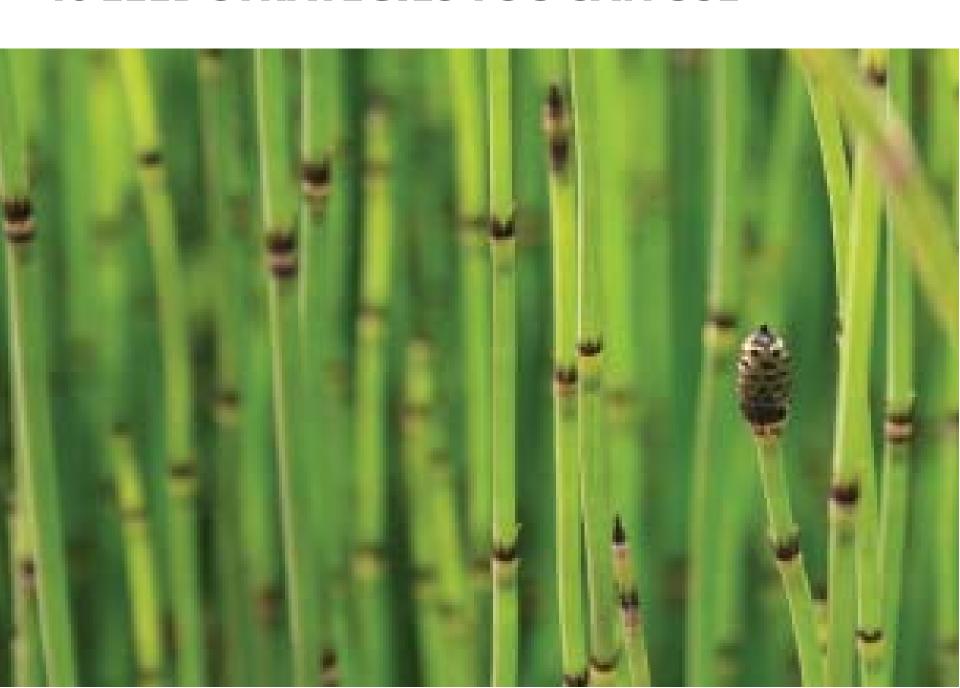
create a
comfortable
work
environment

gain **a green** reputation

life cycle **cost** savings

it's the **right thing** to do





1. Engage Executive Leadership

- Create a mission, clear goals, and sustainability policy
- Create a green CULTURE with Stakeholders:
 - Building occupants
 - Office managers
 - Lease holders
- Prepare corporate sustainability reporting
 - Emissions Reduction Reporting



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2. Make a Business Case

Continuous Performance

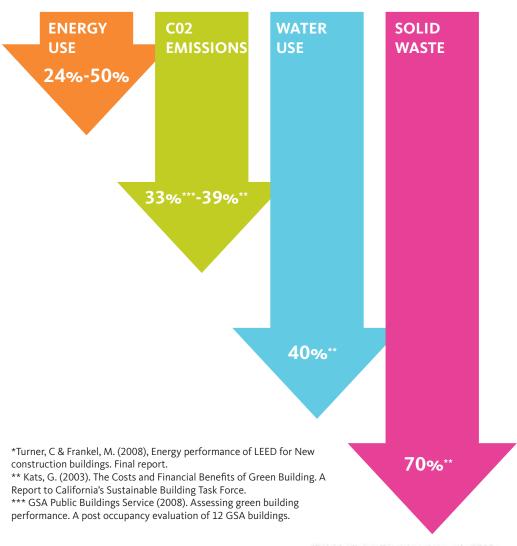
- LEED EB: O&M certification
- LEED EB: OM Recertification
- ENERGY STAR -Ongoing

Benefits for building owners

- Utility cost savings
- Higher building value
- Higher rents
- Greater occupancy
- Public Relations
- Tax benefits

Document Sustainable Building Cost Impacts

GREEN BUILDINGS CAN REDUCE



O U.S. Green Building Council, 2008

2. Make a Business Case

"We no longer see a green premium; we believe the market will be placing a brown discount on properties that are not making the effort to improve efficiency"

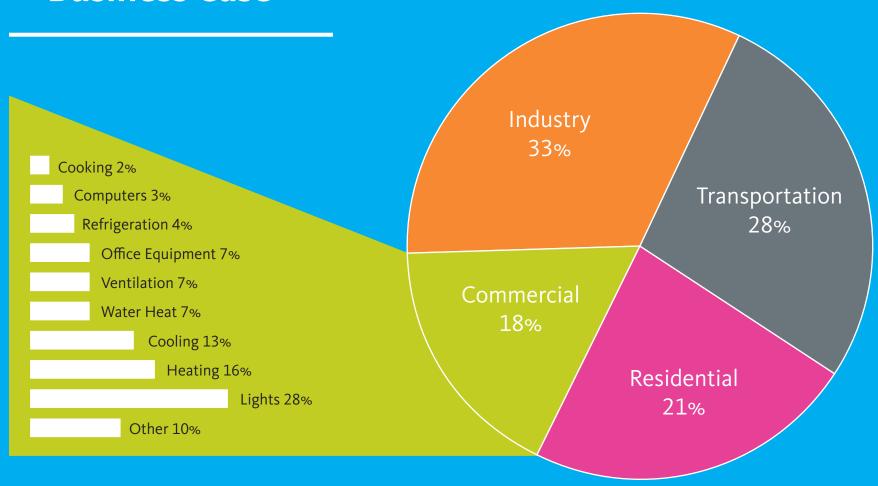
 Gerald D. Oliver, Senor Vice President of Property Management, Behringer
 Harvard

"....green is rapidly going to become an integral component of being a first class office building"

-Andrew McAllan, Senior Vice President of Real Estate Management, Oxford Properties



2. Make a Business Case



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3. Use Third Party Validation

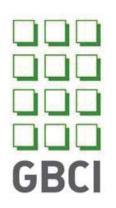
LEED for Existing Building: O&M Energy Star

- Target Finder
- Portfolio Manager

Other tools

- Green Office Challenge Houston
- IFMA
- GreenPrint Foundation











EPA's ENERGY STAR Measurement and Tracking Tool: Portfolio Manager

Maureen K. Roskoski REPA, LEED AP 0+M Senior Professional Facility Engineering Associate PG Laurie Gilmer
PE, CFM, LEED AP 0+M, CzA
Associate
Facility Engineering Associates

Greg Hughel LEED AP Project Engineer Facility Engineering Associates,

2™ Edition





H. Jay Enck cvaz, embe, risen az, cesae, nez Principal Commissioning and Green Building Solutions, Inc. (CxGBS⁶)



3. Use Third Party Validation

LEED EB: OM

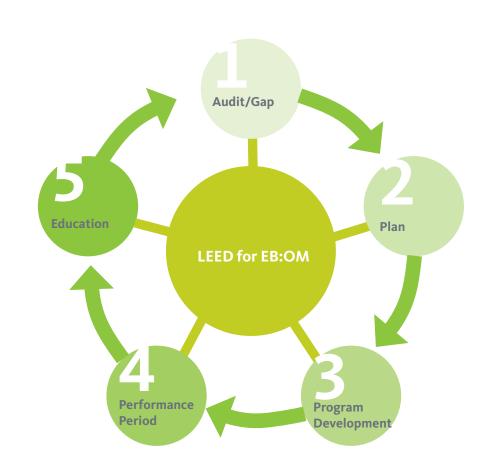
Phase 1: Audit/Gap analysis

Phase 2: Plan

Phase 3: Program Development

Phase 4: Performance Period

Phase 5: Education



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3. Use Third Party Validation

ENERGY STAR

Phase 1: Target finder

Phase 2: Portfolio manager

Benefits

- Significant effect through reducing energy use
- Investors pay more for energy efficient buildings
- Generally yield 3.3 percent higher rental rates than other green buildings
- Tenants pay higher rent for energy efficient buildings

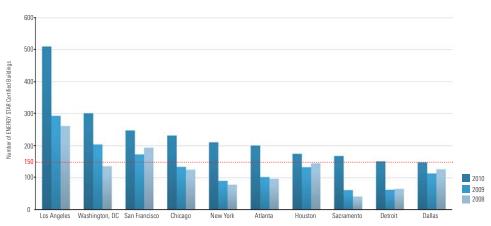


An Historical Perspective: Top Cities with the Most ENERGY STAR Certified Buildings 2008-2010

For the past three years, EPA has released an annual list of the top cities in the U.S. with the most ENERGY STAR certified buildings. A closer look at these annual rankings highlights the exponential growth in 2010 compared to the prior two years. In fact, in 2008, only two of the cities in the top 10 (Los Angeles and San Francisco) had more than 150 certified buildings. Now, nine of the top 10 cities have more than 150 buildings, and Dallas is just two buildings short of that number.

Top 10 Cities with the Most ENERGY STAR Certified Buildings in 2010:

Number of Buildings in each city over a three-year period



Top 10 Cities with the Most ENERGY STAR Certified Buildings in 2010, 2009, and 2008

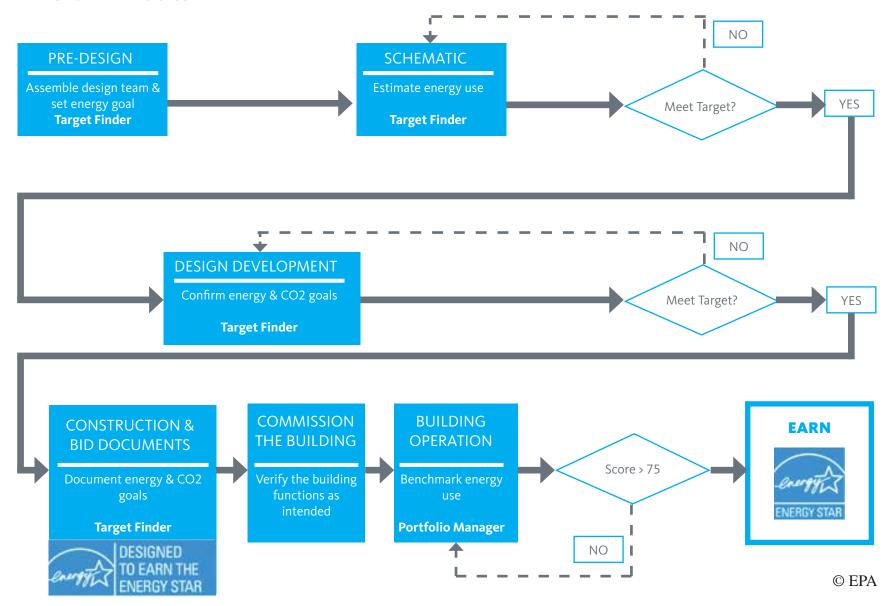
2	010	ENERGY STAR Certified Buildings	2	009
1	Los Angeles, CA	510	1	Los Angeles
2	Washington, DC	301	2	Washington
3	San Francisco, CA	248	3	San Francisc
4	Chicago, IL	232	4	Denver, CO
5	New York, NY	211	5	Chicago, IL
6	Atlanta, GA	201	6	Houston, TX
7	Houston, TX	175	7	Lakeland, FL
8	Sacramento, CA	168	8	Dallas-Fort V
9	Detroit, MI	151	9	Atlanta, GA
10	Dallas-Fort Worth, TX	148	10	New York, N

2	009	ENERGY STAR Certified Buildings
1	Los Angeles, CA	293
2	Washington, DC	204
3	San Francisco, CA	173
4	Denver, CO	136
5	Chicago, IL	134
6	Houston, TX	133
7	Lakeland, FL	120
8	Dallas-Fort Worth, TX	113
9	Atlanta, GA	102
10	New York, NY	90

2	008	ENERGY STAR Certified Buildings			
1	Los Angeles, CA	262			
2	San Francisco, CA	194			
3	Houston, TX	145			
4	Washington, DC	136			
5	Dallas-Fort Worth, TX	126			
6	Chicago, IL Atlanta, GA	125			
7	Denver, CO	109			
8	Minneapolis-St. Paul, M	N 102			
9	Atlanta, GA	97			
10	Seattle, WA	83			

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ENERGY STAR PROCESS



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ENERGY STAR

<u>p</u> 0	Schematic Design	esign evelopment	Construction Documents	Construction					
Pre Design	Schema Design	Design Develo	Con	Con	Year 1	Year 2	Year 3	Year 4	Year 5
Target Finder & Qualified Best Practices products			Benchmark	Label for buildings					
New building				Existing bu	uilding				

ENERGY STAR

LEED

4. Find Incentives

- Federal tax energy incentives
 Created by the Energy Policy
 Act of 2005
- Local tax energy incentives
- Insurance discounts
- Permitting





5. Create a Task Force

- Create a green core team
- Designate a LEED champion
- Commit to Sustainability
- Create a process for success
 - Baseline operations
 - Implementation
 - Measure and verification



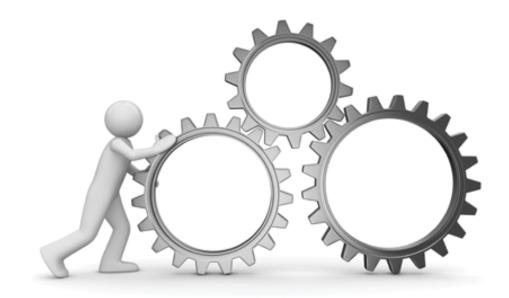
6. Develop Operations, Policies & Plans

LEED Prerequisites:

- Sustainable purchasing policy
- Solid waste management policy
- Environmental Tobacco Smoke (ETS)policy
- Green cleaning policy

Additional:

- IAQ best management practices -IAQ management program
- Building exterior and hardscape management plan
- Integrated pest management, erosion control, and landscape management plan



7. Develop Construction Policies

Facility alterations and additions refers to changes that affect usable space in the building.

- Sustainable purchasing
- Solid waste management
- IAQ management plan





Policies are required to include:



Scope



Performance Metrics



Goals



Procedures and Strategies



Responsible Party



Time Period



8. Incorporate Green Operations

Sustainable Sites

- Implement a transportation survey
- Promote transportation options
 - Mass transit
 - Carpools/Vanpools
 - Bicycling
- Reduce Heat Island
 - Non-Roof
 - Roof
- Reduce Light Pollution



8. Incorporate Green Operations

Water

- Reduce potable water use from indoor plumbing fixtures by 20% (Energy Policy Act 1992)
- Implement a Water efficient irrigation system to reduce the quantity of potable water use by 50%
- Install Drought resistant landscape
- Use non-potable water source for the Cooling Tower

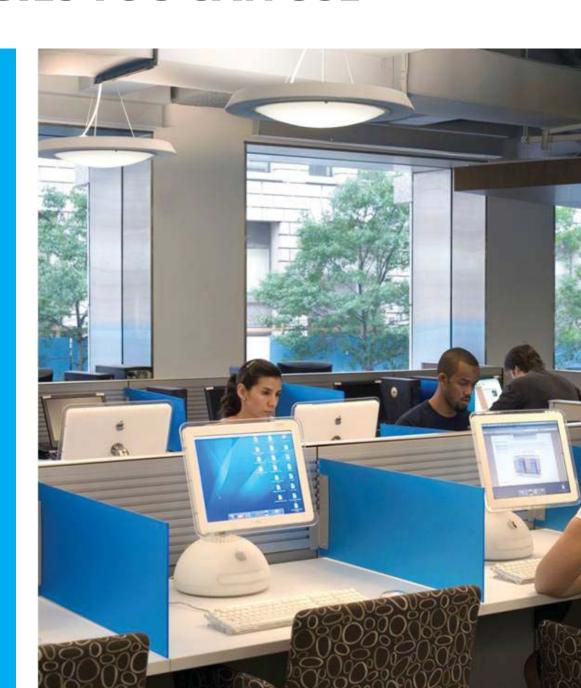




8. Incorporate Green Operations

Energy

- Conduct an ASHRAE level I Energy Audit that includes:
 - Walk-through Analysis
 - Energy Use Breakdown
 - Opportunities for immediate low or no-cost measures
- Develop the following documents:
 - Building Operating plan
 - Systems narrative
 - Sequence of Operations
 - Preventive Maintenance Plan
- Develop a retro-commissioning and ongoing commissioning plan



8. Incorporate Green Operations

Energy

- Receive an ENERGY STAR rating of 75 or higher (LEED req 69)
- Switch to Energy Star equipment to reduce plug loads by half
- Establish a lighting power budget of less that 1 watt/sf
- Install occupancy and lighting controls
- Implement a refrigerant management plan







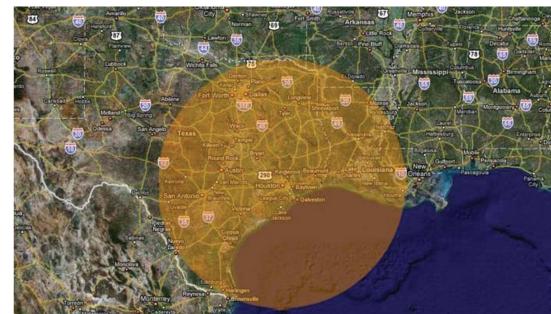
8. Incorporate Green Operations

Materials and Resources

- Implement a Sustainable Purchasing policy:
 - Ongoing Consumables (40%)
 - Durable Goods, Electric
 - Durable Goods, Furniture
 - Reduced Mercury in Lamps
 - Food
- Perform a Waste stream Audit
- Implement a Solid Waste Management policy:
 - Ongoing Consumables (50%)
 Diversion
 - Durable Goods







8. Incorporate Green Operations

Indoor Environmental Quality

- Supply outdoor air ventilation rate as required by ASHRAE 62-2007
- Implement an Environmental Tobacco Smoke (ETS) policy
- Specify low-emitting materials and equipment
- Implement a Green Cleaning policy
 - Product purchases
 - Equipment purchases
 - Entryway maintenance
 - Ventilation of storage areas
 - Custodial audits (APPA)





8. Incorporate Green Operations

Indoor Environmental Quality

- Specify high-performance filters with a Minimum Efficiency Reporting Value (MERV) rating of 13 or above
- Establish an HVAC filter inspection and replacement program
- Track and record air temperature, humidity and air speed. Monitoring allows for increased occupant comfort, fewer complaints and easier management



9. Keep Going Green

- Training
- Internal education
- Knowledge management



10. Communicate

- Internal
 - Tenant newsletters
 - Tenant meetings
 - Lobby Posters
 - Information boards in mail rooms
 - Letters to stakeholders
- External
 - Property websites
 - Owner websites
 - Tenants websites
 - Local media
- Ongoing with all the stakeholders
 - Building owners
 - Building operators
 - Tenants



10. Communicate

Engage through special events:

- Recycling or reuse events:
 - E-waste collection day
 - Office supply reuse swap
- Bike to work day (Third Friday of May)
- Arbor Day, another global event, it takes place the fourth Friday in April
- Earth Day, celebrated on April 22
- Change the world, Start with ENERGY STAR, runs annually through Earth Day of each year.
- Earth Hour, this global event asks people to turn off their lights for one hour the last Saturday of March every



- 1. Engage Executive Leadership
- 2. Make a Business Case
- 3. Use Third Party Validation
- 4. Find Incentives
- 5. Create a Task Force
- 6. Develop Operations, Policies & Plans
- 7. Develop Construction Policies
- 8. Incorporate Green Operations
- 9. Keep Going Green
- 10. Communicate

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Sustainability "MUST HAVES"



Does the building's energy performance comply with ASHRAE IESNA standard 90.1-2007?

Does the building's indoor air quality comply with ASHRAE 62.1-2007?

Does the building have a no smoking policy and designated smoking areas at least 25' from the building?









Has the building eliminated CFC refrigerants from its HVAC and refrigerant systems?



Is the building fitted with water efficient fixtures, primarily toilets and sinks, that reduce water consumption by 20%?

Is the building's fresh air intake more than 25 feet from the loading dock?

Does the building have a recycling program?



Sustainability "GREAT TO HAVES"



Access to Amenities







Does the building have bike storage and provisions for tenant shower facilities?

Is the building within a quarter mile from bus lines or a mile from the light rail?

Does the building have priority parking for van/car pools?

Building Systems

Does the building use any irrigation or high efficiency irrigation systems for landscape?

If it's not a LEED Building, does the building use on site renewable energy?

Can tenants choose their own electricity company for power or does the building have electrical service that includes provisions for green energy?







Building Attributes



How far away are the windows from the space, and are they floor to ceiling or is there a ledge?



Is the building LEED or will it be LEED certified?

Building Management

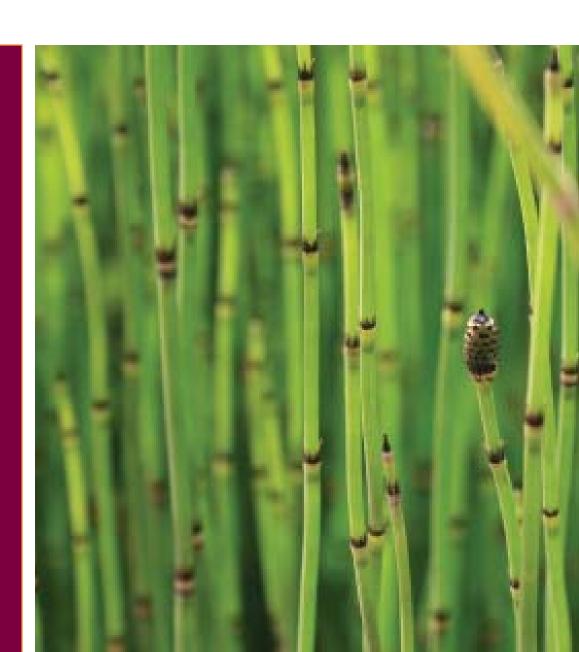
Does the building have a monitoring system to ensure tenant comfort in public spaces, as well as sufficient air changes?



Does the building support recycling of construction waste?



Things
Worth LEED
Points



Things Worth LEED Points

Include allowance for showers in tenant space



Things Worth LEED Points



Negotiate a 10 year or longer lease term

Things Worth LEED Points

Negotiate a net lease with utility cost paid by tenant and not included in the lease



Things Worth LEED Points





Provide separate energy and/or water metering for the tenant space

Things Worth LEED Points

Negotiate allowance for upgrades to restroom fixtures that will use 20% less water



Things Worth LEED Points



Negotiate ability for tenant to purchase renewable energy

Things Worth LEED Points



Negotiate additional allowance for recycling of non-hazardous material that's removed from the space before construction

Things Worth LEED Points

Fewer reserved parking spots for the tenant



THANK YOU!

