

Green buildings mean black ink, panel notes

BY YUDISLAIDY FERNANDEZ

Investing in environmentally-sustainable building systems can help commercial property owners boost their bottom line.

From starting recycling programs to upgrading lighting systems and installing new mechanical equipment, these measures can save property owners thousands of dollars a year, commercial professionals shared at a green panel discussion.

The event, put together by the realty organization Commercial Real Estate Women, was held May 18 at the Four Seasons Hotel in Brickell.

Panelist Brian Lomel, principal and sustainability consultant at TLC Engineering for Architecture, said sometimes simple changes can have a big impact, such as turning off the lights when the building is unoccupied and making sure the temperature isn't as low at night as during the day.

"Simple changes can make a difference," he said.

For example, he mentioned a building that made a \$65,000 investment to increase its energy efficiency that has translated to an annual saving of \$54,000 for the owner.

When a piece of equipment such as a chiller system breaks, Mr. Lomel recommends spending a little extra to replace it with a new one rather than fixing the old parts because it can help save energy costs.

Panelist Lynn-Ann Ierna, director of property management at Midgard Management, has seen first-hand how changes the company is making in its properties is saving a lot of green.

At the 475,000-square-foot Crown Center, the lighting system was retrofitted at a monthly saving of \$1,800, Ms. Ierna said, and a recycling program started, which doesn't represent a cost to Midgard, that saves the campus \$40,000 annually.

Because these savings trickle down to the tenants, Crown Center had strong tenant retention in the past couple of years, when many tenants across the commercial market were downsizing or ending leases.

"We didn't see anybody walk out of Crown Center," she said.

Tenants can reap many of the benefits of a building going green, but they have to be willing to participate in sustainability efforts.

Panelist Michael Vullis, vice president of Flagler Real Estate Services, said that at the properties the company manages, Flagler has held seminars to educate tenants on the benefits of sustainability.

Also, tenants are updated in a monthly newsletter on the successes the building is having with its green initiatives.

Providing other services like a shredding company that comes to the property and helping tenants dispose of old computers, Mr. Vullis noted, have provided additional benefits.

"This is a huge thing for tenants," he said. They "really appreciate that."

Remodeling the office can also improve office quality of life for employees while saving tenants square footage, said panelist Leisha John, Americas director of environmental sustainability at professional services firm Ernst & Young.

She noted that the firm's Chicago office recently relocated from the Sears Tower to a new green office building, in which the office space configuration was changed to give staff better views and more daylight.

"People are thrilled," she said. "They say they have more energy and are more motivated."