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Will A Green Building Make You See Red?

“Green Building” is a design and construction philosophy that

promotes the use of environmentally sustainable material to create healthier, more efficient “high performance” structures, homes and communities. Currently more pervasive in the commercial and office building marketplace, proponents hope that the homebuilding industry will follow suit. Arguably green buildings represent sound investments despite a possible market disadvantage if higher design and construction costs are passed-through in the form of higher than market rents. Time will tell whether this disadvantage may be offset by savings in operating costs and government incentives such as tax credits and streamlined permit processing.



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Standards

LEED (Leadership in Energy and Environmental Design) is a point based rating system developed by the

Green Building Council that establishes a nongovernmental national standard for measuring Green Building. Points

are given for green practices that implement LEED principals (for example using less energy and water, Brownfields redevelopment, using locally harvested materials, providing for daylight). Based upon total points, a building will receive a rating of Certified, Silver, Gold or Platinum. Over 20 states and 40 municipalities have adopted LEED standards.

Incentives

Voluntary incentives presently offered or being considered by government, include income tax credits, real property tax abatements, and direct grants or loans for Green Buildings. New York was the first state to pass green building legislation, which has been refined and modified by Maryland and Massachusetts. Pennsylvania is

now considering adoption of similar incentives.

Potential Costs And Savings

Proponents suggest that Green Buildings reduce energy consumption and costs (significant at a time when electric rates are increasing); create local green building jobs within the construction sector; mitigate environmentally related health risks (including indoor air quality issues); improve work and learning environments; and, affirm our society’s commitment to environmental conservation. Recent studies found that construction costs were not significantly higher, perhaps less than 2% of additional project cost and that operating costs were found to decrease by as much as 6% without government incentives.

Government Leadership

The Commonwealth of

Pennsylvania has completed or has under way 11 green building projects using the LEED system. Nine state

agencies are using new green leasing specification for 37 building projects. Model Green Leasing Specifications lists performance standards for energy, lighting, ventilation, and heating and cooling that must be achieved in design and construction.

Pros & Cons

Green Buildings are at the forefront of two big energy related issues, global warming and the nation’s dependence on precarious supplies of foreign oil. This may help developers resolve any “moral” dilemma as to whether to adopt the Green Building approach.

Neil A. Stein is a co-founder and principal of Kaplin Stewart and a member of the Land Use, Zoning & Development Department. ■

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