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A KGBI-certified home built by Stampf Hartke Associates.

Green Globes certification rises as alternative to LEED

CEZARY PODKUL

SPECIAL TO THE BUSINESS JOURNAL

When the Morrisville Borough School District in Bucks County asked its architect for a green design for its new K-12 campus, Harrison Bink decided to try something new.

Rather than certify the proposed building using LEED, the leading system created by the U.S. Green Building Council that stands for Leadership in Environmental Energy and Design, Bink decided to use a newcomer, the Green Globes building certification system.

"We did start with LEED and switched to Green Globes for the efficacy. I can't say I've abandoned the possibilities of LEED, but in my current experience I'd be more prone to use a Green Globes system than any other system," said Bink, owner of Bink Architectural Partnership in Camp Hill.

LEED, the oldest and best-known green building certification system in the United States, is no longer the only game in town.

The Green Globes commercial building rating system and its local residential variant, the Keystone Green Building Initiative (GBI), offer builders a cheaper and easier, but some say less well known and verifiable, way of certifying the green-ness of their construction.

LEED was the first green building certification system in the United States. Developed by the U.S. Green Building Council (USGBC) from a British model, it has certified 824 buildings nationwide, including 32 in the Delaware Valley.

Under LEED, buildings are assessed on 69 points — such as use of energy-efficient appliances and recycled materials — for a ranking of "certified," silver, gold or platinum.

Buildings must pass inspections by accredited personnel and their energy systems must be independently tested, or commissioned, by a third-party.

"The No. 1 thing that sets LEED apart is that it is third-party verified," said Jill Kowalski, executive director of the Delaware

Valley Green Building Council (DVGBC) in Philadelphia. "Anybody can say that they're building green, but with LEED you have to prove it."

An added benefit of LEED, said Kowalski, is its credibility in the market as the most widely used certification system.

However, not all builders agree that the benefits of LEED's third-party verification outweigh its costs.

LEED has been criticized for large backlogs that hold up certification and for being costly. The USGBC lists fixed rates for certification fees ranging between \$1,250 and \$22,500, depending on square footage and USGBC membership status.

Many builders say the actual cost can be much greater.

In an October 2005 study, "LEED is Broken; Let's Fix It," two Aspen, Colo.-based builders, Auden Schendler and Randy Udall, estimated that the total cost of LEED certification, from registration to commissioning and documentation, is typically between 1 percent and 5 percent of a building's budget.

Such concerns give alternative systems a foot in the door.

"The need for a different tool, a different approach came about and we feel that [the Green Building Initiative system or GBI] offers a different approach that will help streamline the adoption of green building practices," said Kevin Stover, head of commercial programs for the GBI, based in Gettysburg.

A new system in town

The GBI was adapted from a Canadian model and launched in the United States in 2005. It has a program for commercial buildings called Green Globes, and also works with local home builders associations to develop local programs for residential buildings.

Green Globes awards builders certification levels of one, two, three or four globes, which are essentially equivalent to LEED's certified, silver, gold and platinum ratings

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GREEN

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in its commercial building category.

Of the eight buildings certified by Green Globe nationwide — including the Clinton Library in Arkansas — none are in the Pennsylvania. Stover said, however, that a number of Green Globe buildings are under construction and will be certified in the coming months.

Residential programs vary from locality to locality. To date, the GBI has teamed up with 22 home builders associations across the nation, including the Home Builders Association of Bucks & Montgomery Counties.

Jim Moulton, vice chair of the green building committee at the home builders association, said his organization compared green building certification programs and decided against LEED.

"The documentation process was very expensive and put it out of reach for a lot of our production builders," Moulton said.

The association joined instead with the GBI to create its own green residential certification program, which it calls the Keystone Green Building Initiative (KGBI). The program, launched last September, modified national home builder guidelines to meet local building needs.

The KGBI allows builders to seek a maximum of 300 points toward certification on three levels — bronze, silver and gold — in assessment categories such as energy, resource and water efficiency. There is currently one KGBI-certified home in Doylestown, built by Stampfl Hartke Associates of Holicong, and about 100 homes going through the accreditation process, Moulton said.

LEEDs v. Green Globes

A September 2006 report by researchers at the University of Minnesota compared LEED and Green Globes and concluded that "the Green Globes system appears to be doing a fairly good job in improving upon the delivery mechanisms employed by LEED which are so often criticized."

Green Globes is Web-based, and its ease-of-use and interactive nature are often cited as its advantage.

The researchers praised Green Globe's online assessments as being cheaper and more efficient and providing immediate feedback not available from primarily paper-based systems.

Green Globes also eliminates additional documentation requirements for the architect. "Green Globes doesn't require a new paper trail," Bink said. "You can use the papers you normally use as architects, which are voluminous. Why add another layer of paperwork documentation to the

GREENER GRASS

The first environmental certification system, the Building Research Establishment Environmental Assessment Method (BREEAM) was created in the United Kingdom in 1990. Since then, a variety of green building certification systems have penetrated the U.S. marketplace for green building certification and new ones are constantly being developed.

Certification program	LEED-NC (new construction)	Green Globes	Keystone Green Building Initiative
Launched	1998	2005	2006
Creator (in collaboration with GBI)	U.S. Green Building Council	Green Building Initiative (GBI)	HBA of Bucks & Montgomery County, Philadelphia area
Scope	National	National	Philadelphia area
Building types	Commercial	Commercial	Residential
Number of certifications granted nationwide	824 (all LEED varieties)	8	NA
Number of certifications granted Phila area	21	0	1
Number of scoring categories	69	1,000**	300
Levels of Certification	Certified (26–32 pts)	1 Globe (35–54% of pts possible)	Bronze (70–124 pts)
	Silver (33–38 pts)	2 Globes (55–69% of pts possible)	Silver (125–179 pts)
	Gold (39–51 pts)	3 Globes (70–84% of pts possible)	Gold (>180 pts)
	Platinum (52–69 pts)	4 Globes (85–100% of pts possible)	

* There are currently nine categories of LEED-certification programs for different types of construction, including retail, schools, commercial interiors, and others. LEED-NC, which only certifies new commercial construction, is the USGBC's most widely used LEED standard.

** The number of possible points will be reduced by the points that do not apply to an applicant's projects. For example, if a builder selects "not applicable" to 50 of the point categories, then he would need to get 35 percent of 950 applicable points, not 1,000, to get 1 Globe.

Source: U.S. Green Building Council, Green Building Initiative, HBA of Bucks & Montgomery Counties, Tim Smith.

process?"

Fees for the process are \$500 per building to use the tool or \$2,500 for unlimited use. If a builder elects to go with full certification, the cost is in the \$4,000 to \$6,000 range, according to Stover of the Gettysburg GBI.

"Users can use the tool as either a self-assessment tool or pay for third-party certification if they want," Stover said. "If they choose to pursue certification, choosing from a maximum of 1,000 points means that they have a lot of flexibility in choosing what green features and assessment areas to focus on."

But the Green Globes tool also has potential disadvantages.

The flexibility of the point-scoring system, for instance, could encourage builders to cherry-pick which green features to focus on, according to Tim Smith, a University of Minnesota professor who co-authored the report, titled, "Green Building Rating Systems: A Comparison of LEED and Green Globes in the U.S."

For example, he said, "you could get 86 percent of the way to getting a Green Globe certification of 1 by just focusing on energy reduction and totally ignoring water conservation. Whereas in LEED, you could only get 55 percent of the way [toward the first level of certification]."

Another aspect of Green Globes that has come under criticism is the fact that the system, unlike LEED, does not explicitly require commissioning of the building's energy systems for certification.

"The whole point of commissioning is to ensure that the [energy/mechanical] systems operate the way were designed to so that the occupant will have full beneficial use of the systems from day one," said Robert Diemer, a partner at AKF Engineers in Philadelphia and chair of the DVGBC.

More similarities

In the end, though, LEED and Green Globes seem to have far more similarities than differences. One of the conclusions of the University of Minnesota study was that there is between 80 percent to 85 percent conformity between the criteria addressed in the two systems.

"It's not so much that 85 percent are verbatim, the same, but if you look at it item by item, sub-item by sub-item and look at the intent of the criteria, there's conformity in what it is you're trying to accomplish through the criteria," Smith said. Thus, a LEED platinum-rated new building is fairly comparable to a four-rated Green Globe building, and vice versa.

More important, leaders in both organizations share the common goal of validating green design.

"At the end of the day, what's really important is that the building industry transform itself because the health of our planet is at stake," Diemer said. "Whether they get to that solution using LEED or Green Globes or some other system is not as important as the market transformation that's going on right now." ■

WHY CERTIFY?

AN ENVIRONMENTALLY friendly building need not be certified to be considered green. But as both the popularity and the variety of green building principles has proliferated, third-party certification systems such as LEED and Green Globes fill the need to measure and verify green construction.

"IT IS important that someone certify that you did what you said you did. It is important that you're not just making empty promises, but that you've followed through and it has been confirmed," said Robert Diemer, a partner at AKF Engineers in Philadelphia and chair of the Delaware Valley Green Building Council.

THIS SORT of confirmation, Diemer explained, gives owners "credibility when they make statements about their facilities."

AND OFFICE tenants, mortgage companies and insurance firms are increasingly taking note. Jill Kowalski, executive director of the Delaware Valley Green Building Council, said that owners who certify their green buildings are seeing a return on their investments in the form of longer tenant leases and more favorable loan terms from banks.

THE DVGBC is currently working with a local bank to develop a loan program for LEED-certified buildings.

"PEOPLE ARE looking for consistency and solid information," Kowalski said. "[For this reason] certification adds a lot of value."

— Cezary Podkul

REITS: While not welcome, experts say, slump does not warrant drastic changes

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strong. Some say this will happen when the flurry of fad investments fades.

"When investors who have gone elsewhere looking for higher returns are disappointed, that is when it changes," Case said. "They will stop looking toward things

like private equity funds to perform magic and start looking for something that is more realistic. That's REITs. REIT management is still going to be there, providing the same kinds of returns they have been delivering for 30 years."

A recovery will be "driven by investors realizing they can't get the returns REITs

are offering without a heck of a lot more risk," said Senior REIT Analyst Stephanie Krewson of Janney Montgomery Scott.

Meanwhile, Ed Glickman is staying the course.

As president and chief operating officer of Philadelphia-based Pennsylvania Real Estate Investment Trust, Glickman is wary

of reacting to anything that looks like a short-term trend. He said the current stock slump just hasn't been going on long enough to warrant any shift in strategy.

The truth behind the slump is "an unknowable question," he said. "In a longer-term business, you have to take a longer-term viewpoint." ■