

Green Building Update

an Allen Matkins
market intelligence
publication

Allen Matkins
attorneys at law

November 26, 2008

Green building: cheaper than you thought

GreenTech Media -- Nov 21

A study sponsored by investment firm Good Energies found that, despite popular notions to the contrary, the increase in cost of using green building methods versus traditional building methods is relatively little. The study surveyed 150 green building projects around the world to find that, on average, they cost only around 2 percent more than traditional buildings and yielded a 33 percent savings on energy use. For about half the buildings in the study, energy and water savings yielded a five-year payback on the extra costs of going green. This reality does not seem to be working itself into the public perception. However; a 2007 survey from the [World Business Council for Sustainable Development](#), for example, reported that business leaders believed green buildings would cost 17 percent more than traditional buildings.

Green Building Focus

Half of California's real estate at risk due to climate change

GreenBiz -- Nov 14

A report entitled "[California Climate Risk and Response](#)" from the [University of California, Berkeley](#) and nonprofit [Next 10](#), found that more than half of California's real estate assets are at risk from rising sea levels and wildfires caused by climate change. The report calculated an annual cost to the state of between \$300 million and \$3.9 billion in damages from the physical impacts of climate change depending on how warm the earth gets and how quickly we adapt. There is a chance the price tag could shrink if the state takes steps now toward mitigation and adaptation in its policy and infrastructure decisions, according to the report.

Report: Green building could triple by 2013

Greener Buildings -- Nov 19

A new study from McGraw-Hill Construction finds the potential for continued growth in the green building market is huge and projects a possible tripling in the value of eco-friendly construction starts to reach as much as \$140 billion. McGraw-Hill recently released a 40-page report entitled, "Green Outlook 2009: Trends Driving Change," which follows two other highly optimistic reports on the industry from McGraw-Hill in the past two months. Green Outlook 2009 said the value of green building construction starts has already grown five-fold and rose from \$10 billion to an estimated range of \$36 billion to \$49 billion from 2005 to 2008.

Survey: Green building needs more communication

Washington Business Journal -- Nov 20

A new survey by AEC Software of almost 200 project managers in home building, architecture, construction and engineering industries across the U.S. found that the additional difficulties associated with green building projects are not adequately being communicated to project owners. When asked if clients are more or less patient with green building projects

Subscribe

Have a suggestion?

[Tell us what you think.](#)

[Bryan C. Jackson](#)

Editor

[Michael Kostecka](#)

Associate Editor

Sponsors

[BOMA of Greater
Los Angeles](#)

*Enhancing value for
commercial real estate*

About Allen Matkins

Allen Matkins Leck Gamble Mallory & Natsis LLP, founded in 1977, is a California law firm with over 240 attorneys practicing out of seven offices in California. The firm's broad based areas of focus include construction, corporate, real estate, project finance, business litigation, taxation, land use, environmental, bankruptcy and creditors' rights, and employment and labor law. [More...](#)



Allen Matkins
#1 Real Estate Law
Firm in California
*Chambers and
Partners*
2002 - 2008

compared to traditional building projects, 70 percent said their customers had the same or less patience, despite the additional requirements associated with green building projects. Despite this lack of communication, the survey found that almost half of project managers who offer green building services believe it creates new sales streams.

California's AB 32 may increase the cost of affordable housing

Allen Matkins – Nov 26

Under AB 32, the California Air Resources Board ("**CARB**") must approve a "**Scoping Plan**" that details strategies for achieving reductions in greenhouse gas emissions by 2020. CARB will likely adopt the Scoping Plan on December 11, 2008, which will include indirect source rules ("**ISR**"). The draft ISR will require developers to (i) calculate indirect source pollution associated with a proposed development, and (ii) reduce pollution through on-site engineering or (iii) mitigate pollution off-site, typically by paying fees to the local air resource board. Since the ISR generally favor infill development, the costs and fees of the ISR primarily impact greenfield development in outlying areas. As greenfield development produces much of California's affordable housing, the ISR could both reduce the availability and affordability of California housing.

National green building code moves forward

RE Journals.com -- Nov 18

The U.S. Green Building Council (USGBC) has stood by its commitment to developed Standard 189.1 P, the national standard that is intended by the USGBC to serve as the nation's comprehensive green building code. Washington, D.C., San Francisco and Los Angeles already have programs in place that require commercial buildings to attain LEED Silver certification and the State of California authored and adopted a statewide green building code this year. The USGBC hopes that Standard 189.1 P will be adopted by states and localities nationwide.

Boston hospitals leading in green building

The Boston Channel -- Nov 18

Boston-area hospitals are leading in the green building movement. The 136-bed Shapiro Cardiovascular Center at Brigham and Women's Hospital will be LEED certified and is the first green medical building in the Longwood area. Massachusetts General Hospital has also gone green. A new facility will meet tough environmental standards by using recycled rubber and sustainable bamboo walls throughout. Older buildings at the hospital are using 30 percent less energy. And a 7,000-square foot rooftop garden helps reduce the urban heat island effect while offering a peaceful retreat for patients.

Army using LEED standards for new construction

Environmental Leader -- Nov 17

The U.S. Army released a 2007 Sustainability Report and reported that in FY 2007, 301 of new Army military construction projects, or 78 percent of projects, were designed to LEED standards. From FY 2004 to FY 2007, the Army reported a 5 percent reduction in solid waste and construction and

demolition debris generated and a 32 percent reduction in facility water use. However, during the same period, the Army reported a 35 percent increase in Hazardous Waste (HW) generation, and an 8 percent increase in pounds of HW generated per \$1,000 net Army cost of operations.

Notable green building projects...

2008 Top-10 green building products

BuildingGreen, LLC, publisher of the *GreenSpec® Directory* and *Environmental Building News™*, recently announced the 2008 Top-10 Green Building Products. This seventh annual award, announced at the USGBC's Greenbuild Conference in Boston, recognizes the most exciting products drawn from additions to the *GreenSpec Directory* and coverage in *Environmental Building News*. There are a particularly large number of interior products in this year's group of winners: the first FSC-certified and formaldehyde-free bamboo flooring; doors made with wheat-straw particleboard; a line of zero-VOC paint; a transparent finish produced from a byproduct of cheese making; and a line of organic fabrics.

LEED project in Palo Alto called a green building model

Designed in a style called "eco-functionalism," a project in the City of Palo Alto features four detached, three-story townhouses rising from a ground-floor lobby, office space for a firm specializing in green design, a parking garage with an 8-car capacity, and a plaza for patios and gardens, all packed into 6,000 square feet of land. On Monday night, the project became the first approved in the city under a new zoning designation intended to encourage walking and transit over driving. Officials praised the plans, which aim for LEED Gold environmental certification. "I think this is important for modeling the green building efforts that Palo Alto is trying to achieve," said Council Member Pat Burt.

Seattle retirement community: first LEED facility of its kind

Timber Ridge at Talus is the first continuing care retirement community in the nation to achieve LEED Silver Certification by the USGBC. More than half a decade ago, when Dave Durden, director of project development at Timber Ridge parent company Life Care Services, and his team embarked on the Timber Ridge project, the certification was used primarily for commercial buildings. "We had to work with local Seattle-based consultants to help us work through how a large residential healthcare type of building could fit in to the LEED certification process," Durden recalls.