

THE LAWYERS WEEKLY

Should we be LEEDing?

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LEED. You see this word everywhere. Leadership in Environmental Energy (Efficient) Design. It's the latest buzzword in Architecture and Interior design.

So many of us have read articles on LEED as the socially responsible, more sustainable way of approaching building projects. But unless you have devoted a considerable amount of time to learning all the details around this concept, it's hard to appreciate what striving for LEED certification will mean to your law firm.

With so many office leases soon coming due, many law firms are considering whether they should be attempting a LEED approach to their new space. Can they afford not to take the LEED approach, given that society now uses environmental sensitivity as a corporate measuring stick?

We all want to be able to do the right things and create an office space that has a softer impact on our natural environment. But can we afford to do it? Rumours are it costs more.... Let's look at the pros and cons of LEED as it applies to an office design project, to assist you in making your decision.

The truth is that just five years ago, there was a significant cost premium associated with getting LEED certification. There were no building options available that were constructed with a LEED approach; and this meant that an interior project, going into the structure, needed to compensate for the building offering, which naturally added cost to the process and the project. But the more popular a LEED approach becomes, the more qualified products and services become available.

And this naturally reduces the cost premiums involved. But to get "official" certification, one needs to choreograph, manage and organize an extensive amount of chronological paperwork, including manufacturers' statements of proof, engineering studies of comparison, etc. Most people who have gone through the process of achieving LEED certification suggest that the official process adds approximately 33 per cent to a project's design fee cost.

But what about the cost of construction? The more sustainable products that are made available, the more competitive and hence — the lower the related construction costs become. As LEED-acceptable products and services are getting closer and closer to the cost of standard products and services, the cost premiums involved in producing a sustainable project have actually become rather insignificant. And these costs also fall when the structure that the interior project moves into has already achieved a LEED NC (new construction) certification. There are not yet enough projects that have gone through the process of construction in a new LEED NC building to have reliable statistics on the cost premiums involved. But a poll of reputable design firms suggests that the construction cost premiums range from five to 25 per cent when building in a LEED structure.

One needs to ask: "Do we really need the formal certificate? If we know that the project is as sustainable as you can possibly afford to make it?" Good question.

The benefits of a formal certification are:



McGregor Design Group recently redesigned the Lerner LLP office in London, Ontario. Although the office is not LEED certified, it does incorporate some elements of environmentally-friendly design. Photo courtesy of Lerner LLP

(a) You can illustrate to clients and your competition that you are a responsible corporate citizen.

(b) You can lead by proven example, and hope that others (staff and your competition) follow in your place.

(c) You may well qualify for various government and landlord subsidies and credits for your efforts, and happily, this helps to off-set some of the cost premiums associated with LEED.

(d) Our poll of the top interior design firms in Ontario has established that no significant law firms to date have yet managed to achieve LEED certification – but, let’s be fair – that’s because they haven’t tried to. Most law firms in the Toronto area have been land-locked and treading water for years. The arrival of three new LEED certified office towers in Toronto has inspired most law firms who are considering a relocation or expansion of their office facility, to at least attempt a LEED approach, partially because it is considerably more affordable to do so in a LEED NC structure. And quite possibly also because the social desire to be a responsible citizen from an environmental perspective is also stronger than ever. Only your organization can establish whether the benefits of formal certification are important enough to make it your objective.

But when considering the cost of an LEED approach, it’s important to remind ourselves of the real benefits of a sustainable facility:

(a) Generally the overhead costs involved in running the facility are much lower, as you will be using less energy, less fuel, and less water. This is a long term savings — which generally cancels out the premiums involved with a sustainable approach surprisingly quickly. The amount of time it takes to achieve a financial wash would be different for each project, but to estimate 10 years would be conservative. And considering most leases are 10 years — this might tend to eliminate the cost premium concern.

(b) Occupants in the space generally feel better, as they get a better quality of air, more daylight and more responsive thermal controls — and this equates to fewer sick days and more energetic, productive staff. Productive staff tend to make more money for their employer.

(c) A sense of pride in their employer is only enhanced when staff know that their employer is doing everything possible to ensure their health and well being. Staff tend to readily buy into a more sustainable approach in their lives both at the office and at home — so the benefit of this approach from a social perspective may be far greater than the office facility impact alone.

(d) As mentioned before, qualification for various government credits and incentive programs helps to further offset initial cost premiums involved.

Many countries in the world have now implemented sustainability programs, be they LEED or some other equivalent system. Environmental responsibility and sustainability are social movements that do not seem to be fading — instead, they get stronger each day. And the more accepted these systems are, the more cost effective they will become. Products and services that are not compliant will be rejected and will disappear. Those in the know project that soon a sustainable approach will be mandated in building codes throughout the world as the only acceptable approach. There is a risk that in a few years, firms that do not comply will be seen as irresponsible laggards.

A sustainable approach makes great economic sense in the long run. And this will mean a more beautiful, natural world in the future, for generations to come.

Can you afford it? Today, you still get to decide.

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