

# Encouraging your Landlord to Green the Office

Corporate environmental responsibility is at the forefront of most businesses today. Forming a company environmental policy with staff making simple changes within the business is a great start but how much pollution, resources and money are you really saving if the building you are operating in does not meet the minimum building sustainability standards?

The government has been very vocal with encouraging private homes to invest in environmentally sustainable options, most the time offering rebates for the initial outlay. However there hasn't been as great focus on greening office buildings, yet office buildings attribute for about 35% of emissions created.

When Australia signed the Kyoto Protocol we declared by 2020 that CO<sub>2</sub> emissions will be reduced by 25%. With conventional office buildings becoming more obsolete and climate conditions more unstable, creating heavier reliance on fossil fuels and driving up energy consumption, changes need to be implemented now if we are to meet our 2020 target.

Operating in a building that meets NABERS (National Australian Built Environment Rating System) and or Green Star minimum environmental standards can have a massive impact on the company's operational costs, profits, market position, branding, staff attraction, retention and productivity and investor opportunities.

Research conducted by some of Australia's largest commercial leasing companies has shown eco-consciousness is now a major consideration for many staff and in order for companies to attract the highest quality candidates, offices need to meet certain environmental standards.

The commercial benefits do not only apply to office tenants though, the landlord will also stand to gain; happier tenants, longer leases, higher occupancy, lower lifecycle replacement costs, healthier workplaces – reducing risk, and reduced mess and waste. With utilities increasing, a tenant is far more likely to stay in a green building where for example, up to 69% less electricity can be used. Reusing building materials can also be cost effective for landlords and paying off any debts incurred from green renovations, potentially, will be paid off sooner with a higher occupancy rate.

Many new developments are now required to meet a minimum NABERS standard and Government Departments have guidelines as to what type of premises, fit out and future commitments they are required to make but what about the standard Australian business that may not be able to afford to lease a new building?

A green lease may be one option. A green lease is a lease of space in a green building new or refurbished, which affects design, construction and operation to allow for optimal achievement of sustainability in water efficiency, energy, resources and indoor environment quality goals. Often the initial costs of constructing or renovating to meet green standards is higher but operational costs are lower. A green lease created between your business and landlord could address what improvements should be made, over what timeline, what the final sustainable goals should be and how these costs and benefits will be allocated to the company and the landlord to allow for a fairer arrangement. A green lease should also address the upkeep of the building to ensure green standards are ongoing.

A checklist of some of the most common changes in older buildings include:

- Installing energy efficient lighting
- Maximise natural light sources
- Switching to smart energy sources
- Installing rainwater tanks
- Installing water efficient appliances
- Monitoring air quality and thermal comfort
- Choosing green materials and cleaning products

If your landlord is reluctant to make the bigger changes initially here are a few smaller ones you could suggest: install better insulation and shading, install solar panels, sky lights, separate room switches for lights and air conditioners and dual flush toilets.

Tenants on the other hand could commit to purchasing green power, using recycled paper and ink products, separating waste material into recycling bins and installing plants in the office.

If your landlord is concerned about the costs, funding is available. The Australian Government has created The Green Building Fund, providing \$90 million over four years to reduce the impact of Australia's built environment on greenhouse gas emissions. Grants range from \$50,000 to \$500,000. Some State Governments have their own grants and incentives where landlords and businesses can apply for funding.

While going green may not be your landlords most important priority, the impacts it will ultimately have is undeniable. Government regulations are slowly being introduced which will heavily penalise any non-conformists and ultimately the cost savings and marketability to both the tenant and the landlord is too good to waste.

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