

Green Building Update

an Allen Matkins
market intelligence
publication

Allen Matkins
attorneys at law

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Green Leases becoming the mainstay in California

California Real Estate Journal - September 8

Green leases are quickly becoming the mainstay in environmentally conscious California, according to The California Real Estate Journal, which quoted Richard C. Mallory, a partner with Allen Matkins. "In the last five years, half the leases we've done have had these elements in them," he said. Underscoring this point, the Building Owners & Managers International recently unveiled a new [green lease guide](#) to help members write sustainable operations and management practices into their green leases. A traditional lease becomes green by dialing in environmental standards into the related lease clauses, such as requiring Energy Star appliances or recycling according to the building's green waste policy.

Green Building Focus

Studies examine the carbon footprints of homes

California Building Industry Association - September 10

Two studies conclude that new homes already exceeded California's ambitious 2020 greenhouse gas emission reductions, and that the state should retrofit existing housing in order to meet the strict emissions requirements. The studies were prepared by ConSol and California Homebuilding Foundation (CHF) in consultation with the California Energy Commission. The first study [Carbon Footprint of Single-Family Residential New Construction](#) found that the carbon footprint of new homes built in 2006 and thereafter produced 25 percent fewer greenhouse gas (GHG) emissions than the average home built in 1990. This is significant because California's AB 32 requires that GHG emissions of new homes be equal to 1990 levels by 2020. The second study [Meeting AB 32 - Cost Effective Green House Gas Reductions in the Residential Sector](#), which calculated plug load, house size, water heating, space cooling, space heating, appliances, and lighting, found that homes built before California's energy code was adopted in 1983 are responsible for 70 percent of carbon emissions from the residential sector. This study found that spending \$10,000 to retrofit a 1960s home would prevent 8.5 tons of carbon emissions per year while updating a home from the 2005 standards to the 2008 standards would cost about \$5,000 and only reduce carbon emissions by 1.1 tons per year.

Northern CA Expo: Green Building Technologies

U.S. Green Building Council - September 15

The Northern California facilities expo, hosted by the U.S. Green Building Council, will be held September 24 and 25, 2008. The event will be held at the Santa Clara Convention center and will focus on topics such as green technology and provide information on government incentives. More details are available at the expo's [website](#).

Novato plans to amend California's green building rules

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September 17, 2008

San Francisco, CA

Speaker: **Ray Buddie** of Allen Matkins

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...](#)



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Novato Advance - September 3

Novato council will vote on a draft green-building ordinance. The draft ordinance will contain more relaxed certification requirements than California's new LEED-based building code which will apply in cities that do not already have a commercial green-building ordinance, like Novato. If the city does pass the code, it would likely be more "developer friendly" than the California building code.

California contractors becoming LEED Accredited

San Diego Business Journal - September 8

With an increasing demand for private and public sector construction of green buildings, contractors are responding by training their crews to be LEED Accredited Professionals (LEED APs). DPR Construction Inc., a national builder, is training increasing numbers of staffers to become LEED APs. DPR helps project managers and engineers prepare for LEED accreditation tests through an in-house study course. DPR's efforts are paying off. In San Diego this year, DPR received a huge boost in its LEED reputation by landing the contract to build the \$550 million Palomar Medical Center West Hospital in Escondido, which was commissioned by Palomar Pomerado Health system.

University of California's \$1.6 billion LEED hospital

SF Gate - September 13

The University of California will move forward with a \$1.6 billion hospital complex in San Francisco that is being touted as the greenest medical center ever built in California. The 834,500-square-foot hospital hopes to obtain gold LEED rating. The hospital will apply for a state permit later this year and expects to begin construction as soon as next year on outpatient buildings and on the main hospital buildings by 2010. The facilities are expected to open in 2013 or 2014. The hospital will be funded through a combination of reserves, debt financing and private support.

USGBC awards \$2 million in research grants

US Green Building Council - September 11

The U.S. Green Building Council awarded \$2 million in research grants to advance sustainable building practices and encourage market transformation. The research fund is generating more than \$1 million in matching funds. A quarter of the fund is dedicated to research on occupant impacts in K-12 schools. The council's research committee reviewed 216 pre-proposals and 38 full proposals spanning a broad range of topics. Grants ranging from \$90,000 to \$250,000 were awarded to 13 research teams. Research projects selected for funding include a green roof energy calculator, a design for reuse primer, and a transportation energy intensity index.

Greening of commercial real estate a "slow, steady blip"

CFO.com - September 5

The greening of commercial real estate is no longer an "arcane issue" according to CFO.com. At one end of the spectrum are the large, environmentally friendly single-tenant towers that were conceived to feature the latest technologies and architecture. At the other end of the spectrum are tenants looking to lease "green" space to portray a positive

corporate image. But if tenants are ready to take the green plunge by moving into an environmentally friendly building, then they will want detailed specifications to make sure the building is really green and will reduce operating costs.

As LEED proliferates, lawyers spot LEED project pitfalls

The Journal Record - September 11

Eight years after USGBC's introduction of the LEED program, lawyers are expecting more lawsuits as building owners realize a green stamp of approval translates into good public relations, higher rents and tax breaks. When contractors or design professionals fail to deliver, owners may seek a payback. The green responsibilities need to be clearly defined because owners and tenants are becoming savvy about LEED and are drafting flexibility into leases to cover uncertainties. Tenants might sign a lease before the developer obtains the final LEED certification, but such tenants may demand rent reductions or termination if the developer misses the LEED targeted level.

Notable green building projects...

TMG's Emeryville wins LEED platinum certification

TMG Partners, one of the San Francisco Bay Area's largest mixed-use property developers, has received the first national Platinum Certification under the LEED for Neighborhood Development (LEED-ND) pilot program just completed by the USGBC. The new mixed-use development includes up to one million square feet of office, housing and retail spaces of mixed building types, to be built over the next 25 years. The project has approval for 670 units of housing with a mix of rental, sale and 15% below market rate homes.

"Evo" Grand Opening set for September

The South Group announces an event so big, it's been five years in the making: LA's first all-green high-rise community. Evo stands tall as the only new high-rise to grace the downtown skyline between now and 2010. Evo, expected to become only the third residential building downtown to earn the coveted LEED Silver certification, joins sister buildings Luma and Elleven which were LA's and California's first Gold certified buildings. The project is defying current real estate woes by becoming a bustling 24/7 neighborhood where fine dining, arts, culture and daily amenities meld into an eclectic and inviting mix on the block surrounding South. Entertainment options like LA Live, just a couple of blocks away, completes living experience Evo residents will enjoy.

PCL provides LEED gold student housing for CSU

PCL Constructors will build a \$118-million design-build student housing project at California State University, Fullerton. The team of PCL and Steinberg Architects won the competition to build the project, which consists of 5 five-story buildings, 1,080 beds and dining.

Medical Center in S. Carolina awarded LEED silver certification

Lexington Medical Center of South Carolina has received LEED silver certification. Lexington Medical Center is the only LEED-certified health

care building in the state, and one of 32 in the nation.

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