

**U.S. General Services Administration
Office of Federal High-Performance Green Buildings**

**Discussion Preparation for the Green Building Advisory Committee
Conference Call, 2/27/2012**

Background: In August 2003, the US Department of Energy's Federal Energy Management Program researched and published a paper to dispel misconceptions about sustainable design and provide a better understanding of its benefits. *The Business Case for Sustainable Design in Federal Facilities* (<http://www1.eere.energy.gov/femp/pdfs/bcsddoc.pdf>) included conclusions focused primarily on new construction, many of which found their way into standard agency practices.

Business benefits in the 2003 report included:

1. Financial benefits – siting; same or reduced first costs of construction; lower lifecycle, utility, and O&M costs; lower “churn” costs; reduced liability and risk
2. Improved productivity and health – improved worker performance and operational productivity; better worker health and reduced absenteeism; improved image
3. Environmental and societal benefits – improve occupant safety, increase electricity reliability, and enhance national security; reduce infrastructure costs; reduce pollution and ecosystem impact

Ten years later, we are faced with renewed skepticism about the business benefits of high-performance green buildings. How has the conversation changed in making the case today?

- Lack of capital and focus on maximizing the value of real estate assets has caused a shift from new construction and major renovations to operational improvements in existing buildings
- Longer term operating costs must be reduced so there is a need to think past the first cost bias
- Federal government as steward of taxpayer dollars means cost effectiveness becomes a primary driver for decisions
- Evidence exists that green buildings do not have to cost more
- More evidence exists that green buildings perform better on energy and water use, both of which have economic consequences.
- More evidence exists that specific features of green buildings (e.g., daylight, air quality) are associated with improved health and work performance.

Given the current Federal deficit and budget limitations, with agencies closely examining the cost effectiveness of decisions, how can we most effectively make the case for investment in high-performance green building improvements?

KEY QUESTIONS FOR DISCUSSION

What messages are most important for today?

How do we communicate the value of “big picture” solutions?

What are the risks of not adopting high-performance green practices that are proven to be cost effective?

Does it make sense to assess absenteeism and building related illnesses using economic approaches?

What benefits resonate the most today?

Which proven benefits from the past 10 years do people still not understand?

What impacts related to health or productivity may be acceptable to an audience that demands facts?

Who are we trying to reach?

Whom do we most need to convince that green buildings are worth investing in?

Which audiences have the most influence over decisions?

How do we develop simple, intuitive models that non-practitioners can understand?

What can we learn from past experiences?

How have you addressed the business case in your sectors: state or local government, design, construction, security, health care?

How is the message tailored for your stakeholders: elected officials, leadership, customers and practitioners?

Note: This discussion will focus on developing and communicating the business case for investment in building improvements. Facilitating investments through innovations in budgeting and financing, while an important part of the issue, will not be the focus. The Office of Federal High-Performance Green Buildings plans to develop a National Academies’ convening to move the budgeting and financing innovation conversation forward.