



LEED VOLUME PROGRAM

FOR OPERATIONS AND MAINTENANCE

BENTALL KENNEDY

33% greater portfolio energy efficiency than the national average

34% average portfolio water savings

20 North Clark Street, LEED Gold
Chicago, IL

BENTALL KENNEDY

Creating Customer Value by Building a Greener Portfolio

WINNING BUSINESS THROUGH RESPONSIBLE PROPERTY INVESTING

Bentall Kennedy is a full-service, registered real estate investment advisor representing 400 clients and 130 million square feet of office, retail, industrial, residential and hotel properties throughout North America.

The company’s commitment to sustainable building and operations is anchored in a long-held corporate philosophy known as Responsible Property Investing (RPI), which integrates environmental, social and governance considerations into real estate investment management and ongoing property operations in addition to fiduciary considerations.

RPI is Bentall Kennedy’s acknowledgement that its business activities – whether they involve building design and construction or operations and maintenance – carry an environmental obligation to improve operational efficiency, while minimizing waste and greenhouse gas emissions. It also recognizes that these increasingly important factors have a direct bearing on a property’s financial performance.

In practicing RPI, Bentall Kennedy works to actively engage its employees, clients, tenants and communities on environmental and social matters. Employees partake in ongoing sustainable education, professional accreditation and technical training. Clients benefit from a portfolio-wide managerial commitment to lowering operating costs, while their assets have a lower risk of functional obsolescence and greater appeal to a larger number of tenants.

Today, an important part of the company’s RPI initiative incorporates the U.S. Green Building Council’s Leadership in Energy and Environmental Design (LEED) rating systems and the LEED Volume Program.

USING LEED TO FOSTER CONSISTENT SUSTAINABILITY ACROSS A DIVERSE PORTFOLIO

Bentall Kennedy has utilized LEED certification to improve the sustainable performance of its clients’ assets including those owned by the Multi-Employer Property Trust (MEPT), a \$5 billion U.S. open-end commingled real estate equity fund. To date, Bentall Kennedy has certified 4.1 million square feet of new construction and redevelopment projects. In addition, Bentall Kennedy launched its LEED Volume for Operations and Maintenance certification program with MEPT, successfully certifying 8.1 million square feet of existing office buildings.

As a Volume Pilot participant, Bentall Kennedy’s immediate goal was to provide portfolio-wide consistency for its diverse operations and maintenance procedures, given its use of various third-party property management providers. Working closely with consulting partner Green Building Services (GBS), and the U.S. Green Building Council, the company developed a comprehensive approach that accommodated:

- Urban and suburban Class A office buildings
- Single and multi-tenant buildings
- Buildings of differing ages and structural codes
- Buildings subject to varying environmental and climatic conditions
- Buildings managed by different property management companies
- Buildings in 12 major U.S. markets

The upfront investment made to establish a viable volume prototype – in the form of a single set of policies, processes, procedures and tools in addition to audits, technical testing and

“LEED Volume certification for EB: O&M is a significant achievement and a reflection of our commitment, on behalf of our clients, to sustainable property operations and maintenance; a best practice in today’s market.”

- Mike McKee, Chief Executive Officer
Bentall Kennedy



Arena Corporate Center, LEED Silver
Anaheim, CA



777 6th St. NW, LEED Silver
Washington, DC



strategic retrofits– will be recouped quickly and will now continue to generate incremental income and savings in the form of:

- More accurate and precise building performance analyses
- Meaningful energy and water savings per square foot, as well as corresponding reductions in building operating expenses
- Greater negotiating leverage to secure volume pricing, eg. for renewable energy
- Reduced project consulting fees
- Lower costs associated with technical services and audits
- Fewer staff hours spent on documentation and paperwork
- Contribution to improved property valuations
- Greater tenant demand and stronger occupancy rates
- Improved property financial performance

DEVELOPING A VOLUME APPROACH TO MEET BENTALL KENNEDY'S NEEDS

Within the parameters of the LEED for Existing Building: Operations & Maintenance rating system, the LEED Volume Program offers participants important strategic flexibility. Bentall Kennedy understood this benefit and constructed a program that was “Bentall Kennedy specific”. Here are some highlights:

Pursuing a comprehensive, two-level strategy

Bentall Kennedy approached its LEED Volume strategy with both its individual assets and its full portfolio in mind. The goal was to maximize efficiency not only within each structure, but also across the company’s entire portfolio.

Leveraging internal personnel and resources

Bentall Kennedy used many internal resources, including large numbers of asset managers, to help construct, vet, implement and manage the LEED Volume initiative. It also relied on its property management providers and their respective property managers and engineers to track appropriate data and implement policies, programs and procedures.

Customized, proprietary toolkits and LEED resources were developed with the help of GBS to provide LEED education, ongoing tracking, technical assistance and quality control within the existing Bentall Kennedy system and processes.

Creating a centralized internal support structure

An important requirement of the LEED Volume Program for Operations & Maintenance is managerial consistency.

Bentall Kennedy is not a vertically integrated organization in the US; rather, it engages third-party property management providers. The company addressed the challenges presented by the use of multiple property managers by corporately developing and managing its LEED Volume Program. In establishing a centralized support structure, Bentall Kennedy was able to:

- Develop proprietary tools, policies, surveys, and other tools for use by property managers, engineers, asset managers, analysts and other project stakeholders
- Operate nimbly and cost effectively through more centralized and coordinated project-related negotiations and purchasing
- Promote widespread internal adoption of sustainable building practices – especially within its core asset management team
- Minimize the risk of inconsistent building practices that could compromise desired portfolio management outcomes

DEVELOPING EFFECTIVE PROGRAM TOOLS AND PROCESSES

In establishing managerial and educational support for the LEED Volume Program, Bentall Kennedy used as many existing resources, processes and service contracts as possible. This allowed them to meet performance goals while reducing costs.

An excellent example was the company’s SharePoint website, which had long been used for

TRENDS

RAPIDLY PUSHING SUSTAINABILITY TO COMMERCIAL REAL ESTATE

- Institutional capital interest in highly efficient and sustainable assets
- Growing tenant interest in occupying space in green, LEED certified buildings
- An increase in green building regulations and incentives affecting the built environment

SAVINGS

- Estimated reduction of 11.6 million kWh of energy*
- Estimated landlord and tenant energy savings of \$1.2 million
- Estimated annual reduction of 16.3 million gallons of potable water
- Estimated annual water expense reduction of \$127,000 and a three-year payback on capital cost

*Based on actual, normalized figures from ENERGY STAR Portfolio Manager

Photos courtesy of Bentall Kennedy



www.usgbc.org
1-800-795-1747

financial and property-level asset management. Rather than developing a new volume website and software platform, the Bentall Kennedy team simply added a LEED Volume section to SharePoint. This afforded project participants nationwide a level of familiarity and comfort, while enabling them to securely upload and store all supporting reports, plans, and documentation for each credit being pursued at each participating building.

To address managerial consistency, the company required that its asset and portfolio managers provide the required oversight, quality control, and assurance for LEED credit implementation. Client representatives from its property management providers were also engaged to help disseminate information to their respective teams and ensure sustainable performance.

One of the program's greatest challenges involved providing sufficient training and direction for team members with varied sustainable building expertise, property knowledge, and exposure to the LEED rating system. A set of customized toolkits were created, and educational sessions were provided to meet multiple experience levels, audiences and roles.

The toolkits and educational materials were created in O&M categories such as lighting, green cleaning, HVAC maintenance and water efficiency, to address the way that LEED requirements are implemented in the field. Each featured clear instructions, technical requirements, calculation and tracking spreadsheets, documentation examples, quality control responsibilities and additional resources. Additional emphasis was placed on larger or more complex credit areas, such as Indoor Environmental Quality and Green Cleaning.

All training sessions were recorded for internal reuse. Additional webinars were provided to property management teams, as was access to dedicated technical support from GBS and a Frequently Asked Questions forum, which gathered questions and answers for weekly distribution to all team members.

Exit surveys from the property teams indicated that the toolkits with associated training had the greatest impact, successfully communicating program requirements, best practices, procedures and related information.

A SMART RETURN ON INVESTMENT AND A CLEAR PATH TO THE FUTURE

As a fiduciary, Bentall Kennedy is tasked with not only protecting but also enhancing the value of its clients' assets. Today, an essential part of that responsibility involves the pursuit of sustainable development and high performance operations. For Bentall Kennedy, the U.S. Green Building Council's LEED rating system offers a clear and verifiable pathway to those desired outcomes.

In fact, Bentall Kennedy's experience with the volume certification process is a textbook example of how the LEED Volume Program offers significant benefits. It enabled the company to successfully and efficiently certify 45 buildings owned by MEPT, representing over 8 million square feet of commercial space.

According to Bentall Kennedy U.S. Chief Executive Officer Mike McKee, "Our team's dedication to sustainable property operations has resulted in a comprehensive program that can successfully certify large groups of buildings simultaneously."

For Bentall Kennedy's growing roster of institutional clients, that commitment offers a clear sense of the company's vision for a future that integrates environmental, social and governance considerations into real estate investment and management.

For more information, visit www.bentallkennedy.com

TO LEARN MORE ABOUT THE LEED FOR VOLUME PROGRAM

Visit: www.usgbc.org/leedvolume

"Achieving one of the nation's first groups of LEED Volume certifications for EB: O&M from such a diverse portfolio of assets demonstrates our strong belief in the importance, long-term value and opportunities presented by improving the sustainability of existing buildings, in addition to new construction."

- Christian Gunter, Vice President,
Responsible Property Investing
Bentall Kennedy

ABOUT THE U.S. GREEN BUILDING COUNCIL AND LEED

The U.S. Green Building Council is committed to a prosperous and sustainable future for our nation through cost-efficient and energy-saving green buildings. With a community comprising 79 local affiliates, nearly 16,000 member organizations, and more than 166,000 LEED Professional Credential holders, USGBC is the driving force of an industry.

The U.S. Green Building Council's LEED green building certification system is the foremost program for the design, construction and operation of green buildings. Nearly 40,000 projects are currently participating in the commercial and institutional LEED rating systems, comprising nearly 8 billion square feet of construction space in all 50 states and 120 countries.



usgbc.org
1-800-795-1747