Existing Buildings Conference Explores Ways To Save Energy

April 19-20, 2010
Grand Hyatt • New York, NY

www.ashrae.org/cutenergywaste

Existing buildings in urban areas present the largest markets for dramatically cutting energy use through efficient design, construction and operation strategies and the application of innovative policies. This conference presents global and local perspectives for effectively reducing energy use in existing buildings.

Join ASHRAE in New York as we explore how to cut energy waste in urban areas. This conference educates building design and operating professionals, building owner and managers and government officials about the theoretical and practical matters associated with major improvements in the energy efficiency of existing buildings.

Conference topics include:

- Energy Accountability – You Can't Manage What You Don't Measure
- What is Working: Tales from Around the World on Existing Building Energy Performance
- Building Performance and IEQ: Saving Energy While Enhancing Service Quality

Click here to read an up-to-date conference program.

The conference addresses investment and financial decision-making, effective public policies and necessary technical steps (energy audits, commissioning, retro-commissioning, benchmarking of utility consumption, design and construction of energy related projects). It features case studies reflecting all aspects of analysis, design, construction and performance within existing buildings.

Advance registration: $620 ASHRAE members - $700 non-members

We thank our Platinum Lead Sponsor, NYSERDA,
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NYSERDA
New York State
Energy Research and
Development Authority

ASHRAE is located at 1791 Tullie Circle, NE, Atlanta, GA, USA 30329

Existing Buildings in Urban Areas: Dramatically Cutting the Energy Waste - ASHRAE

Leasing for Building Efficiency—Key lease elements affecting efficiency that engineers should be aware of

Tenant	
Business	• Financial Services • Considered a "good credit" – client base of high net worth individuals and foundations that have been hurt in the current market but that must remain active in the market
Space Needs	75,000 sf
Usage Profile	• Electricity intensive data center likely • Modest after hours usage • A high-demand tenant during operating hours but relatively low-impact at other times

Landlord	
Type of Owner	• Venerable, family-owned and managed firm • Entrepreneurial, Class B+ owner aiming to push toward lower Class A through management, tenancy and gradual upgrades • Reputation for being dependable, honest and tough
Portfolio Size	15 buildings, 5 M sf
Building Profile	• Class A-/B+ • 400,000 square feet • 3 blocks from mass transit in a major American City • Three other major tenants (+50,000 sf) – law firm, pharmaceutical company, insurance. All have been there more than 10 years.

The Building	
Heating	Hydronic heat. Original boiler with burner retrofitted from oil to gas. Perimeter induction units.
Cooling	Electrical centrifical chiller. Perimeter induction units. Supplemental water-cooled air conditioning on some floors requiring condenser water from the building.
Metering	No submetering – electric billed via rent inclusion (avg $2.50/sf)
Construction	1968

Terms Already Negotiated			
Space	75,000 sf on two floors	**Free Rent**	3 months
Rent	$52/sf	**Sublet**	Subject to landlord approval
Term	10 years, 2 X 5 yr renewal options w/ mark to market rent adjustment and base year reset		
Lease Type	Modified Gross with base year		
Fit-Out	$40/sf allowance		

Remaining to be Negotiated	
Operating costs	What is included in the expense pool? Are the same elements in the base year?
Expense Stops	What costs will be tracked and billed separately from general expense pool?
Operating efficiency	What measures of efficiency or sustainability (if any) should the building meet?
Supplemental cooling	Who buys the chiller? What kind of unit?
Terms of landlord provision of condenser water	How much? What summer and winter temperature bounds?
Terms of tenant electric expense	What kind of metering and fees?
Tenant electric power allocation	How many Watts/sf? Under what terms?
Room temperature range	What summer/winter temperature will landlord provide?
Contracting for fit-out	Landlord or tenant contractor? What conditions?
Fit-out standards	What will landlord require? What would tenant require of contractors?
Reporting/data sharing	What building operations data (expenditures, usage, etc) will tenant require? What information does the landlord want from the tenant? What are the units of measurement?
Carbon credits	Who receives the benefit (if any) of future carbon credits from efficiency efforts?

Existing Buildings in Urban Areas: Dramatically Cutting the Energy Waste
American Society of Heating Refrigeration and Air Conditioning Engineers (ASHRAE)

Leasing for Building Efficiency—Key lease elements affecting efficiency that engineers should be aware of

Tuesday, April 20
2:15 p.m. – 3:30 p.m.
Grand Hyatt, New York City

Audience:

- Electrical and mechanical engineers and contractors
- Energy/environmental consultants
- Government officials
- Building management/engineering staff of major landlords
- Real estate professionals

Objectives of the Session:

- To review the basic lease types and how they treat operating and capital expenditure.
- To explain how the operating terms of typical leases (especially modified gross with a base year) affect the potential for building energy efficiency.
- To evaluate how landlord and tenant incentives align or diverge with respect to energy efficiency.
- To explore whether environmental objectives can be preserved in a negotiation in the midst of competing landlord and tenant requirements go well beyond the environment. (Would be good to show the hard knocks of a negotiation)
- To provide engineers some insights that help them better support landlords and tenants in the leasing process.

Structure of the Session:

1. Introduction to Basic Lease Types in Commercial Real Estate (Sean)
2. Explanation of the Framework of the Negotiation (Sean)
    a. Which issues are settled already
    b. Outline of what issues remain to be hammered out
3. Negotiation (Nancy and Shahram)
    a. Asides to the audience that explain what is going on where it isn't obvious
    b. Occasional interruptions from Sean for 3-4 slide powerpoint explanations on a few discrete issues

Background Material

- BOMA Green Lease Guide
- REALPac Lease
- Model Green Lease
- NRDC Green Lease Guidance