

Climate Change Impacts and Adaptation Program

Programme sur les impacts et l'adaptation liés aux changements climatiques



Tools for Promoting Green Building in Private Development: A Strategic Assessment of Options for the Vancouver Region

• The rationale for this study

Buildings account for 1/3rd of our energy use, 1/2 our extracted natural resources, 1/4 of our landfill waste, 1/10th of our particulates, and a little more than 1/3rd of our GHGs. Most green buildings to date have been public sector initiatives, yet the private sector produces the overwhelming majority of our building stock and represents the area of most urgent action and greatest potential gain.

• How this study proceeded

To influence a developer's decision to build green, this study sought to enter the developer's decision-making process: the pro forma. Where, how and to what extent does building green impact the pro forma? In what ways can municipal policy tools address these impacts? Which policy interventions would be practical and desirable for the developer and municipality alike? These questions formed the basis of discussions with planners, building officials, developers, sustainable design experts, and realtors.

• Some key findings

Variable	Weight on Pro Forma	Impact of Green Building
Floor Space Ratio	High	N/A
Efficiency	Medium	Low (-ve)
Price	High	Low (+ve)
Commission	Medium	None
Absorption	Low	None
Hard & Soft Costs	High	Medium (-ve)
Fees & DCCs	Medium	N/A
Financing	High	Medium (-ve)

...and their Implications

Additional density remains a powerful lever, but should be used with caution and only to raise the bar. Calibrating a fair bonus for green building is a challenge when the technology and the market are constantly moving, and attention must be paid to ensure green building is not competing with the social amenities bonuses are traditionally used to lever. Discretionary approaches, or the use of sunset clauses, provide a measure of control over the changing economics.

Planners have little direct influence over the market-determined variables of price and cost. However, civic building policies can play a significant role in generating demand and supply for green expertise and materials; and performance- (as opposed to prescription-) based, requirements can allow the developer the flexibility to design and schedule according to market availability.

If green building is to have a positive impact on commission rates, consumer confidence and recognition of green building needs to be increased, and the sales and marketing divisions of development firms need to become more confident and knowledgeable in promoting green.

Municipalities could make fees and DCCs 'applicable' by reducing them for green developments, but the administrative burden, lack of enforceability, and reduced certainty in infrastructure budgeting that would result from an unpredictable revenue stream in all likelihood outweigh the potential gains

The capacity of municipalities to influence the time to complete a development is a powerful tool. While explicit fast-tracking permitting measures remain problematic to implement in a way that guarantees greener outcomes, the support of planning departments who consistently promote green building standards in rezoning applications can act as a strong incentive for developers.



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