



# Going Green!

## *Money and the Environment Can Meet Up To Make for Smart Business*

By Mark Wright

Drums thumped, cymbals crashed, and heads bobbed as rock stars cranked up the volume on behalf of the planet during Al Gore's 7/7/07 Live Earth concert series. Media pundits speculated about whether the event would have any lasting effect on attitudes about climate change or behavior toward the environment. The former Veep averred that even if individuals make one little change, take one little step, it will help.

Thousands of miles from any of the concert sites, an Idaho-based self storage entrepreneur had already quietly decided to color his future "green"—and he didn't need any rock stars to inspire him. He simply looked around at his community and concluded it would be good business.

"We're a community business at our core, and we seek to have a close relationship with residents and business neighbors in the community," explains Mark Gilbreath, owner of Freedom Storage Centers in Boise, Idaho. "So we felt we had an obligation to set a high water mark example to follow."

Gilbreath's firm is working on two new storage and business workspace solutions that will occupy a significant real estate footprint nestled near commercial and residential neighbors. Both projects have been registered for LEED® certification from the U.S. Green Building Council, a first for the self storage industry, Gilbreath reports.

"For us to take a position and say we really respect prudent and responsible use of resources very much fits with the ethos of this community. Idahoans feel very strongly about the environment," he observes.

The choice to go green isn't only for its public relations value, Gilbreath adds. "Our decision was made on both ideological as well as fiscal grounds. As a corporate citizen,

I couldn't ignore the significant environmental challenges that we currently face and the responsibility we have to be part of the solution. As a business owner, I sought a way to integrate new green-minded values into our business model and make it pay. What we discovered were clear opportunities to reduce our operating costs and support our existing corporate mission to be an involved and responsible community partner."

In other words, green practices can save money while cultivating community support—not to mention saving the planet. "At Freedom Storage Centers, we are in the business of helping people make the most of their space," says Gilbreath. "We have now imposed the same objective on our own development and operations. With a focus on designing for energy and space efficiency and a healthier work environment, you can reduce operating costs and lower your impact on the environment."

This clearly isn't mere marketing rhetoric on Gilbreath's part. Pursuing LEED certification is a rigorous path meant for businesses that are truly committed to building sustainability into their pursuit of prosperity. The Leadership in Energy and Environmental Design (LEED) Green Building Rating System™ is—in the words of the U.S. Green Building Council—"the nationally accepted benchmark for the design, construction, and operation of high performance green buildings." LEED looks at how a building performs in five key areas: sustainable site development, water savings, energy efficiency, materials selection, and indoor environmental quality.

"With sustainability in mind, with fiscal return in mind...you can achieve a high standard if you're willing to approach development along those guidelines," says Gilbreath.



*Freedom Storage Centers' next green facility, currently under development.*

## Financial Impacts

Fiscal return is an imperative, of course, no matter how green a business wants to be. Self storage developers are “not opposed [to adopting a green approach] as long as it’s not going to cost them a lot more money initially,” observes Ken Carrell, principal at Lake Forest, California-based ARE Associates, an architectural design firm specializing in self storage. “They’re trying to save every penny they can.”

Thanks to federal tax breaks and a state-by-state patchwork of public and private financial incentives, prudent design and technological choices can net noteworthy cost offsets. Figuring them all out is not for the impatient nor for the faint of heart, however, so exploring the options is best done in the company of a CPA and a green-savvy design pro.

The Tax Incentives Assistance Project ([www.energytaxincentives.org](http://www.energytaxincentives.org)) offers a good one-stop source of information on Federal tax incentives. This coalition of nonprofits, government agencies and other organizations serves as an information clearinghouse on energy efficiency tax incentives.

As far as state and local jurisdictions go, some are more (or less) generous than others when it comes to making adoption of green practices financially attractive. One good research tool to identify these incentives: the Database of State Incentives for Renewables & Efficiency. It’s online at [www.dsireusa.org](http://www.dsireusa.org). Incentives can include: state tax credits, deductions and/or exemptions; loan programs; utility grant, loan and/or rebate programs; and local grants and rebates.

It pays to look at all the elements of a storage facility in weighing potential costs and savings. “Being green is more than operating the building,” Carrell says. It’s also construction, plus any demolition that might be involved in preparing a site for a new or remodeled facility. “When

you tear a building down, what are you going to do with the materials? You can’t recycle asbestos,” he notes.

Carrell echoes the financial benefits of certain green elements. “With solar (also known as photovoltaic, or PV for short) panels, you’ll definitely make your money back in a short period of time.”

An even better combination, he says, is integrating solar technology with a “green roof”—essentially adding landscaping components to a rooftop. Sound unconventional? Think again. The practice has taken root among a number of otherwise mainstream companies and institutions, because the approach provides multiple benefits simultaneously.

A green roof acts as a layer of insulation, preventing heat absorption into the roofing materials, as well as reducing storm water runoff. It can also offset greenhouse gas emissions, since most plants take in carbon dioxide while putting oxygen into the atmosphere.

“A green roof is not that much more expensive to put up,” adds Carrell. “They’re real popular in Europe.”

## Marketing Power

Anymore, watching television or flipping through a business or lifestyle magazine virtually guarantees at least one encounter with a green-conscious ad or news story. (That obviously includes the *SSA Globe*!) While such coverage will appeal to some audiences, others may begin to tune it out—especially if they believe an advertiser is merely draping itself in green on a superficial level.

The demographics of a storage facility’s target market should provide a guide to the marketing benefits that might be realized from greening a facility. Different age

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*Freedom Storage Centers in Meridian, Idaho—their first site in Idaho, opened spring of 2006.*

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groups, for example, appear to value green practices to a greater or lesser degree—and some value different types of environmental steps over others, and for diverse reasons.

Moreover, some consumers view eco-friendly lifestyles through different lenses. Some take a pragmatic approach, while for others it's a matter of ethics. Consumers in the latter category use their own conscience as a compass. They're sensitive to the ethical, social, and environmental consequences of their choices, and that includes which businesses they choose to patronize.

So, “know thy customer” is a caveat to be considered when contemplating an investment in any eco-changes. No matter what level of “green” a facility adopts, its customers will no doubt quickly discern whether the owner’s motivations are authentic or skin deep. Sincerity is a must.

### Creating Change

Someone once said that the best way to create change is to become the change you want. Bottom line-minded, eco-aware entrepreneurs like Mark Gilbreath can bring change to their community. Design professionals like Ken Carrell can bring change to receptive clients. And any SSA member can bring change to the industry with each green practice he or she adopts.

While Earth-friendly citizens around the globe might hope to create change by enjoying a hip rock concert, lasting effects are more likely to come from a quieter source. Businesses—of all sizes—that make the choice to adopt common sense environmental practices will ultimately forge the greatest legacy in the quest for a sustainable future. ❖

## Find Out More About How Good Environmental Choices Can Help Your Business via These Sources

American Institute of Architects:  
[www.aia.org/adv\\_sustainability](http://www.aia.org/adv_sustainability)

“The Dollars and Cents of Green Construction,”  
 by Andrew Meyerson: [www.aicpa.org/pubs/jofa/may2005/meyerson.htm](http://www.aicpa.org/pubs/jofa/may2005/meyerson.htm).

Commercial Building Tax Deduction Coalition:  
[www.efficientbuildings.org/index.html](http://www.efficientbuildings.org/index.html)

Green Roofs for Healthy Cities:  
[www.greenroofs.net](http://www.greenroofs.net)

National Renewable Energy Laboratory:  
[www.nrel.gov/buildings](http://www.nrel.gov/buildings)

Solar Energy Industries Association (SEIA) Guide  
 to Federal Tax Incentives:  
[www.seia.org/taxmanualdownload.php](http://www.seia.org/taxmanualdownload.php)

Solar Today Magazine: [www.solartoday.org](http://www.solartoday.org)

Tax Incentives Assistance Project:  
[www.energytaxincentives.org/business/commercial\\_buildings.php](http://www.energytaxincentives.org/business/commercial_buildings.php)

U.S. Green Building Council: [www.usgbc.org](http://www.usgbc.org)