



Tips

on how to create a greener and more sustainable property future

We hear about increasing sustainability and pressure to be green, but what does this mean for property? **Mark Taylor** asks Emma Synnott, a sustainable cities expert with global consulting firm Arup, what we might expect from a greener property future.

COMMERCIAL AND RESIDENTIAL PROPERTY MARKETS RELY ON POPULATION AND ECONOMIC GROWTH TO DRIVE INVESTMENT – WHERE DOES ‘GOING GREEN’ FACTOR IN THIS?

Up until recently there was considerable ambivalence among the property sector about the value and saleability of so-called ‘green property’ and certainly it has not factored in the primary growth drivers. But we are now seeing influences from many angles that add up to a fundamentally different ‘green’ market and investors are now seeing the opportunity.

Voluntary schemes of the Green Building Council of Australia and the Property Council of Australia have been really effective in promoting the benefits of sustainable property – including reduced operating costs as well as happier and healthier staff. Governments, the ‘late adopters’, are now significantly tightening environmental regulations for residential and commercial property. From November 2010, commercial and mixed-used buildings over a certain size are required to obtain mandatory NABERS Energy ratings. The effect is already driving behaviour, with discounting of leases on property which rates poorly or remains unrated. Meanwhile, institutional investors are establishing financial mechanisms to enable large-scale sustainable retrofitting programs.

SO WE’VE ACHIEVED REGULATION – IS THERE ANYTHING MORE TO DO?

Energy and water prices are due to rise across Australia in the coming years. We also know the climate is not getting any more benign, meaning future-proofing for additional and more frequent heat, wind, rain, flooding and storm events will have to occur. All of this adds up to higher operational costs. Extending mandatory disclosure to cover water and waste and tightening development conditions are all options open to the government. Further, more can be done to change the way we see buildings from being large

consumers of resources to being producers of energy and water services. We can also start to mandate the use of recycled or renewable materials in building construction. If we can reduce the embodied energy contained within a typical office building, we can drastically reduce our overall carbon footprint. It is radical but possible.

HOW CAN WE TRANSFORM OUR URBAN CENTRES INTO GREEN CITIES?

People often don’t realise that more than 90 per cent of building stock is old and relatively inefficient. In Australia there are schemes in each capital city to link funding to bring older stock up to scratch. In Melbourne, the 1200 Buildings program will be the biggest building scheme since WWII, bringing significant economic activity to Melbourne, with long-term environmental benefits. In NSW, the government has legislated to enable councils to levy building owners towards the cost of retrofit programs, while linking finance directly to the building. These programs will transform our capital cities and make a significant dent on our national carbon footprint.

IF BETTER-PERFORMING BUILDINGS BECOME THE NEW BENCHMARK, WHAT WILL DEFINE A MORE SUSTAINABLE BUILDING IN THE FUTURE?

The new ‘black’ for commercial and residential building is the energy-, carbon-, water-positive, waste-neutral, liveable, healthy and smart building (or precinct). They will become part of a responsive and elegant design that enables interaction between buildings, people, transport, the climate and resources. The building of the future is more ‘alive’, and more in tune with our needs as occupants. It is an exciting future and it is just around the corner. ●



Mark Taylor, our regular property columnist, is the founder and managing director of the Keys To Success Club, a must-have resource for anyone serious about property.



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