



Issue Brief

The American Institute of Architects • Government Advocacy • Current Issue Position and Analysis

Green Building Provisions

Key Points:

- *The financial benefits of building green include:*
 - Lower energy, waste and water bills
 - Less waste
 - Lower operational and maintenance costs
 - Increased worker productivity
 - Increased health
- *Green buildings, on average, use 30% less energy than conventional buildings.*
- *Spending \$100,000 in a \$5 million project to incorporate green design would save \$1 million throughout the life of the building.*
- *The additional costs of building green in Seattle has dropped from 3-4% several years ago to 1-2% today.*
- *By using green technology to control indoor air temperatures and increase exposure to day light, productivity gains for U.S. office workers could reach \$20 billion to \$200 billion.*

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The Economics of Green

AIA Position

The American Institute of Architects seeks to dramatically increase the number of high-performance, energy-efficient “green” buildings constructed in both the private and public sectors. Green buildings use resources, such as energy and water more efficiently and have systems in place to take advantage of existing natural resources. To facilitate these goals, below are some resources to help understand the importance of policies promoting energy efficiency and green buildings.

Action Sought

The AIA urges the support of measures encouraging the construction of high-performance buildings in all sectors.

Explanation and Justification

A common misconception is that green buildings are too expensive – for both the public and private sectors. However, a preponderance of evidence demonstrates that this is an incorrect assumption. Many architects have already incorporated energy efficient design principles into their work, and these efforts continue to expand within the profession. Public and private sector clients are starting to realize that there are many benefits associated with green buildings. Financially, green buildings include lower energy, waste, and water costs, lower operations and maintenance costs, and savings from increased productivity and health gains related to indoor environmental quality.

For instance, according to a study conducted by Gregory H. Kats, a principal at the strategic consulting firm Capital E, which compared the costs of 33 green buildings from across the United States to the conventional design costs for those same buildings, the average increase for building green is less than 2%, or \$3-5/ft². Most of this cost is associated with integrating green technologies or methods. This cost goes down the earlier green building features are introduced into the design. Kats also found that financial benefits associated with energy, emissions, water, operations and health savings over a 20-year time period, totaled \$50-\$65 per square foot, or 20% in savings.

A second study released by international cost consulting company Davis Langdon, “Costing Green: A Comprehensive Cost Database and Budgeting Methodology,” compared the construction costs of 45 building projects seeking certification by the U.S. Green Building Council’s LEED™ green ratings system to the costs of 93 projects that did not consider LEED™. The buildings consisted of libraries, laboratories and academic classroom buildings. The study found that the costs of the buildings seeking LEED™ were no different in range than those not seeking LEED™.

Both studies show that building green is no longer the expense it used to be. More importantly, it actually saves money in the long term. Building green is no longer only for environmentalists – it makes for smart business. As more communities turn to green design, costs will drop even further, until green design becomes the standard.

For more information contact the State and Local Affairs team at 202-626-7507 or govaffs@aia.org.

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