

PUBLICATION

Launch of LEED for Retail is Good News for Food Service Industry

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Restaurant buildings have historically been unable to meet the stringent requirements of previous LEED (Leadership in Energy and Environmental Design) rating systems, but will likely gain ground quickly on other project types under the new LEED for Retail rating system, which is tailored towards the unique characteristics of retail projects.

The number of LEED certified commercial buildings continues to grow rapidly in the United States, even in the midst of the current economic downturn. This growth is the direct result of a number of factors. First, LEED certification, along with other "green" standards, has become increasingly mandatory, as local governments are beginning to add such standards into the codes and ordinances that govern development. Second, the benefits of certification are many, including qualification for government incentives, decreased operating expenses for owners and tenants, increased sales and productivity, happier customers and the development of goodwill in the community. Finally, the efforts of many developers and retailers have ultimately been propelled by a genuine recognition of the need for sustainable commercial buildings and practices.

Unfortunately, only a handful of food service operations have been able to meet even the minimum LEED certification requirements, primarily because previous versions of the LEED rating systems simply did not fit the needs of restaurants. Due to the use of commercial cooking equipment, refrigerators and dishwashers, restaurants are widely considered the most energy intensive commercial buildings in the United States, consuming as much as three times more energy than the average retail locations of the same size. Previous versions of the LEED rating systems did not account for the necessity of increased energy usage by restaurants, and the lack of flexibility inherent in the LEED systems meant that only a few of even the greenest of restaurants could obtain LEED certification.

With the launch by the United States Green Building Council (USGBC) of the new LEED 2009 rating systems and particularly the highly anticipated LEED for Retail rating system, the number of LEED certified restaurants is expected to increase dramatically. LEED for Retail, which is currently in the process of being confirmed by USGBC member vote, will offer certification for retail projects that are classified as either new construction (new or newly renovated stand alone buildings) or commercial interior (spaces within shopping centers or malls). In developing the LEED for Retail program, the USGBC recognized the rigidity of the previous LEED rating systems, and tailored the standards to the specific needs of restaurants and other retailers. These standards offer more options and increased flexibility for restaurant projects, and include a prescriptive path for selecting kitchen equipment and fixtures in order to meet or exceed LEED requirements. LEED for Retail will also allow certain restaurants to attain certification in volume, which is critically important to restaurant chains.

The LEED for Retail pilot program kicked off in 2007, and included more than 80 projects. Large restaurant chains, including McDonald's and Chipotle Mexican Grill, expressed an especially strong interest and agreed to participate in the program by opening learning lab restaurants to test certain green technologies. Chain restaurants—particularly fast food chains—have historically placed an emphasis primarily on high volume at low cost without regard to energy inputs, and have recently been criticized for their impact on both the environment and human health.

Chipotle Mexican Grill management chose its Gurnee, Illinois location to be the chain's learning lab restaurant, and that location recently became the first restaurant to receive the LEED Platinum certification—the USGBC's highest certification level. The Gurnee restaurant features a six-kilowatt wind turbine, Energy Star appliances, energy efficient LED light bulbs, an in-store recycling program, a roof with a high solar reflective index and a 2,500 gallon rainwater cistern.

The McDonald's learning lab, located in Chicago, includes permeable pavement in the parking lot for maximum water drainage, drive through lanes built with reflective concrete, signage constructed around LED light bulbs, a vegetated roof and a rain garden. McDonald's anticipates the restaurant will consume up to 50% less energy, and use 50% less water, than one of its typical sites. The 24-hour Chicago location also includes systems that continuously monitor and collect data from the green technologies so McDonald's can later compare performance at the learning lab to performance at other sites.

Many anticipate that the LEED for Retail program will allow restaurants to quickly gain ground on other commercial project types such as office buildings, which have historically been a more natural fit for LEED certification. If the LEED for Retail pilot program is any indication of what the future holds, then perhaps an unlikely candidate—large restaurant chains—could be "leeding" the way. Baker Donelson is a member of the USGBC and has three attorneys with LEED AP accreditation. The LEED AP accreditation uniquely qualifies them to advise clients in industries related to construction, commercial real estate development and leasing, including builders, suppliers, developers, retail industries, engineers and architects, as to the LEED certification process and requirements. If you have any questions about LEED or any other green technology-related concerns, please contact Kevin Garrison at kgarrison@bakerdonelson.com or 205.250.8333, Stephen Pudner at spudner@bakerdonelson.com or 205.250.8318, or Trevor Jones at tjones@bakerdonelson.com or 205.244.3864.