IS LEED® CERTIFICATION EFFECTIVE: A CASE STUDY OF DESTINY USA

At Destiny USA there's always a lot of buzz generated around our LEED® certification. When we began the expansion, we wanted to continue the commitment to the environment we began when first building Carousel Center in 1990. Now, having just celebrated our one-year anniversary as

Destiny USA, we are proud to be recognized not only as a <u>premier shopping center</u>, but as the largest LEED® Gold commercial retail building in the world. Yet with all the talk around LEED®, many are left wondering what it really means and whether it's actually beneficial.

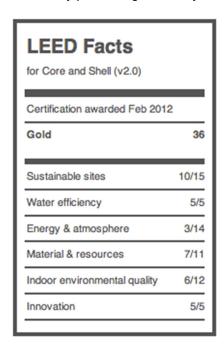
LEED® stands for "Leadership in Energy & Environmental Design" and is a program run by the United States Green Building Council (USGBC) to provide a universal framework for implementing green building design and construction. In addition to the LEED® program, the USGBC offers educational resources, a nationwide network of chapters and affiliates and serves as the host of the annual Greenbuild International Conference & Expo. Furthermore, they're driving the green movement within all levels of local and national government.



LEED© & Destiny USA

So that is what LEED© is at a high level, but what does it mean for Destiny USA? Destiny USA was rated Gold for "Core & Shell," which focuses on constructing an eco-conscious, sustainable build-out that will ultimately be filled with tenants. The rating system goes Certified > Silver > Gold > Platinum, and is further broken down into a points system. As you can see in the report card below, out of the 62 total points available, Destiny USA earned 36 to qualify for the Gold rating. Here's a quick break down of what the scoring system actually entails:

Sustainable sites: Choose a site where there is minimal disruption of green space and where public services and transportation are readily available. During site construction pollution is reduced by preventing waterway sedimentation, airborne dust, and soil erosion.



Water Efficiency: Reduce reliance and taxation on local water supply and wastewater systems by implementing water efficiency efforts.

Energy & Atmosphere: Reduce energy use through correct installation and calibration of energy systems, set a minimum level of energy efficiency to reduce environmental impact, and ultimately reduce stratospheric ozone depletion.

Material & Resources: Collect and recycle as much waste as possible to prevent hauling and disposal of waste in landfills.

Indoor Environmental Quality: Enhance indoor air quality by setting minimum thresholds and preventing and/or minimalizing exposure to tobacco smoke.

Innovation in Design: Go above and beyond what's already outlined in previous categories by addressing local environmental concerns, and by employing a LEED® accredited professional.

As it specifically applies to Destiny USA, here are a few highlights:

To address a local environmental issue, we chose to transform an environmental wasteland dubbed "Oil City." The land was a former Brownfield Site, meaning it was severely environmentally damaged, and dozens of hazardous oil drums were removed before the site was cleaned and construction began.



Destiny USA scored a 5/5 in the water efficiency category. Part of this included the implementation of innovative wastewater technologies. For example, each of the facility's bathrooms are equipped with low flow sink and toilet fixtures that contribute to the overall water efficiency. We also installed water efficient landscaping, meaning we planted indigenous plants that don't need potable water brought to them. Finally, we implemented a rainwater harvesting system on the new roof that translates into a 78% reduction in the building's baseline usage.

	WATER EFFICIENCY		AWARDED: 5 / 5
	WEc1.1	Water efficient landscaping - reduce by 50%	1/1
	WEc1.2	Water efficient landscaping - no potable water use or no irrigati	on 1/1
	WEc2	Innovative wastewater technologies	1/1
	WEc3.1	Water use reduction - 20% reduction	1/1
	WEc3.2	Water use reduction - 30% reduction	1/1

The Impact of LEED® Gold Certification



Additionally, Destiny USA requires all retailers opening within its expansion to obtain LEED© certification, aiming to exponentially increase the impact we're having. To help, Destiny USA built a unique partnership with the USGBC which provides new retailers with a base set of points to work toward their certification. Since most tenants had never worked with LEED® before, our hope was that the initiative would open their eyes to green building and encourage them to start thinking sustainably. To date, 33 venues, including our new restaurants and entertainment locations, have obtained LEED® certification, with another 30 pending approval. Even more encouraging, seeing the rewards, many tenants have gone above and beyond simply getting certified, and have set their sights on a Silver or Gold rating.



A Call to Action for Business Leaders

Rick Fedrizzi, Co-Founder of the USGBC, recently said, "I can point to Destiny USA as a world-class example of sustainability for commercial retail space for its commitment to LEED© certification. And checking the green building box when you are talking about more than a million square feet is a very big deal. This is a very impressive project in terms of energy saved, water saved, resources saved, waste diverted and indoor environmental quality improved."

Ghandi said, "Be the change you wish to see in the world." While Rick's words are certainly flattering and we're proud of our accomplishments, it's our hope that they become a source of motivation for other retail centers and businesses alike. We not only wanted to become stewards of the environment, but we want to show and encourage other businesses to follow our example. At a time when many businesses are still turning their back on the environment, I'm hoping Destiny USA is challenging the conventional norms, and that through LEED® certification, we're able to show that businesses can find success while still improving the environment and the world around them.