



destiny usa

DESTINY USA 2013 ANNUAL ENVIRONMENTAL REPORT

Merging Economic Development with Environmental Sustainability

IT HAS BEEN a tremendous adventure to be part of the transformation of Carousel Center to Destiny USA, particularly in the field of environmental sustainability. 2013 marked 23 years since we opened our doors and began our journey in developing a shopping, dining and entertainment tourism destination that features unique sustainable attributes.

Thanks to our dedicated tenants and staff, we're able to provide a dynamic experience while researching and integrating cutting edge green initiatives throughout the facility. We're excited to share with you our progress in 2013 and what lies ahead.

2013 at a Glance

Sustainability Leader in the Industry

With the expansion open for over a year, 2013 was Destiny USA's opportunity to share our sustainability efforts with others. Attending retail sustainability conferences across the country, Destiny USA presented LEED® endeavors at the facility, landlord/tenant engagement, and operational successes both internally and with tenants.

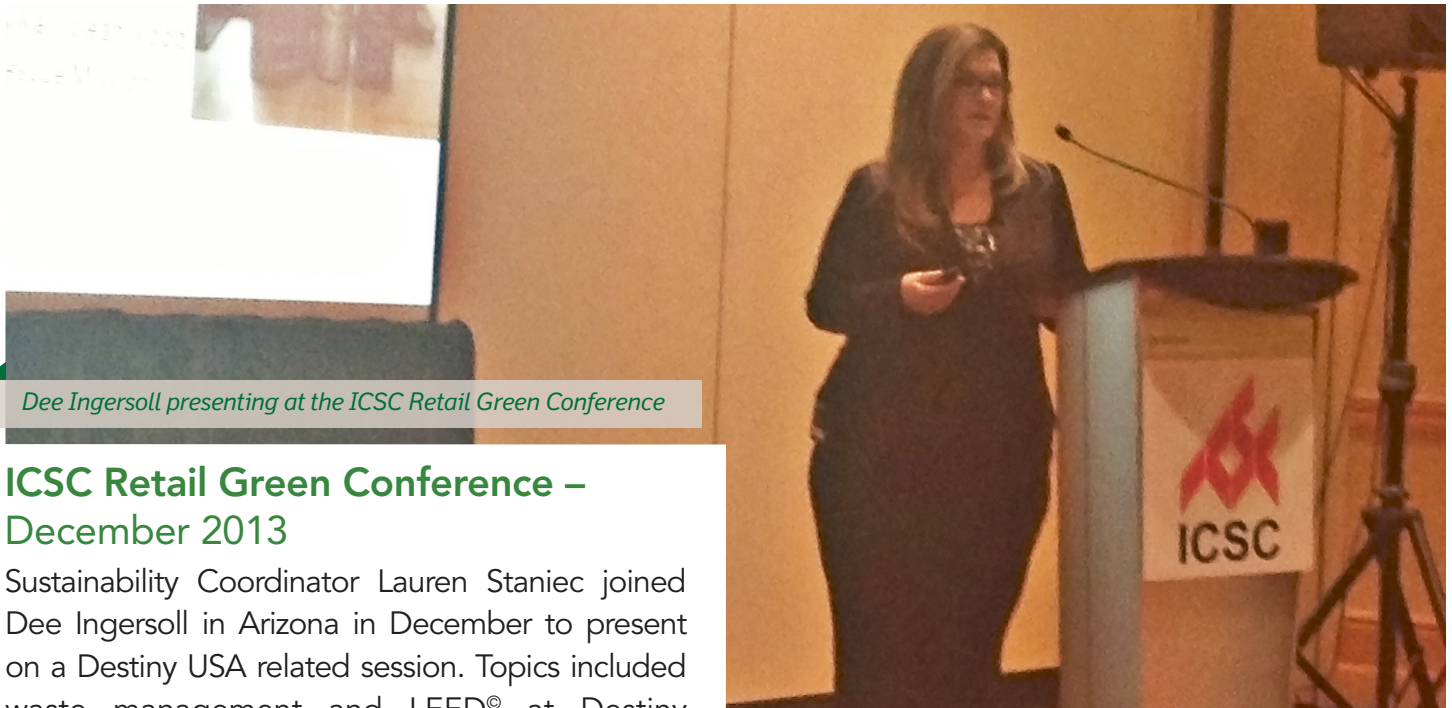
Destiny USA celebrates one year of LEED® Gold certification

On February 6, 2013, Destiny USA celebrated one year as the largest LEED® Gold certified Core & Shell Retail commercial building in the world. With several tenants joining the Destiny USA team in the Canyon area, an award presentation and celebration took place to commend the hard work of area construction crews and on site coordinators that put in countless hours toward the development and implementation of LEED® efforts.

Retail Industry Leader Association's (RILA) Retail Sustainability Conference – October 2013

Destiny USA's Housekeeping Manager, Dee Ingersoll, participated in a panel session reviewing the opportunities for energy and waste reduction in common areas and tenant spaces in retail centered locations.

Dee's presentation focused largely on Destiny's LEED® certification, our implementation of LEED® certification for every tenant, and the comprehensive recycling efforts for center operations, tenants, and guests. The presentation was very well received by other retailers and developers who were impressed with the volumes of waste we are able to divert from landfills. Dee's experience at RILA produced many additional insights to improve our recycling efforts in 2014.



Dee Ingersoll presenting at the ICSC Retail Green Conference

ICSC Retail Green Conference – December 2013

Sustainability Coordinator Lauren Staniec joined Dee Ingersoll in Arizona in December to present on a Destiny USA related session. Topics included waste management and LEED® at Destiny USA. Dee's session, "Trash Talks", focused on major commercial retailers diverting various forms of waste from landfills. Accompanied by representatives from Kohl's and Kroger, Dee outlined Destiny USA's progressive waste reduction efforts which impact our operational teams, tenants, and guests of the Center. Destiny USA presented a comprehensive plan and recommendations, sparking conversation and questions for details on how the team was able to implement such a large, successful project with so many contributors.

Lauren's panel was the Retail Green Academy session covering LEED® for Retail 2013. Retail sustainability leaders Kohl's and Paladino & Company joined Lauren and Lisa Stanley of the US Green Building Council to discuss our paths to large-scale LEED® compliance. All participants

shared their project successes, what they learned, and tips for other companies looking to engrain sustainability into their business practice.

On Site Event Participation

In 2013, Destiny USA hosted several sustainability focused events for local professional organizations and colleges. The American Society of Interior Designers (ASID) held their regional meeting at Funny Bone Comedy Club for their annual design awards ceremony, tours of the sustainable attributes of the Center, and networking with the Destiny project team. Sessions included a question and answer session with the design and management team at Destiny to learn more about LEED®, the Core and Shell project, and LEED® for Commercial Interior project certifications. Additionally, the local United States Green Building Council Upstate New York Chapter held a regional Green Materials and Services Expo. The event hosted local companies affiliated with sustainability to network and share product and service information with Central New York's green building market and mall patrons. Tours of the LEED® Certified Core & Shell project and specific tenant LEED® Commercial Interiors Certified spaces were provided as part of the Expo's agenda. Several local colleges also participated in Destiny project tours as a part of course curriculum on sustainability which researched LEED® Initiatives. 🌍



Lauren Staniec presenting at the ICSC Retail Green Conference

Composting Update

Destiny USA has met our composting goal of the year reaching 500,000 pounds of organic material diverted from landfills in 2013.

Our composting effort began in July of 2012 and has been a very successful operation. The success of the project is largely attributed to the team that Destiny USA has developed to manage all in-house waste. Daily pickup of compost, recycling

and trash for all tenants has kept comingling of waste streams at a minimum. Additionally, the frequency of pickups had eliminated the concern for odor on site and trips to the landfill have been greatly reduced providing a cost savings. 🌱



Destiny USA's Current List of Recycled Materials:

- Cardboard
 - Lightbulbs
 - Light Ballasts
 - Electronics (both operationally and as a community service during our annual drive)
 - Cartridges
 - Shipping Pallets
 - Cooking Oil
 - Pre-consumer food waste
 - Construction Waste
 - Store Fixtures and Displays
 - Plastic Shopping Bags
 - Bottles and Cans which are donated to the Rescue Mission
-
- Our list will continue to grow in 2014 — see the article **Looking Ahead to 2014**

Participating Tenants

Pizzeria Uno's
Japan Café
Popeye's
Arby's
Subway
Starbucks
Sbarro
Cajun Café
Koto Japanese Steakhouse
Panera Bread
Teavana
Sweet Yummy
Dunkin Donuts
Auntie Anne's
Cantina Laredo
P.F. Chang's
The Melting Pot
Toby Keith's
Gordon Biersch
T.G.I. Friday's
Johnny Rockets
TCBY Yogurt
Funny Bone Comedy Club
Dave & Busters
Texas de Brazil

Destiny USA Environmental Assessment Report

Since 2008, Destiny USA has been reporting environmental conservation metrics to the Environmental Protection Agency (EPA) as part of an ongoing partnership to reduce our carbon footprint.

The semiannual Environmental Assessment Report, produced by the EPA, has been tracking our progress throughout the project's construction and as it transitions into the operational phase. Published in July of 2013, the report takes into consideration recycling efforts, composting, energy efficient lighting systems, daylight harvesting, LEED® certification, our water conserving rainwater harvesting system and many other sustainability programs implemented at Destiny USA. The abovementioned efforts are tracked by Destiny USA and reported to the EPA where data is converted into Metric Ton Carbon Dioxide equivalents (MTCO_{2e}). MTCO_{2e} describes how much global warming a given type and amount of greenhouse gas may cause. In the case of Destiny USA, the EPA reported that since the inception of our partnership, we have

reduced our carbon footprint by 118,383 MTCO_{2e}. **This is equivalent to reducing the carbon dioxide emissions from burning 509 railcars worth of coal which would stretch nearly 8 miles.**

Our July 2013 results were the strongest ever, increasing our carbon footprint reduction by more than 138% from the previous reporting period. One main attribute to the huge increase is the amount of food waste successfully composted by Destiny USA's food court

and dozens of restaurants who partner with us. The composting program was implemented just over one year ago and will continue with additional partners as more restaurant venues open at the Center.

The partnership between Destiny USA and the EPA will continue for the foreseeable future. Ongoing semiannual reporting and Environmental Assessment will continue to track our efforts to protect and preserve the environment. 🌍

**Note: the Destiny USA Environmental Assessment report can be viewed at the following link:*

http://www.epa.gov/region02/greenteam/pdf/destiny_epa_environmentalassessment_report_july2013.pdf

Achieving New Heights of LEED®

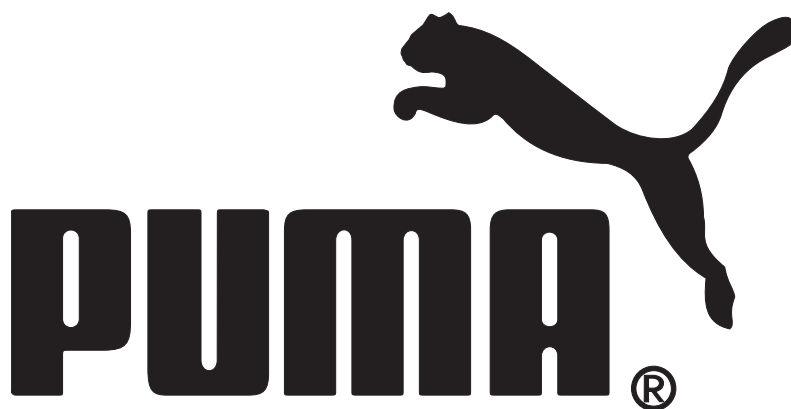
Destiny USA is tracking its highest Tenant-LEED® certification yet: **LEED® Platinum.**

Tenants have been incrementally raising the LEED® certification bar since the first Certified tenant in July 2012. LEED® Silver and Gold level tenants quickly followed, but it took the first tenant a year to attempt LEED® Platinum. Puma, the athletic and sportswear clothing company, has a corporate ethos of sustainability. In their annual business and sustainability report, Puma measures product and operational targets like ecological resource use, energy generation through PV, pre and post-consumer recycling efforts, and has direct links to their sustainability code-the

German Council for Sustainable Development.

No stranger to LEED®, Puma has drawn from their previous LEED® Certifications and used Destiny USA's Mastersite Credits to submit their project to the Green Building Certification Institute (GBCI) at a LEED® Platinum level. While the company awaits their formal certification notice, some of the credits they have pursued are unprecedented by any other tenant.

Should Puma be certified LEED® CI Platinum they will be joining an elite group of less than 200 projects worldwide. 🌍



USGBC's Mastersite

To streamline the LEED® Certification process for multiple buildings sharing the same site, the US Green Building Council created a project registration format called a Campus Project.

Campus Projects, or Mastersites, allow common credits and prerequisites to be preapproved for all buildings constructed within the site limits. At Destiny USA the Mastersite boundary is the new expansion area.

“Puma’s LEED® Project Highlights”

While certification is not yet finalized, Puma has pursued new, or improved upon many LEED® for Commercial Interiors credits with their project. Highlights of the credits they are attempting are outlined below:

Optimized Energy Performance: Light Power (all available 5 points)—Puma uses LED lighting and collaborative design efforts to provide a lighting system that is greater than 40% more efficient than a baseline retail lighting system. This required efforts on behalf of the designer to develop new methods of lighting the space, and the owner to accept new schemes that hadn’t been tried in other Puma stores.

Optimized Energy Performance: HVAC—Upon learning that zoning individual areas would reduce energy use, as well as earn credits for optimizing energy performance for HVAC, additional VAV zones were designed into the project.

Optimized Energy Performance: Equipment and Appliances (all available 4 points)—Working with Puma IT and purchasing departments, the design team was able to specify that 98% of connective loads carried Energy Star labels.

Enhanced Commissioning: Puma is the first tenant at Destiny USA to pursue the enhanced commissioning credit. Puma invested in enhanced commissioning which included a third party design review and assembly of a Comprehensive Systems Manual specific to store operations. According to commissioning agent Charlie Bertuch of Bergmann Associates, “Enhanced Commissioning, through a third party review, identifies potential energy and operational improvements. The systems manual provides a thoroughly documented road map for system operations and maintenance.”



Rapidly Renewable Materials: Puma is notable for their extensive use of bamboo, a rapidly renewable material for 100% of their fixture shelving. Even more innovative was the design team's flexibility in store planning and design. Puma's fixtures, rather than using typical gyp board wall construction for display and partitioning is made of moveable, modular fixtures. Puma is pursuing an innovation credit for material usage/innovative display fixtures. Support documentation for this innovation credit required the fabricator to determine the weight and value of recycled material for more than 3,000 individual components.

Certified wood: Puma's contractor had to confirm that every unit of wood, including cabinets and furniture, was provided with a chain of custody documentation for FSC compliance.

All Low Emitting Material Credits: All materials in construction, including the cash wrap and office furniture were procured to meet LEED®'s Low VOC requirements. To date, Puma is the first tenant to pursue the Low VOC credit for systems furniture!

Green Education: The architect for the project developed an artistic, imaginative, and permanent signage display that is featured prominently at the front of the store. The signage is there for shoppers and employees alike to learn the sustainability related features that exist in the store. Individual signs are also placed at key areas of the store to detail the site specific LEED® features around the shop. 🌍



Destiny USA's LEED® Gold certified plaques can be seen at every entrance to the expansion. Awarded its status of LEED Gold on February 6, 2012 Destiny has located these plaques in commemoration, and as a reminder, of our ongoing sustainability efforts at the complex.





LEED® Tenants

This year Destiny USA continues to work with tenants towards each of their LEED certifications. It has been a rewarding experience working with each store's team and their consultants.

Project teams on site have varied from very experienced with LEED® and sustainability to never having used the rating system before. The partnership with every tenant has created a valuable sustainability learning experience for Destiny and we are excited to watch our green roots grow with additional certifications on site.

Currently Destiny USA has a total of 37 tenants LEED® Certified for Commercial Interiors. This number is growing quickly with ten additional tenants waiting for their final review status from the Green Building Certification Institute. Even more impressive is that many of our tenants are certifying beyond the basic LEED® Certified level:

Current LEED® Tenant Certification Count:

-  **-15 LEED® Certified Tenants**, 6 additional tenants pending certification
-  **-20 LEED® Silver Tenants**, 1 additional tenant pending certification
-  **-2 LEED® Gold Tenants**, 2 additional tenant pending certification
-  **-1 LEED® Platinum tenant** pending certification

Over thirty additional tenants are in some stage of design, construction, or are open and completing the LEED® materials for project submission. The green knowledge that has been free-flowing between Destiny and Tenant teams has been gratifying. Every certification and new insight means that Destiny USA is succeeding in its ultimate goal of creating not only the greenest retail and entertainment destination, but that the information used on our site can be applied to sustainable projects of the future.

Rick Fedrizzi, President, CEO, and Founding Chair of the U.S. Green Building Council had the following comment regarding Destiny USA and its tenants' commitments:

“Destiny USA is leading the green retail revolution. From the very beginning of the project, there’s been a huge emphasis placed on sustainable building practices. In an unprecedented initiative, Destiny not only has achieved LEED Gold Core & Shell for its expansion, it is requiring every tenant to achieve at least a certified level for LEED® for Commercial Interiors. We work closely with Destiny and its tenants to make sure the benefits of greener, healthier spaces are realized for tenant management and their customers.” [January 2014.]

LEED® Tenant Certification Levels



LEED® Platinum



LEED® Gold



LEED® Silver



LEED® Certified



= Certification Pending

Looking Forward to 2014

Every year Destiny USA looks to improve on our current sustainability efforts. The knowledge sharing from our year of conferences and community engagement has us energized for new projects in 2014.

Recycling Efforts

Destiny USA will be partnering with Revolution Go Green to recycle used cell phones, cleaning chemicals, aerosol cans, and batteries. Following the Retail Green conference in October, Dee and her team started recycling Destiny and tenant aerosol cans. We look forward to extending our recycling efforts with Revolution Go Green in the upcoming year.

We will engage GDB International to buyback our paints, plastics and metals which are all then recycled. Destiny is researching additional projects with this same group for

“retail plastics” recycling which will include the buyback of shrink wrap, plastic clothing hangars, and cleaner bags.

Of particular interest to Destiny is Vanguard Innovative’s Foam Densifier machine which recycles Styrofoam. The material is recycled into bricks that are then shipped back to Vanguard Innovative to be made into custom shaped shipping pallets. The process is a closed loop system where the Styrofoam can repeatedly be broken down and reconfigured as needed.

A very well suited partnership is being developed with Community

Recycling — “people recycling for people”. This group recycles textiles including clothing, shoes, handbags, and belts. Destiny USA will be able to send discards to Community Recycling and hold community clothing drives where extra clothing will be turned into new fashions and products.

Many of our current efforts focus on facility operations and tenant recycling. Next year our goal is to make recycling easier for our facility guests. Look for new recycling stands that recycle batteries, CFL bulbs, plastic bags, and ink cartridges.

Energy

Destiny USA continues to promote emission free energy choices by entering into a new three year term of purchased

Renewable Energy Credits (REC). Our REC’s are generated from a variety of renewable energy resources including solar, wind, geothermal, biomass, and hydropower.

LEED®

Destiny USA is presently on track to have 50 LEED® certified tenants over the next few months. As additional stores open within

the expansion, they too will become LEED® certified. Destiny USA is proud to represent such a unique retail project where both Destiny USA and its tenants have truly embraced sustainability. 🌍



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For more information about Destiny USA’s green initiatives visit www.destinyusa.com

or contact

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