

Money & BUSINESS

FORUM | DEEP THROATS

New laws and rulings have made whistleblowers more potent since Nixon. **Page D3**



THE WALL STREET JOURNAL SUNDAY.

- Going for growth
 - The big picture
- D5-D7**



INDEX

Personal finance Page D2

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StarTribune

Sunday, June 20, 2005 • Section **D**

Housing developers looking for a competitive edge are going green

By Jim Buchta
Star Tribune Staff Writer

Bamboo floors. Grass roofs. Gray-water recycling.

With competition in the housing market heating up, a growing number of developers are going beyond granite countertops, hardwood floors and stainless steel appliances. They're embracing sustainable designs — "green homes" — that are good for the planet and help sell houses.

"At some point in time nobody can deny you're going to have to differentiate yourself from everyone else who is in the market," said Rick Carter,

Definitions of "green" run the gamut from expensive imported wall tiles made of recycled glass to high-tech geothermal heat pump systems.

an architect with LHB Architects in Minneapolis who has been designing green buildings for more than a decade.

"And being able to say 'we've got a green or sustainable product and they don't' can make a

INSIDE
Tour an eco-friendly condominium. **D8**

difference," he said.

Sustainability is a catch-all term that represents a broad range of practices aimed at lowering a building's energy consumption and its impact on the environment. It includes everything from energy-efficient windows to recycled lumber, which are finding their way into houses and condominiums in all price ranges. By next year, for example, you'll be able to

watch the grass grow on the roof of a luxury condo building overlooking Lake Calhoun in Minneapolis.

Most "green" developers, though, are like Michael Lander, who specializes in Twin Cities urban in-fill projects that incorporate a host of less radical ideas, including bamboo floors (bamboo grows faster than trees), high-efficiency furnaces (saves energy) and drought-resistant landscape plants (don't require frequent watering).

GREEN continues on D8:
— *Preservation of green space is a popular approach.*



Glen Stubbe/Star Tribune

The courtyard at Midtown Lofts in south Minneapolis is planted with native and drought-resistant grasses and plants.

R W B G Y X 1 2 3 4 5 6 7

WHAT ECO-FRIENDLY LOOKS LIKE

This one-bedroom unit at Midtown Lofts in Minneapolis is a showcase of sustainable products and practices, demonstrating that ‘green’ can be beautiful and affordable. In this case, “green” includes products designed to reduce airborne irritants and contaminants.



PROGRAMMABLE THERMOSTAT

The thermostat allows customized heating and cooling schedules that lower utility costs. The unit also has a high-efficiency furnace.

ENERGY-STAR APPLIANCES

Energy-efficient appliances reduce power consumption.

RECYCLED CABINETS WITH SEALED BACKS

Behind the maple veneer, everything is recycled. Sealed backs improve air quality by reducing formaldehyde emissions from particle board.

HIGH-EFFICIENCY INSULATION

From the outside wall to the recycled batt insulation between the studs, tight construction and use of recycled materials reduces drafts and noise, improves air quality and cuts energy costs.

LOW-FLOW FAUCETS

The faucets cut water flow rates in half without a noticeable difference to users.

ENERGY-EFFICIENT LIGHTING

Incandescent bulbs are replaced with fluorescents.

GRANITE AND STEEL COUNTERTOPS

Granite is natural and durable. Steel is durable and cleans easily. Neither gives off emissions.

BAMBOO FLOORING

Bamboo grows 20 times faster than oak and is more durable.

RECYCLED SHEETROCK AND LOW-VOC PAINT

Recycling reduces waste, and low-VOC (volatile organic compounds) paint reduces emissions that can irritate skin and eyes and are suspected carcinogens.

LARGE LOW-E WINDOWS

Good natural lighting reduces the need for electric lights. UV coating and argon-filled double panes increase efficiency. Energy-efficient blinds help further.

GREEN from D1

Lots of home buyers like concepts but not extra cost

Lander, founder and president of the Lander Group, used those green techniques at the Midtown Lofts in south Minneapolis, and went beyond those features in one condo. That unit has rubber flooring made from recycled tires, partially recycled insulation and low-flow plumbing fixtures.

Preservation of green space is another popular approach these days. At Credit River Territory near Prior Lake, developers are touting their efforts to set aside half the land in this 700-acre luxury development for open space.

Still, the industry continues to soul-search over what it means to be green. Interpretations run the gamut from expensive imported wall tiles made of recycled glass to high-tech geothermal heat pump systems that can reduce the cost of heating and cooling even a small mansion to a fraction of what it might otherwise cost.

Their motives are manifold. Many do it because they don't want to be known as a company that rapped the land and helped poke a hole in the ozone layer, while others are doing it because it helps sell houses.

But are consumers willing to pay extra? Some research shows that while a growing number of consumers want to know where their wood floors came from, how much energy it takes to heat and cool their house and what kinds of chemicals were used during construction, few are willing to pay more for it, said Colleen Carey, who plans to transform an old industrial building into Machinery Lofts, which will meet the U.S. Green Building Council's highest standards.

Carey, president of the Cornerstone Group, said green features can add 3 to 5 percent to the total cost of a house or condominium. "It's like saying we want more fuel-efficient cars, but we buy SUVs."

Developers say most buyers would rather spend that extra money on exotic wood floors, commercial-quality appliances and bathroom-size living spaces than for less-visible improvements that increase the durability and function of the structure.

Nonetheless, a growing number of buyers do care about sustainability, said Paul Dinchin, principal at Tandem Developers, which is developing a 252-unit high-rise condo building in Minneapolis that will have a grass roof that will reduce runoff into the city's overburdened storm sewer system.

When it's proven that they're reasonably priced or perform well, then given the choice, consumers and home buyers definitely will prefer



Photographs by Glen Stubbé/Star Tribune
The outdoor decks at Midtown Lofts are constructed of Trex decking material, which is made of recycled plastic and waste wood and will not rot or deteriorate.



The laundry room flooring is made from recycled tires, a material that can be recycled again.

that green, sustainable products are used rather than not," Dinchin said.

And consumers are finding more options. Carey said there are already several buildings in the Twin Cities that meet the voluntary national Leadership in Energy and Environmental Design standards, but none have gone through the complicated process of getting certified.

"We think we need to raise the bar so it becomes the standard," she said. "Right now people say they're doing green development and they all have varying degrees and ways of doing that. What we need is something that's more universally standard that's better for the environment."

Minneapolis recently adopted an ordinance that provides incentives to developers and homeowners who can demonstrate that they're reducing the amount of rainwater that goes into the sewer system. But Carey said municipalities and the government need to do more to encourage developers to take the leap.

"Right now people say they're doing green development and they all have varying degrees and ways of doing that. What we need is something that's more universally standard that's better for the environment."

— Colleen Carey, president, Cornerstone Group

Until then, the promise of a competitive edge and higher sales is the driving force for most developers.

"In general it's not driven by a vision to do it better, it's driven by a vision to make more money out of it," developer Joel Shurke said. "I see most efforts responding to the bare minimum requirements, and if they do that they pat themselves on the back."

Minnesota's energy code, for example, is one of the most stringent in the nation, but builders and developers will often tout the energy efficiency of their projects even though they might only meet minimum code requirements.

"The code is there — if you don't meet the code you're breaking the law," Shurke said. "So that's where the basic question becomes: how much better are you doing?"

Shurke said developers should push the boundaries of what the market already has to offer.

When he and two partners at Factor 10, a Twin Cities-based development company, bought an abandoned quarry on the shores of Lake Vermillion near Ely, Minn., they tried to create a model for sustainable lakefront development.

There's not an inch of pavement on the property (trails are lined with reclaimed metal railings), the cabins are compact (large family gatherings happen in a shared community space) and they are built



Dual-flush toilets conserve water by providing a low-volume, 1.6-gallon flush option (the button on the left).

to accommodate extended family visits.

Still, as Shurke acknowledges, those features aren't the primary reason why units are selling. "The real decision will be based on whether the economics work out," he said. "For the people that have experience or interest (in environmental issues), it's just icing on the cake for them, but that's generally not the decision that drove them here."

Some developers, conversely, are concerned that the word "green" isn't appealing to every buyer. John Dierbeck of Argus Homes in St. Paul said he's been a bit reluctant to call his Woodbury townhouse project,



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