

SHORENSTEIN PROPERTIES: FLIP THE SWITCH TENANT ENGAGEMENT PROGRAM

SOLUTION OVERVIEW

Shorenstein is a national real estate investor that owns and manages class A office space across the United States. The organization has a longstanding commitment to energy efficiency and sustainability for the benefit of its properties, tenants, employees and the communities in which it operates. Since building occupants contribute to 60-80% of a building's energy use and a majority of other resource consumption, tenant engagement is a focal point of Shorenstein's sustainability strategy. The "Flip the Switch" Program was initiated in 2011 to broaden tenant awareness of sustainability and energy savings opportunities in their leased spaces by providing actionable strategies for reducing consumption.

ORGANIZATION TYPE

Commercial Real Estate Management

BARRIER

Multi-tenant buildings present split incentives, lack of tenant awareness, and limited tenant participation in building energy efficiency efforts.

SOLUTION

Comprehensive tenant engagement program "Flip the Switch"—designed to provide building occupants with actionable information to reduce energy use.

OUTCOME

Overall, Shorenstein has seen over 20% reduction in portfolio-wide energy use since 2008. Shorenstein attributes a significant portion of the savings to the success of "Flip the Switch".

POLICIES

Shorenstein benchmarks all of its properties using ENERGY STAR[®] Portfolio Manager[®]. Shorenstein has implemented a corporate sustainability policy covering energy, water, waste, greenhouse gas emissions, and climate change. Additionally, the company's Tenant Engagement Policy ensures that Property Managers provide sustainability tools and resources to building

occupants.

Shorenstein's management standards ensure all properties employ industry-recognized sustainability best practices, including energy and water efficiency, green cleaning, waste management, and green construction standards.

PROCESS

"Flip the Switch" started as an educational workshop campaign in 2011, inviting tenants in all markets to attend sustainability presentations and discussions. Shorenstein continues to provide "Flip the Switch" workshops periodically upon tenant request and as recommended by property managers. Following the workshop, the Sustainability Committee offers one-on-one assistance to help interested tenants meet their sustainability goals.

Since its launch in 2011, "Flip the Switch" has grown to encompass multiple aspects of the tenant-landlord relationship. Upon acquisition, new properties are initiated into the "Flip the Switch" program as part of broader sustainability training for property management staff.

Green Scorecard

Shorenstein's Green Scorecards provide a snapshot of sustainability features for each property. Available on the property's webpage, the Green Scorecard highlights energy performance, sustainable operations, and industry affiliations. Leasing brokers use the scorecards to inform prospective tenants of the property's green amenities, such as lighting control systems, waste and e-waste recycling programs, native landscaping, secure bike storage, and other sustainability attributes.

Green Leasing

Shorenstein has been recognized by the U.S. Department of Energy as a "Green Lease Leader". The company includes "energy alignment" language that enables investment in energy-saving capital improvements and green construction standards for improvements to tenant spaces in all leases. In 2014, Shorenstein expanded its green leasing provisions to streamline energy information-sharing and facilitate green building certifications. These mechanisms save money for landlords and tenants, improve operations, and facilitate mandatory jurisdictional reporting.

"Flip the Switch" Educational Workshops

Shorenstein's Property Managers periodically invite tenants to lunchtime "Flip the Switch" workshops designed to deliver sustainability ideas, tools, and resources in an interactive face-to-face setting. With the involvement of the company's Sustainability Program Manager and building engineering staff, these meetings translate into tenant action on efficiency and sustainability in their own office spaces. As a result of these meetings, tenants have taken such steps as installing more efficient light bulbs, implementing power management settings on electronic devices, and providing recycling training for their employees.

“I Will if You Will” Tenant Energy Challenge

Launched in 2014, Shorenstein’s “I Will if You Will” Tenant Energy Challenge allows tenants to track office equipment energy use and identify energy saving opportunities. Property Managers serve as the direct link to tenants by providing material, technical support, rewards, and assistance with installation of plug load monitoring hardware.

The Challenge follows a two-step process for evaluating electricity consumption. First, data is collected on an online dashboard using the monitoring hardware. Second, the data is exported onto Excel to track monthly savings and carbon emission reduction. Employees are able to identify which office appliances are using excess energy and apply simple behavior change tactics to decrease their consumption.

The Challenge shows tenants that by using simple strategies, such as computer “sleep” mode at the end of the day and installing plug timers on coffee pots and water coolers, office place energy use can be cut by an average of 27%.

“I Will if You Will” tackles two important barriers to tackling energy efficiency in occupant spaces. Tenants are made aware of their energy consumption habits within the office. Armed with this knowledge, they can create actionable steps to decreasing the energy consumption in their working spaces.

OUTREACH

Tenant engagement is an ongoing process for Property Managers. Prospective tenants receive basic information about Shorenstein’s sustainability program in the [Sustainability Action Guide](#) brochure as well as a copy of the building’s [Green Scorecard](#).

When tenants move forward with construction in their new space, they receive a copy of Shorenstein’s Tenant Construction Standards, which includes Green Construction Standards for the building. Property Managers and Shorenstein’s construction and sustainability professionals provide technical assistance to ensure successful implementation during tenant build-out.

Upon occupancy, tenants are introduced to the full suite of “Flip the Switch” programing described above and linked in the Tools and Resources section below. Property Managers periodically meet with tenants and inquire about sustainability needs and interests as part of ongoing tenant relationship management.

TOOLS AND RESOURCES

Features of the “Flip the Switch” program include:

- The [Sustainability Action Guide](#) introduces the “Flip the Switch” program to prospective and new tenants.
- [Green Scorecard](#) profiles are maintained for each property in Shorenstein’s portfolio.
- Green leasing provisions are included in the leasing process in all Shorenstein markets.
- [Green tenant construction standards](#) are located in the building’s Conditions for Construction.

- FlipTheSwitch.info sustainability resources website provides tenants with continuous access to information, ideas, and tools.
- “[Flip the Switch](#)” educational workshops help tenants find and capitalize on energy savings opportunities in their own office space.
- “[I Will if You Will](#)” Tenant Energy Challenge provides real-time feedback on energy use, easy strategies for improvement, and incentives to encourage participation.
- Earth Hour and Earth Day events annually to recognize Shorenstein’s commitment to sustainability.

MEASURING SUCCESS

While the primary outcomes of tenant engagement are behavioral and qualitative in nature, Shorenstein tracks several metrics for measuring the impact of “Flip the Switch”, including:

- The Fliptheswitch.info site receives annual traffic of over 1,000 tenant users and over 5,000 page views.
- “I Will if You Will” participation in 2014 included over 30 tenants representing 1 million square feet of office space across Shorenstein’s national portfolio. On average, participants witnessed a 27% reduction in plug load energy use.
- Recipient of the [2015 Green Lease Leaders](#) award, a designation from the Institute for Market Transformation and the Better Buildings Alliance.

Overall, Shorenstein has seen over 20% reduction in portfolio-wide energy use since 2008. Shorenstein’s Sustainability Program Manager attributes a significant portion of the savings to the success of “Flip the Switch”.

OUTCOMES

Since its inception, “Flip the Switch” has helped Shorenstein foster sustainable relationships with its tenants by focusing on energy efficiency and sustainability. The program has led to more active and environmentally conscious tenants, as well as new tenant engagement initiatives. Shorenstein’s robust and diverse set of tools and resources attracts and retains high-quality, sustainability-conscious tenants. The company has been recognized for its leadership in tenant engagement. Shorenstein ranks highly on the annual GRESB (Global Real Estate Sustainability Benchmark) assessment, in part for the strength of its tenant program. The company has also received local awards for tenant engagement including the BOMA Bay Area’s “Innovative Earth Award”.

Shorenstein’s Sustainability Committee continues to enhance and expand its tenant engagement program. The lessons learned from prior “Flip the Switch” initiatives are informing the next iterations of tenant-facing sustainability programming at Shorenstein.

