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NEWSPAPER

JUNE 5, 2009

## Developers tap eco-incentives

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BUSINESS FIRST OF BUFFALO

Attorneys want their clients to get a little more green – by saving money and the environment.

That is what Cazenovia Recovery Systems' management did when developing Amherst Station – an eco-friendly, 24-unit affordable-housing complex, converted from a former office building on the corner on Main and Amherst streets in Buffalo.

Suzanne Bissonette, president of Amherst Station and executive director of the nonprofit Cazenovia Recovery Systems, said the project is expected to earn LEED Silver certification. She said Amherst Station will be the first residential apartment complex in the Buffalo area with this certification. (See box for more information on the Leadership in Energy and Environmental Design program.)

Bissonette said the developers estimate savings of \$9,600 per year in utilities (a more than 21-percent saving), which will make up for the initial cost of LEED Silver certification within 14 years.

Bissonette said the development plan features Energy Star heating and air conditioning systems and Energy Star fixtures like lighting, refrigerators, stoves, washers and dryers. The landscaping will prevent run-off into sanitary systems and the development team is well-versed in proper energy-efficient insulation methods, she said.

Raymond Reichert and Christopher Ollinick, attorneys with Jaeckle Fleischmann & Mugel, advised the development team at

Cazenovia Recovery Systems on the financial incentives in making Amherst Station a green building.

Reichert, a partner, and Ollinick, an associate with Jaeckle Fleischmann & Mugel tax and economic & land development practice group, said eco-friendly construction and installations particularly benefit low-income housing developments like Amherst Station. Meeting energy-efficient standards in their case, not only provides for grants and other incentives, but also translates into lower utility costs for future residents.

Ollinick said businesses must focus on long-term savings, not initial investment.

For Amherst Station, long-term savings meant going green made economic sense, Bissonette said.

"When we began to do work with the city, they encouraged us to (build green)," she said. "We did research and (crunched) the numbers and found out it wouldn't cost us much more to be LEED certified and it would benefit us in lower utility costs for future tenants."

Reichert and Ollinick also counseled HealthNow New York, the parent company of BlueCross BlueShield of Western New York, while it built its 465,000 square-foot LEED-certified complex on West Genesee Street.

The building's features include a white roof for retention of heat in the winter and reflection of heat in summer blinds for better use of natural sunlight and recycled construction materials. Spokesperson Karen Merkel-Liberatore estimates the building's design will save the company about \$200,000 per year in utility costs.

In the wake of federal incentives provided

by the American Recovery and Reinvestment Act and the increasing availability of grants and tax credits for environmentally friendly buildings, many other firms also provide legal advice on cost-effective ways to "green" clients' operations.

The \$787 billion federal stimulus package (ARRA) signed by President Obama in February, earmarks \$71 billion for energy efficiency and environmental initiatives and \$20 billion for tax incentives for green projects. The ARRA renewed many programs established under previous legislation that would have expired otherwise.

"Before companies may have said, 'Well it would be nice to be green, but economically it either doesn't make sense or it's a close call,'" said David Flynn, partner with Phillips Lytle LLP. "Some of these programs now make it clear that it makes economic sense in addition to being a good thing to do."

Alweis, partner with Goldberg Segalla LLP and head of the firm's green team, said as more municipalities and government development projects take on sustainable building practices, construction companies, contractors, property managers and developers have no choice but to fall in line and specialize in building LEED certified structures. Niagara and Erie counties, for example, require LEED Silver certification for new or major renovations to county-owned buildings.

Alweis said his firm advises its clients in the construction industry on how to develop contracts for LEED level construction projects, which he says are now the norm for new construction.

"It's not a fad," Alweis said. "It's here."