

Taking the LEED

When entering a saturated market, differentiating yourself can be hard. To help put their first US property firmly on the map, Firmdale Hotels chose a rigorous green building rating system. **Christian Sylt** and **Caroline Reid** report.

When boutique hotel chain Firmdale decided to expand into the United States in 2005 it faced a huge hurdle. The chain was well-established in the London hotel market through its flagship Charlotte Street hotel but it had little scale with only six properties in its collection, which were all in London (since then a seventh property has opened).

Firmdale is privately owned by its founders Tim and Kit Kemp, who received MBEs this summer for services to the hotel industry and charity. It doesn't have an umbrella chain to rely on for marketing support and, adding to the pressure, Firmdale picked one of the most competitive markets in the US for its first international expansion: New York.

Firmdale needed more than just high quality to succeed in the Big Apple so it used an innovative strategy to make its hotel stand out from the crowd. From the outside, Firmdale's Crosby Street Hotel in New York's SoHo district of southern Manhattan looks no different to the many other loft-style properties in the area. The 11-floor 86-room hotel, which opened in late 2009, is a brick and steel building with high ceilings and huge windows overlooking New York's famous skyline.

Inside, however, it has an intimate country house feel to it. There are statues of dogs by the entrance doors, coat-stands in

the lobby and pictures of pet dogs in the elevators. The rooms are packed with luxurious touches such as the turn-down staff placing a complimentary scented pillow spray on the bed to help guests sleep well. Just walking around the hotel is an adventure as it is littered with unusual objects d'art such as a bookcase in the shape of a prowling bear. However it is what is not on display that is most ingenious.

Gold standard

The Crosby Street Hotel was the first hotel in New York City to be awarded gold certification by Leadership in Energy and Environmental Design (LEED), a US body which monitors the design, construction and operation of green buildings. It got the accolade in May 2011 but obtaining it was far from an overnight process.

The hotel was designed by US architects Stonehill & Taylor and its president Paul Taylor proposed to Firmdale the plan of getting it LEED certified. Schools, hospitals and other public buildings frequently get LEED certification but applying it to hotels was a new development. Taylor says that the driving force behind his proposal was that he realised "the demographic of the Firmdale client would be closely aligned to the goals that LEED has."

After looking into the LEED system Firmdale agreed, and from outset in winter 2005 it set the goal of getting certification. "It had to be planned from day one with regular weekly meetings," says Taylor. All in all it took nearly five years to obtain an LEED rating. LEED awards a total of 100 points covering different types of environmentally sensitive areas (see panel page 45). ■



The bar and restaurants at the Crosby Street Hotel use produce from the rooftop kitchen garden.

FEATURE

“ When people think about sustainability they usually think about saving energy or recycling but LEED looks at the total environmental impact of a project. ”



All of the Crosby Street Hotel's construction debris had to be recycled to comply with LEED accreditation.

Left: Head chef Anthony Paris on the rooftop kitchen garden.



"When people think about sustainability they usually think about saving energy or recycling but the LEED programme is more sophisticated because it looks at the total environmental impact of a project," says Taylor. Long before vertical construction of the Crosby Street hotel began, the LEED criteria had to be considered.

Local materials

"If you use brick made in China they have to bring it over here. That uses fuel which creates pollution and a carbon footprint so you get credit if the majority of the materials you use are made within a 500 mile radius," says Taylor. "Then you have the amount of heat the hotel generates. Buildings act as a heat sink by absorbing heat. So the colour of the paving has to be very light and you get a credit for having a light absorption rate of less than 29%."

It doesn't stop there as LEED's criteria also limit the amount of light which the hotel gives off and Taylor says that "if you keep the amount of light pollution within a certain level you get a credit for that."

Even the location of the hotel fell under LEED's watch. "The fact that the hotel is in an urban area which has public transportation already gives you a credit," says Taylor explaining that: "If Firmdale had built a free standing hotel it would be less beneficial for the environment because people would have to drive there."

When the builders were excavating the hotel's foundations they found contaminated earth since there was once a factory on the site. LEED has strict criteria about how this had to be treated and it acknowledges the positive change made. "We were cleaning up this site so we got credits for doing that," says Taylor.

Recycled debris

Nothing escaped LEED's eye during construction. "You normally throw away wrapping paper, cut-off wood ends and pieces of metal but on our job the contractor had to recycle all the

debris. It was very highly documented for LEED and we had a third party consultant who oversaw this for five years. They had to have photographs, dust control reports and receipts for all the rubbish pick-ups – the whole thing."

Some of the ways the hotel met LEED criteria are more visible than others. There are several outdoor spaces, including a leafy sculpture garden and bar terrace on the ground floor, plus a 'meadow' on the second floor and a rooftop kitchen garden.

It makes the hotel look more aesthetically pleasing from above and provides a habitat for local wildlife. You don't have to fly over in a plane to spot it as guests in suite 203, dubbed the Meadow Suite, get private access to the second-floor terrace which features 50 different native flowering plants. Guests who eat in the restaurants also benefit as the rooftop kitchen garden supplies melons, blueberries, tomatoes, herbs and eggs from four chickens which live in an enclosure on it.

Heat reclamation

When it comes to energy use, the LEED criteria covers the way you condition the building and the construction of the building itself in terms of its insulating characteristics.

Air conditioning systems are one of the biggest obstacles to a high credit level but the Crosby Street has some hidden technology to combat this. "Before we exhaust our return air to the outside we have reclamation systems that absorb the heat so you aren't spilling the energy," says Taylor adding: "We have variable speed fans and the room temperatures can be monitored by the front desk so you aren't heating or cooling the room if there's nobody in it."

Taylor admits that: "One of the things that fought against this is personal comfort. Water is very sensitive because when you are running a luxury property people expect a good shower. So under the LEED system you can be less good in one category and better elsewhere. It allowed us to install a great shower but save on another aspect of water conservation



The Crosby Street Hotel's sculpture garden.



Numerous pieces of art feature throughout the hotel.

What is LEED?

- Leadership in Energy and Environmental Design (LEED) is an internationally recognised benchmark for green building developed by the US Green Building Council in 2000.
- It consists of a suite of rating systems for the design, construction and operation of green buildings, homes and neighborhoods.
- The system awards 100 possible points across five categories: sustainable sites, water efficiency, energy and atmosphere, materials and resources, indoor environmental quality, plus points for innovation in design and regional priority.
- Buildings can qualify for four levels of certification: certified, silver, gold and platinum.
- More than 11,000 buildings have been LEED certified and a further 25,000 are currently registered with the programme.

► For more information go to: www.usgbc.org



The Meadow Suite has private access to a terrace garden featuring 50 flowering plants.

such as having a two flush toilet which is what Firmdale were using in their London hotels anyway."

The price of getting LEED certification varies but Taylor estimates that it comes to around 5% of the build cost. He adds that new-build hotels have no ongoing cost for repeat testing since the property adheres to them from the start. The benefit is tangible as Taylor says that the most basic level of LEED certification saves buildings at least 20% more than the legally required minimum standard for energy conservation with gold and silver standard properties doing even better. The return to hotel owners is harder to quantify.

Payback

"I would certainly think a ten year time-frame would be safe to get a return on the investment required to get the LEED certification," says Taylor, adding: "If your demographic is interested in this sort of thing, it may have an immediate payback because they respect what you have done. Why do people pay more for a hybrid car? It is because they care."

In contrast, Trevor Ward, managing director of consultancy firm the W Hospitality Group, says: "I doubt customers will pay a premium to stay in a 'green hotel.' We are so focused on price these days that paying more for what is, let's face it, pretty intangible, doesn't sit well. This is especially true as the message is often that the hotel is saving money and

increasing its profit by using less water, reusing towels and recycling but still wants guests to pay more."

It isn't a problem which Firmdale has faced. The Crosby Street has already become a hangout for celebrities such as Halle Berry, Meg Ryan and Daniel Day-Lewis and in its first full financial year of operation it achieved an average room rate of \$601 (£375) at 75% occupancy.

Firmdale's financial director Malcolm Soden says: "This is very pleasing from a standing start in a market that has suffered a RevPAR decline of some 26% during the financial crisis and consequent global recession. These statistics reflect our underlying philosophy of holding out for rate and then letting occupancy build as our visibility grows, rather than heavily discounting. Revenues from the bar, restaurant and events were excellent, outperforming budget by some 60%. The hotel has made a positive contribution to cashflow since opening."

Marketing mileage

Indeed, the Crosby Street Hotel has been so successful that Firmdale is planning a second in mid-town New York. The hotel's success is being felt beyond the confines of the Crosby Street's four walls, too. Taylor says that his firm is "working on four hotels which are going for gold LEED certification and they have been influenced by what they have seen at the Crosby Street. They are all independent-type hotels where the owners can make the decisions. If a large brand required their franchisees to take on LEED they might say: 'I don't want the headache' and go to a rival."

If the hotel developers are not likely to own the property in the long term it is less likely they will want LEED certification because "they want to save all their money upfront," says Taylor. Likewise, developers of budget hotels are unlikely to want to foot the additional cost. "It comes down to the dollars when you are building a hotel like a Hampton Inn so you are not willing to pay one cent extra because as long as you give your guests clean towels, if they want to be environmentally sensitive they can opt to not have them washed."

According to Taylor, however, the trickle-down effect is that the bigger chains are adopting a "looser version of LEED as their sustainability standard. If there had been no LEED they would not put those standards in, so it is all for the good." Industry executives concur.

"This type of certification is important as an increasing number of clients are now including sustainability requirements in their tenders," says Fiona Pelham who chairs ISO 20121, a standard for sustainability within the event industry.

However, Michael Hirst, former chairman and chief executive of Hilton International, cautions that "during these tough times many companies have put green priorities on the back burner. Individual travellers don't seem so fussed by sustainable measures but clearly if Firmdale is first to obtain certification there is some good marketing mileage in it."

It is the key ingredient in Firmdale's battle for success in the Big Apple and if it leads to more hotels adopting the standard, it will have achieved an even bigger goal. ■

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