

Going for the Green

Firm is Finding More Retail Developers Open to Building Green

by Bea Quirk

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SIKON Construction Corp. in Deerfield Beach, Fla., is finding plenty of business in the growing market niche of LEED-certified retail projects.

No doubt about it, the construction industry is going green. Architects are incorporating sustainable features, public owners are encouraging green building through incentives or mandates and developers are starting to realize they can save money over the long term.

A growing number of contractors also are using their green expertise to expand in the growing market niche.

One such company is Deerfield Beach, Fla.-based SIKON Construction Corp. In July, the company began site-work on The Promenade at Lyons in Co-

conut Creek, Fla., one of the nation's largest mixed-use projects seeking LEED certification.

Also, SIKON was finishing up work on the prototype Publix Greenwise store in Palm Beach Gardens, which is seeking gold-level LEED certification. The Greenwise store is the grocery chain's organic-focused store brand.

And Dale E. Scott, SIKON's senior vice president, says the firm was in the planning phase for three other green projects – two office buildings and a retail center.

SIKON Construction Corp. specializes in the construction of retail and mixed-use projects. Above, a view of the firm's One Village Place project in South Florida. (Photo courtesy of SIKON Construction Corp.)

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"We didn't set out to do it (gain green expertise); it just evolved," Scott says. "The Promenade and Publix jobs came on board at the same time, and so we figured LEED certification was something we needed to pay attention to."

"Clients are more attuned to it, so we are trying to learn as much as we can. If you can save operating and energy costs and do some good, why wouldn't you want to do it?"

For most of its nearly 50-year history, SIKON was an in-house contractor for Konover South, a Deerfield Beach-based retail developer. SIKON went independent in 2000, and now less than 10% of its revenues come from Konover projects.

Scott says his firm expects to do about \$125 million in business this year, most of it retail projects throughout Florida. Major clients include Target Stores and Publix.

SIKON is a member of the U.S. Green Building Council and this summer hosted a green building symposium in conjunction with the USGBC that was attended by 30 staff members, clients and architects. About 11 SIKON staff members have either earned or are on track to earn LEED professional accreditation. Scott says he plans to take the test in the near future.

So does senior project manager Peter Picard. "It's involved, but I think having the designation is of value and will benefit me personally," he says.

SIKON refers to its efforts to get people accredited as its "Green Team" program. "LEED projects are an important part of our business, and by professionally developing people internally, we are telling clients we are interested, involved and qualified," Scott says.

Building to meet LEED certification requirements isn't always difficult, Scott says. "A lot of it is relatively simple – using better insulation and white reflective roofs, installing more efficient HVAC equipment, using different mixes of concrete."



The mixed-use Promenade at Lyons project in Coconut Creek will be seeking LEED certification. (Image courtesy Dorsky Hodgson Parrish Yue Architects)

But LEED certification can add to the complexity of a project. For example, Picard, project manager for the Publix Greenwise store, says a soy-based roofing material was used on that project to reflect light, and the roofers had to be certified in order to install it. Subs had to learn how to seal the ends of the ductwork with plastic so dust couldn't accumulate inside.

The store had to be cleaned thoroughly before the AC system was turned on so the ductwork wouldn't get dirty. The electrical contractor also had a learning curve because the store features glass walls that are hooked up to the electrical system so they can automatically go opaque and filter out the sun when the interior gets too hot.

Scott says SIKON's expertise is most valuable in estimating and in preconstruction services. "Our job is to tell owners what the cost for different materials will be and then look at operating and maintenance costs over a given time for relative cost evaluations over the life cycle of a building," he adds.

Scott says that about two years ago, LEED certification added about 10-12% to the cost of construction. Now it's only about 3-7%. "And a lot of that is recovered extremely fast – there will be a payback," he adds.

Victor Yue, managing partner for the

Florida office of Dorsky Hodgson Parrish Yue, architects of The Promenade, says that costs have come down because there are more manufacturers producing more kinds of materials, the technology has improved and there are set procedures to follow.

Still, he acknowledges, energy savings are not always a big motivator for developers of multitenant projects because the tenants pay for their own utilities.

The main driver for The Promenade's green status is a mandate from Coconut Creek, which adopted guidelines for its MainStreet district in 2004. The Promenade, covering 23 acres, is a major part of that area.

The Promenade is set to open next September, and will eventually include 250,000 sq ft of retail space; 50,000 sq ft of office; and two three-story parking garages encompassing 250,000 sq ft. >>



FROM LEFT: Dale Scott, senior vice president with Deerfield Beach-based SIKON Construction Corp.; and R.E. "Ed" McWhorter, president and chief operating officer.

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SIKON is building a new Publix Greenwise store at Legacy Place. (Photo by Aerial Photography Inc./www.ap4.com)

The developers – a joint venture between Brown Hill Development and Columbus,

Ohio-based Stanbery Development – decided to take it a step further by seeking LEED certification for the project, and

Coconut Creek Mayor Lou Sarbone has praised the development for reflecting the vision of the city planners.

The development will feature low-flow toilets to reduce water usage; preferred parking spaces for hybrid vehicles; and interactive screens to educate visitors about green development. The two parking garages will cut down on the amount of paved or impervious space.

The owners, architects and builders have been holding day-long working meetings every two weeks to determine the most cost-effective and efficient ways to achieve LEED certification.

"You've got to evaluate how much something costs and how difficult it is versus how many points it gets you towards certification," Scott says. "It's a matter of evaluating and investigating. You're doing things you don't normally do, and there are several ways to do them." <<

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