

Applying LEED to retail projects

December 2024

What are the benefits of applying LEED to retail spaces?

LEED is an internationally acclaimed green building standard that provides rigorous, third-party certification of a building's green features, allowing for the design, construction, operations, and maintenance of resource-efficient, high-performing, healthy and cost-effective retail spaces. These spaces can operate at lower costs and often attract and retain more customers than non-certified comparable spaces. Retailers are also finding ways to help differentiate their brands, performance, and strategies.

LEED is the world's premier green building rating and performance management system. It delivers a comprehensive framework that helps retailers communicate the achievement of ESG goals to investors, customers, and other stakeholders and sends a powerful message about a company's values and priorities. By using LEED, retailers actively demonstrate to their employees and customers that they care about human health, community resilience, and environmental protection.

What opportunities are unique to retail projects?

Retail spaces often have different energy and water use patterns, varied space usage distribution – Front of House (FOH), Back of House (BOH), sales area - higher parking needs, and occupancy demands for staff and visitors. Addressing these issues and considering the distinct needs of retail projects, USGBC has designed credits and prerequisites to include retail-specific requirements. For example, the Indoor water efficiency prerequisite under the LEED Building Design and Construction Rating System sets minimum requirements for appliances and process equipment typically used in retail facilities (e.g., kitchen equipment). Learn more.

What kind of retail projects can be certified through LEED?

Retail spaces have many unique considerations that warrant a more niche and specific LEED offering. LEED offers certification for new construction and major renovations, new and existing commercial interiors, and existing building retail projects, giving retailers more solutions than ever.

- **New Construction or Major Renovation.** Whole, ground-up buildings that are being newly constructed or undergoing major renovations with at least 60% of the project's gross floor area by the time of certification. Buildings used to conduct the retail sale of consumer product goods. Includes both direct customer service areas (showroom) and preparation or storage areas that support customer service complete by the time of certification. Buildings used to conduct the retail sale of consumer product goods. Includes both direct customer service areas (showroom) and preparation or storage areas that support customer services.
- New Interior spaces. Interior spaces that include complete interior fit-outs with at least 60% of the project's gross floor area completed by the time of certification. Spaces are considered incomplete if they do not include the furnishings, fixtures, and equipment intended for regular operations of the space. Interior retail spaces are typically used to conduct the sale of consumer product goods. Includes both direct customer service areas (showroom) and preparation or storage areas that support customer service.

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- Core and Shell Building. Buildings that are new construction or major renovation for the exterior shell and core mechanical, electrical, and plumbing units, but not a complete interior fit-out. LEED BD+C: Core and Shell is the appropriate rating system to use if more than 40% of the gross floor area is incomplete at the time of certification.
- Existing Buildings. Applicable to whole existing buildings that are fully operational and occupied for at least one year. The project may be undergoing improvement work or little to no construction. Must include the entire building's gross floor area in the project. Existing retail buildings are typically used to conduct the retail sale of consumer product goods. Includes both direct customer service areas (showroom) and preparation or storage areas that support customer service.
- Existing interior spaces. Contained within a portion of an existing building defined by a clear boundary such that the LEED project is physically distinct from other interior spaces within the building.

How many retail projects are certified under LEED?

As of December 2024, there are 21,121 LEED-certified and registered retail projects representing over 1.35 billion square feet (124 million square meters) of built space. This includes projects certified through the one-off process and those certified through multiple building applications such as campus and volume.

What is the LEED volume program and how can retailers benefit from the offering?

For organizations planning to certify many new construction projects, LEED volume certification can simplify LEED documentation and speed up the review process for those portfolios where uniformity and standardization of the LEED requirements are built into the project delivery process. Using this option streamlines LEED certifications by focusing on similarities in building design and construction practices — no matter where the projects are located. For organizations that certify multiple buildings within a given timeframe, this option offers valuable economies of scale for new construction buildings and commercial interior spaces. Learn more.

How does the Arc platform relate to retail?

The <u>LEED v4.1 O+M Rating System</u> offers a performance-based pathway to certify your existing buildings and interior spaces. LEED v4.1 O+M uses <u>Arc</u>, a state-of-the-art platform designed to collect, manage, and benchmark your project across five performance categories: energy, water, waste, transportation, and human experience.

LEED v4.1 O+M: Existing Buildings and LEED v4.1 O+M: Existing Interiors can be used to compare and benchmark retail stores with other similar facilities from around the world. The Arc portfolio feature allows retail owners and operators to continuously monitor their performance at any given time and make informed choices to optimize the project's performance based on real-time data and analytics. The Arc platform can be used to help inform which projects formally certify and recertify under LEED.

What LEED resources are available for retail project teams?

There are a variety of technical resources and educational courses available to help retailers apply LEED to their projects. This includes but is not limited to the following:

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USGBC Resources

- Practical Strategies in Green Building: Retail
- Tenants: Learn how to get the most out of your LEED-certified space

LEED rating systems for retail projects

- LEEDv4.1 BD+C: Retail Rating System
- LEEDv4.1 ID+C: Retail Rating System
- LEEDv4.1 O+M Rating System
- LEEDv4.1 O+M: Interiors Rating System

Educational Resources

- LEED in Motion: Retail
- Energy Efficiency in Grocery and Convenience Stores
- Culinary Creations: Designing a LEED Kitchen

Articles and Project Examples

- <u>LEED for the retail sector</u> apparel stores, food service, and malls
- Vivo City Shopping Centre
- Megamazi Mall Del Norte
- Pizza 4Ps Lotte Mall West Lake

Where can I find owner profiles and case studies for LEED retail projects?

View non-confidential LEED registered and certified retail projects in the <u>USGBC Project Directory</u> by entering 'retail' and other relevant terms in the search bar. You can also filter by region and rating system type to get more specific results.

Who can I contact for more information on applying LEED to retail projects?

For more information about LEED and retail, contact us.