

EXECUTIVE GLOBAL

Productivity | Strategy | Profitability

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SUSTAINABLE PROPERTY LEADERS


Judi Schweitzer's leading perspective on sustainable real estate development

UK £4.50
Europe €5
USA \$7

CEOPROFILE

Judi Schweitzer

Founder & President,
Schweitzer + Associates, Inc.

A professional headshot of Judi Schweitzer, a woman with long, wavy brown hair and bangs, smiling warmly. She is wearing a dark blue blazer over a white top with a subtle floral pattern. She has gold earrings and a necklace with a small pendant. The background is a plain, light blue wall.

“Each project and community is unique, so we apply best practices and lessons learned, with a focus on enhancing enduring value for the future.”

Sustainable **PROPERTY LEADERS**

In our exclusive interview with Judi Schweitzer, President, and Chief Sustainability Advisor of Schweitzer+Associates, *Executive Global* explores the impact and contribution of an innovative company dedicated to providing economically, ecologically, and socially responsible land use development to serve society's needs today and in our future.

EG You mention that optimizing value is both Science and Art. (Hence S+A) How does your applied sustainability focus assist clients in optimizing value, and what can they expect when working with Schweitzer+Associates?

JS Optimizing value for our clients includes deep understanding of their business goals, and the political, financial, and bioregional climate of the project(s) – coupled with understanding and aligning their key stakeholders' interests with strategic business solutions. Listening is just as important to us as being creative thinkers.

At S+A we use both science and art as we integrate sustainability at the community- and building-scales to optimize added value for our clients. "Science" is factual, measurable and indisputable; "Art" is the creative finesse that we introduce to the process for design excellence for enduring long-term value.

EG As Chief Sustainability Advisor at S+A, you have been a highly successful pioneer in delivering consultancy and sustainable community development solutions to a wide range of clients. What are some of the most successful projects you have worked on, and what factors contributed in their success?

JS My experience in forward planning for mainstream real estate development provides a unique perspective and vantage point from which to help guide my clients. One of our most successful projects is Rancho Mission Viejo's (RMV's) Ranch

Plan; a 23,000 acre master planned conservation development community. We took lessons learned from RMV's most innovative prior master planned community, the Terramor Village at Ladera Ranch; (the largest solar photovoltaic community in north America at the time), quantified the benefits and costs compared to nongreen developments; and expanded the successful strategies into a larger vision: "To create a community that balances human and natural resources while optimizing long-term ecological, social and economic health." (www.ranchomissionviejo.com).

EG You have recently been reappointed in 2015 by Governor Brown of the State of California for a third three year term on California's Green Building Code Advisory Committee. Could you enlighten us on some of the community-scale projects you are implementing to maximize energy-efficiency in California?

JS A current project is Liberty, an approximate 450-acre infill mixed-use master planned community, which includes 1,474 homes, recreational clubhouse, K-8 School, and Sports Park in West Sacramento, California. Liberty is being planned as the first community-scale zero net energy (ZNE) community in the US, (meaning the community is highly energy efficient and generates as much energy from renewable sources, as it consumes over 12 months). As a member of California's Green Building Code Advisory Committee, I serve as a conduit between government bureaucracy and real world real estate development. »

CEOPROFILE

Judi Schweitzer

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“From years of advising banks and pension funds, it was obvious to me that minimizing long-term risks makes good business sense.”

CV JUDI SCHWEITZER

BORN

California, United States

ALMA MATER

Harvard, United States

EXPERIENCE

- 1982** Interior Designer: Swimmer, Cole, Martinez, Curtis, and Associates
- 1995** Real Estate Development Director, Le Plastrier Development Consulting
- 1999** Vice President – Forward Planning, Capital Pacific Holdings
- 2006** Founder, President and Chief Sustainability Advisor, Schweitzer & Associates, Inc
- 2007** Governor Appointed to the California Green Building Standards Code (CALGreen) Code Advisory Committee, to advise state agencies. Co-authored ULI's Developing Sustainable Planned Communities book
- 2010** Sustainable Development – Judi Schweitzer & Associates – Fred Thompson Interview, aired on CNN/Fox Business News
- 2014** Consulting Director, Land Use Entitlements and Master Planning, Davis Energy Group

EXECUTIVE RECOMMENDATIONS

» PRODUCTIVITY

Collaborate and be a good team player, exercise mutual respect and empower others.

» STRATEGY

Think differently, design sustainably, in order to build prosperity and think outside the box – adapt – evolve®

» PROFITABILITY

Integrity cannot be bought – it has to be proven. Have integrity, eliminate inefficiencies, and treat clients as partners.

EG Are there ways in which Schweitzer +Associates can optimize value and productive output for the banking and financial services industries in a way that remains profitable, as well as ecologically, socially, and environmentally responsible?

JS Yes. Decisions that support enhanced long-term value are also the “least-cost solutions”. From years of advising banks and pension funds, it was obvious to me that minimizing long-term risks (either financial, economic, or societal), makes good business sense.

Having this pioneering perspective, provides a valuable and unique position to support clients. We have assisted in creating benchmarks for both their core and noncore portfolios of pension funds, and established performance targets to improve environmental and financial investments over time.

EG What are some of S+A's guiding principles utilized within the design process to ensure the most sustainable and environmentally responsible outcome from your green development projects?

JS Listening and collaborating in an integrated design process is essential for us to be effective creative thinkers. We have found that collaborative solutions produce the best outcomes for all stakeholders. Recognizing best practices, and lessons learned from the team can be amplified and applied at scale.

We utilize a true cost pricing approach to help our clients understand, account for, and benefit from multiple currencies (e.g., greenhouse gas emissions, gallons of water, kW of electricity, quality of life, walkability, health and wellness). The true price of a product is the retail price plus monetizing all hidden external costs plus benefits”.

EG As a leader in the design and construction of sustainable real estate and community development solutions, what do you feel are some of the greatest challenges currently facing industry today?

JS Conflicting policies are some of the biggest challenges sustainability advocates face in advancing sustainable real estate and community development solutions. Continuing to contribute to research, development and education of our clients, policy makers, ourselves and each other is essential to overcoming economic, social and environmental challenges facing the development industry today.

EG What sustainable initiatives do you feel that executives in 2015 should be implementing at macro and micro economic levels, to maximize business productivity?

JS Benchmarking and transparent reporting. First understand where you are on the innovation adoption curve compared to the competition. Then – evolve®. Develop a Sustainable Business Initiative and Sustainability Plan if you have not already. Set realistic performance goals; identify and bridge knowledge and perception gaps. Report on progress, course correct, communicate, and repeat.

EG Tell us how tools such as your patented Eco-Balance Sheet™ and Eco-Value Engineering™, can benefit and add additional value for clients?

JS Our ECO-Balance Sheet™ is a triple bottom-line accounting framework which gives us the ability to look at short-term, and long-term market costs and benefits and external costs and benefits. It aids our clients in recognizing the additional value that can be added to their projects by looking at their decision-making from a triple bottom-line perspective – as well as the implications of their design, development and investment decisions over time.

ECO-Value Engineering™ is process for integrating additional economic, ecological and societal value into a project, process or portfolio relative to market conditions and bioregional climates.

EG What unique elements would you say Schweitzer+Associates offer that truly highlight you as a market leader within the competitive construction industry?

JS We are not followers, we are leading expert real estate development professionals, designers and scientists - helping to pave the path of “laboratory to market” solutions for our clients. We work at the intersection of design, and policy, so we are able to help guide our clients to be ahead on the learning curve and their completion.

EG What strategies do Schweitzer+Associates deploy and implement to ensure that stakeholders gain the maximum advantages of improved Triple Bottom-Line? (TBL)

JS We add to our clients’ triple bottom-lines by aligning solutions with their key stakeholders needs. We are agents for our clients, so we start with their goals, understand their key stakeholders’ objectives, and then design

"TAKE A PRACTICAL AND BALANCED APPROACH TO BECOMING MORE SUSTAINABLE AND YOU ARE INNOVATING AND ASPIRING FOR EXCELLENCE."

ABOUT JUDI SCHWEITZER

Judi Schweitzer, MRED, AMDP, CGBP, is a Governor appointed member of the State of California Building Standards Commission, Green Building Code Advisory Committee, and President, of Schweitzer+Associates Inc. To find out more information about Schweitzer+Associates, please visit www.schweitzer-associates.com



win-win-win solutions. We also work up and down the supply chain on behalf of our clients, develop strategic alliances, educate stakeholders and provide leadership and management.

EG In what ways can real estate developers in the luxury market, incorporate sustainable "green" development to "Make green pay"?

JS A good example in the luxury resort market is Monarch Beach Resort in Dana Point, California (<http://www.stregismb.com>). After creatively securing the approvals for the five star resort, we avoided build out of all "entitled" homes. Our project redesign avoided environmental impacts, integrated a hiking trail and enhanced profitability with less units, and 180 degree views in both stories of each home. In other words, less is sometimes more "green" and profitable.

EG Are there any international locations you recognize as the biggest innovators driving growth in the field of sustainable real estate development?

JS Socially Responsible Investment (SRI) funds are helping to drive growth in sustainable real estate development, which appear to be going from the fringe to mainstream. Environmentally and socially screened funds are on the rise. The US, UK and Canada are ahead in socially responsible investment and benchmarking initiatives.

International locations with physical investment in "real" property include Sweden, Norway, Denmark, Costa Rica, and Canada. At times, Denmark produces as much as 140% of its energy from wind power, and they export excess power to Norway, Germany and Sweden. This is an example of designing climate appropriate sustainable solutions, harnessing natural "interest", not just natural "capital", and capturing it for mutual benefit.

EG How do you feel that your impressive academic and professional education, having graduated from the Advanced Management Development Program in Real Estate Development at Harvard (AMDP), MRED at USC, and Bachelor of Science in Economics at Truman State University, have equipped you with the skills, expertise, and vision required to effectively assume the senior level leadership positions you now occupy?

JS I have had the privilege of learning from great thought leaders. While studying [ecological] economics at Truman State University, I learned to understand the inequities of negative externalities (the costs to society outside of our market system). My Master of Real Estate Development at the University of Southern California (USC), gave me the solid real estate development foundation from which to apply my passion for sustainability. Later in my career I had

ACCOMPLISHMENTS

- » Bachelor of Economics, Minor in Business, Truman State University, Kirksville, Missouri, USA, 1989
- » Master of Real Estate Development, University of Southern California, Los Angeles, California, USA, 1991
- » Advanced Management Development Program, Harvard University, Graduate School of Design, Cambridge, Massachusetts, USA 2005
- » Awarded Best Green Real Estate Development Consultancy, and Leaders in Eco-Value Engineering, Construction and Engineering Awards, UK 2015

the opportunity to design and teach USC's inaugural Sustainable Real Estate Development Course through their Master of Real Estate Development Program. This education, and my professional experience in applying sustainability at various points throughout the real estate development supply chain, uniquely equipped me to be a leader in my field.

EG Could you tell us about more about the work you are doing to better communities at Schweitzer+Associates, through your collaboration with Davis Energy Group to provide cutting edge building solutions to the marketplace?

JS One example is Nishi Gateway Innovation District (<http://nishigateway.org>). This joint venture between the City of Davis, UC Davis, and developer to create an innovation research park with a mix of uses on a 45-acre site adjacent to UC Davis. The intent is to position Davis as an innovation business hub, while being zero net energy at the "district-scale".

EG Are there any major trends or changes you see occurring in the future for sustainable real estate development?

JS Zero net energy homes and communities will be very disruptive to the electrical grid, but will enhance health and resilience of our communities. Autonomous vehicles will be even more disruptive, and will change the way we design our cities, communities, and buildings. One of the primary motivators is safety, because the majority of accidents are from driver errors and distractions. **EG**

For further information, please visit:
www.schweitzer-associates.com