

A Business Person's Perspective on Environmentalism

By: Janelle R. Riley
Syvantis Technologies
Fairview Office Park
Baxter, MN

I have never considered myself an environmentalist. I have never recycled at my home. I drive a big gas guzzling SUV. My daughter bought me a reusable bag for my groceries, and it hangs unused in the closet. I have devoted my life to growing my businesses and tending to my clients. I work long hours, seven days a week, without much thought to environmental concerns.

In February 2006, my family purchased a 4.5 acre parcel of forested land in the picturesque rural resort community of Brainerd, Minnesota. The land had good long term investment potential, and could accommodate our growing technology services company. My sister in law (a partner in the investment) suggested that a low impact development would preserve the wooded character of the property and minimize negative stormwater runoff impact. I had never heard of sustainability, low impact development, rain gardens, or rain barrels, but the idea was enticing. In a competitive commercial real estate market, the concept could enhance the marketability of the property. The project seemed logical and made good business sense. If an ancillary benefit was a positive environmental impact, then so much the better.

I embarked on our conservation design project the same way as I approach any new project. As a CPA and business owner, I am trained to make decisions analytically. Before diving into a new endeavor, I methodically evaluate all anticipated business consequences logically and systematically. I devoted all of my spare time to learning as much as I could about low impact development techniques. I researched alternative technologies and evaluated the costs and benefits of each. I attended seminars, read books, and combed the internet for information.

The outcome of my research was astounding. Much to my amazement, I found myself seeing things differently. Where previously I saw a successful retail outlet with a large parking lot, I now saw hundreds of yards of impervious surface (pavement) sending rainwater to the sewage plant for expensive treatment. Instead of observing a large, beautifully manicured lawn surrounding an office park, I saw the excessive use of pesticides and fertilizers and mowers spewing pollution into the air, costs which could be avoided while maintaining a spectacular landscape featuring native plants and flowers. Where previously I saw a growing local economy with great business potential, I saw our tourism-based business drying up as big box retailers and ignorant developers gobbled up land and paved it over. Somewhere along the way, I began to understand how our local economy is intertwined with our natural environment. I learned that Business and Environmentalism are not mutually exclusive.

My conclusion following my financial analysis is that sustainable development makes economic sense as well as environmental sense. Further, the average small

businessperson can make a positive impact on the environment by making very small changes in their development methods.

I found that our adoption of low impact practices saved a substantial amount of money while assisting in marketing our property. In fact, our small office park with 8 buildings averaging 4,500 square feet per building will save \$460,000 in the first 10 years of operation solely by adopting low impact development techniques. To a small business owner, these financial results are stunning. They equate to savings in the amount of one mortgage payment per building per year!

We tested many low impact development practices during development. We found that the best environmental solutions with the greatest economic payback are the simplest, most obvious, and cheapest. Examples of techniques with big financial payback deployed in our small development include:

- ***Recycle and Reuse:*** We saved \$20,000 by moving the house and garage from our property rather than disposing of them. As a bonus, a nearby church got a free garage and a local family got a new home. We saved \$10,000 by salvaging the cabinetry and doors from our old facility and reusing them in our new offices. On an ongoing basis, Fairview Office Park will save \$3,800 per year in garbage collection costs by recycling all paper, plastic and aluminum waste.
- ***Energy conservation:*** In our climate, the payback on energy conservation alternatives is dramatic. Over the first 10 years, we will save \$148,000 through utilization of cycled air conditioning, heat pumps, right-sizing our air conditioning systems, and enhanced insulation. Further, we require that all employees shut down their computers at night, saving \$90 per computer per year for electricity. As a technology company, we rely on server virtualization to minimize the number of servers in our facility. This saves on capital outlays required for new equipment, as well as \$1,000 per server per year for electricity.
- ***Stormwater Management:*** We control runoff with the use of rain gardens, low mow grasses, and native vegetation. Although the initial capital outlay is similar to traditional landscaping costs, the ongoing maintenance costs of rain gardens are extraordinarily low because they do not require sprinkling or mowing. We estimate a stunning \$175,000 10 year saving from our lawn alternatives.
- ***Site Preservation:*** We used the natural topology of the land to minimize soil disturbance. We retained as much vegetated space as possible by clearing only 10 to 15 feet around buildings, and minimized parking spaces by utilizing common parking and walkways. We estimate a savings of \$15,000 by reconfiguring our parking to accommodate the maximum number of parking spaces with minimal asphalt.

The methods employed in our development are simple, inexpensive, and make a tangible environmental impact. So what keeps businesses from adopting low impact

development? First, I believe that the biggest barrier is a lack of communication between business people and environmentalists. Our cultures are very separate. Even though I live in a small town, I have a tendency to affiliate only with other business people. I attend business functions rather than environmental functions, and I rarely cross paths with government and nonprofit organization employees. Yet, through this project I have learned that environmentalist types are very much like me. They devote their lives to a passion that drives them to work long hours to achieve a meaningful goal. I now know that we can share a common goal, and that we need to work together to accomplish more than we can alone.

The other significant barrier is human adversity to change. It is much easier to stay on the same path than to learn a new one. Even with reliable data and good information, we gravitate to what we know to be most comfortable. I have always been a big believer that the free market will naturally take the best path, but I am starting to question that assumption. A pure market analysis (such as the one that I have done) would obviate the need to adopt certain environmentalist principles, but the human tendency against change slows the process. Perhaps at times it is best to let government step in occasionally with good local ordinances that require compliance.

We have proven that a low impact development is not only beneficial environmentally, but also financially. If a small business owner with limited financial resources in a rural area can do this, anyone can.

So what changes am I making now that I am more environmentally aware? I am devoting myself to teaching other business people how to do what we have done. I will recycle at home as well as at work. My next vehicle will be a small hybrid. And I will dig that grocery bag out of the closet and use it when I go shopping. Every little bit helps!