

## Green Hospitals

My impression from speaking at different national veterinary conferences on building “green” hospitals or “green remodeling” is that the vast majority of veterinarians are both anxious and excited about this option. However, their enthusiasm is tempered by the additional costs of building green. The wonderful news is each year the higher costs associated with Green construction are dropping.

A simple example would be LED bulbs. About 5 years ago when I started to really push moving toward LED lighting in hospitals, the cost of the bulbs were more than triple what they cost now. The same thing has occurred with photo-voltaic panels, solutubes and many other green options.

We (Crootof Consulting) assisted a client build a totally “green” hospital in St Croix and it was both exciting and personally rewarding. However, at the time it was significantly more expensive and has slowed their financial success.

Having played a role in the building of dozens of hospitals, I have watched and counseled the owner’s compromise on what they could afford to do and not do with “green construction”. It is not easy to realize one’s dream (Your own facility) and not be able to incorporate everything you have dreamt about including in it. I know how this felt as when I built my own hospital, I had to go through the same compromises.

More and more facilities are attempting to do “green remodeling” in the last few years as the costs have dropped so much recently. A brand new facility in Key West, Doug Mader told me that he installed a Solu-tube for natural light for Cat boarding.

My consulting partner was able to redo his facility by adding window shutters, a new HVAC unit and had much of the project funded by both state and national funding.

Almost all of our leasehold construction projects are using LED lighting as the additional cost for the materials is quickly recouped within a year or two of operation.

Federal, state and local governments offer incredible tax credits and rebates to encourage homeowners to switch to renewable energy. These incentives dramatically lower the cost of a solar power system or [energy efficiency](#) project.

The federal government allows you to deduct 30% of your solar system costs off your federal taxes through an investment tax credit (ITC). If you do not expect to owe taxes this year, you can roll over your credit to the following year.

We have made major progress toward updating our renewable energy sources within Veterinary facilities, BUT there are still thousands of facilities that could easily invest a few thousand dollars and really make a big difference by both

lowering their energy bills, improving their clinics appearance and do their part to lessen our reliance on non renewable energies.

Lots of incentives out there but they need to check both local and federal options

Unfortunately the department of energy website is not available till funding is restored but other sources mention:

## Energy Incentives for Businesses in the American Recovery and Reinvestment Act

*For information on energy-efficient products, visit the U.S. Department of Energy's [Energystar Web site](#); not all Energy Star products qualify for the tax incentive.*

The American Recovery and Reinvestment Act (ARRA) provides numerous tax incentives for businesses.

**New Clean Renewable Energy Bonds (Section 1111):** The new law increases the amount of funds available to issue new clean renewable energy bonds from the one-time national limit of \$800 million to \$2.4 billion. These qualified tax credit bonds can be issued to finance certain types of facilities that generate electricity from renewable sources (for example, wind and solar).

**Qualified Energy Conservation Bonds (Section 1112):** The new law increases the amount of funds available to issue qualified energy conservation bonds from the one-time national limit of \$800 million to \$3.2 billion. These qualified tax credit bonds can be issued to finance governmental programs to reduce greenhouse gas emissions and other conservation purposes.

**Extension of Renewable Energy Production Tax Credit (Section 1101):** The new law generally extends the "eligibility dates" of a tax credit for facilities producing electricity from wind, closed-loop biomass, open-loop biomass, geothermal energy, municipal solid waste, qualified hydropower and marine and hydrokinetic renewable energy. The new law extends the "placed in service date" for wind facilities to Dec. 31, 2012. For the other facilities, the placed-in-service date was extended from December 31, 2010 (December 31, 2011 in the case of marine and hydrokinetic renewable energy facilities) to Dec. 31, 2013.

**Election of Investment Credit in Lieu of Production Credit (Section 1102):** Businesses who place in service facilities that produce electricity from wind and some other renewable resources after Dec 31, 2008 can choose either the energy investment tax credit, which generally provides a 30 percent tax credit for investments in energy projects or the production tax credit, which can provide a credit of up to 2.1 cents per kilowatt-hour for electricity produced from renewable sources. A business may not claim both credits for the same facility.

**Repeal of Certain Limits on Business Credits for Renewable Energy Property (Section 1103):** The new law repeals the \$4,000 limit on the 30 percent tax credit for small wind energy property and the limitation on property financed by subsidized energy financing. The repeal applies to property placed in service after Dec. 31, 2008.

**Coordination With Renewable Energy Grants (Section 1104):** Business taxpayers also can apply for a grant instead of claiming either the energy investment tax credit or the renewable energy production tax

credit for property placed in service in 2009 or 2010. In some cases, if construction begins in 2009 or 2010, the grant can be claimed for energy investment credit property placed in service through 2016, and for qualified renewable energy facilities, the grant is 30 percent of the investment in the facility and the property must be placed in service before 2014 (2013 for wind facilities).

**Temporary Increase in Credit for Alternative Fuel Vehicle Refueling Property (Section 1123):** The new law modifies the credit rate and limit amounts for property placed in service in 2009 and 2010. Qualified property (other than property relating to hydrogen) is now eligible for a 50 percent credit, and the per-location limit increases to \$50,000 for business property (increases to \$2,000 for other/residential locations). Property relating to hydrogen keeps the 30 percent rate as before, but the per-business location limit rises to \$200,000.