Introduction

The City of Albany is exploring the creation of a Green Business Certification (GBC) program that builds upon the City's existing Green Business Program. The Green Business Program, which was founded in April 2012, is a voluntary partnership between the City, businesses, and non-profits that helps businesses reduce their energy use, waste, and water consumption. The goals of the program are to:

- Reduce greenhouse gas (GHG) emissions associated with business operations
- Reduce energy-related business costs freeing up much needed capital for business operations and expansion
- Continue to be a leader in the state on environmental and sustainability initiatives
- Be a destination for businesses committed to environmentally friendly and sustainable practices
- Be a hub for green technology businesses and associated industries[1]

A GBC program provides an objective process that identifies, certifies, and acknowledges participants' achievements. A strong GBC program uses a menu-based system whereby participants can choose which actions to implement based on their resources and goals, and allows them to calculate the benefits of implementing actions. A GBC program will help the City reduce GHG emissions in buildings, which accounted for nearly 70% of GHG emissions at the community-wide scale in 2009.

Through the Climate Smart Communities (CSC) program, the City was offered technical assistance to address their climate protection activities. The CSC is a New York State initiative to help local communities "reduce GHG emissions, save taxpayer dollars and advance community goals for health and safety, economic vitality, energy independence and quality of life." The CSC program is designed to address 10 focus areas, or "pledge elements," outlined in the CSC Pledge[2]. To support communities that have taken the Pledge, the New York State Research and Development Authority (NYSERDA) offers technical assistance through the CSC Regional Coordinator Pilot Program, which, in the Capital Region, was awarded to the Capital District Regional Planning Commissions (CDRPC).

Albany conducted an in-person technical assistance consultation with CDRPC and VHB[3] on November 8, 2012, and requested technical assistance regarding how to create a GBC program. This guidance document outlines the considerations the City should take into account when creating a GBC program, and it also addresses Pledge Element 8: *Support a Green Innovation Economy*.

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[1] City of Albany Office of the Mayor, *Mayor Announces the First Recipient of Downtown Commercial Energy Efficiency Matching Grant and Launches the Albany Green Business Program* Press Release, 19 April 2012.

[2] NYS Department of Environmental Conservation, Climate Smart Communities Pledge (accessed 6/18/2013): http://www.dec.ny.gov/energy/65494.html

[33] CDRPC contracted with VHB Engineering, Surveying, and Landscape Architecture, P.C. to provide support and technical assistance to Climate Smart Communities in the Capital Region.

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Why Establish a Green Business Certification Program

A Green Business Certification Program recognizes businesses that are leaders and innovators in "greening" business. A GCB Program would build upon the Green Business Program by recognizing those businesses that have taken measurable steps toward achieving more sustainability and require a minimum set of standards in which to meet to achieve certification. Those businesses that meet or exceed the set criteria are then able to market themselves as "green" businesses.

Using a GBC program that provides objective, third-party certification for local companies would help those businesses save money, reduce GHG emissions, leverage shoppers' growing interest in "green" companies and provide a platform to encourage additional companies to join. This would support the City's original Green Business Program goals to "improve overall efficiencies, save money, and reduce the environmental footprint as means to creating a more sustainable Albany[4]."

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[4] City of Albany Green Business Program Overview.

Program Benefits

There are a number of benefits businesses will receive by participating in a GBC program, which will depend on the structure of the overall program and capacity of the entity that administers the program. Typical benefits of a GBC program include:

- **Savings.** Many of the actions called for as part of a GBC program would lead to cost savings for businesses, whether installing energy efficient lighting, conserving water, minimizing waste, or reducing vehicle miles traveled.
- **Greater Recognition.** Certified businesses will be recognized through the same avenues as Green Business Program participants, but it will be clear that the certified businesses achieved a high level of performance.
- **Demonstration of Values.** Achievement of green business certification status demonstrates that the business cares about the health of the community and its overall sustainability.
- **Trainings and Workshops.** GBC programs often hold trainings workshops and provide technical assistance to help businesses implement additional actions on the GBC checklist.
- **Competitive Advantage.** Sustainability is an issue of growing concern and will be of greater importance for future economic success, whether through cost savings, or a marketing advantage. Businesses that take a leadership role position themselves ahead of competitors as grant programs, supply chains, and customers incorporate sustainability into their decision-making.
- **Mentorship and Networking.** Companies that participate in the GBC Program could be connected to mentors- other businesses that have achieved certification- to assist them in moving beyond barriers they may have experienced in achieving certification. This builds upon the current Green Business Program's networking efforts. A peer mentioning program is a great way to build momentum, support, and accomplish overall program goals.
- **Build on other Initiatives.** The GBC has the potential to link to, and help expand, other initiatives in Albany. For example, businesses participating in the GBC program could earn points by installing bicycle racks along routes identified in Albany's Bicycle Master Plan, or supporting infrastructure that is part of the Electric Vehicle Program.
- **Expand Albany's Reputation as a "Green Hub."** From Albany's existing Office of Energy & Sustainability, to the Capital Region Sustainability Plan, and the Albany NanoTech facility to the addition of more than ten miles of bicycle lanes, creating a GBC Program will build on Albany's reputation as a leader in the green economy.

The GBC Program would be an impartial, certification program that identifies, certifies, and promotes green businesses in Albany. Based on established sustainable practices from around the country, a strong GBC Program is based on a checklist of actions that can be measured (in terms of dollars saved, waste reduced, GHG emissions reductions, etc.) by their environmental, economic, and social impacts. Businesses earn points for each action they implement—after achieving a minimum number of actions, that business is certified as a "green business."

The existing Green Business Program provides a foundation from which to build a GBC program, including program administration, a fee for participation, an application process, and the guidance and support that participants receive through the program. The suggestions below expand on the existing program primarily through development of a comprehensive checklist of actions that businesses can take to achieve certification, maintenance of certification, and benefits of certification to businesses.

Creating a Green Business Certification Program

There are a number of steps to create a GBC program. Some of the following steps can happen simultaneously, but they are in a suggested order of completion:

- **Step 1: Evaluate**
  Evaluate programs such as the San Francisco Green Business Program, Denver Green Business Certification, Chicago Green Office Challenge, Austin Green Business Leaders, and Westchester Green Business Challenge to see which elements Albany would like to incorporate into its own program.[5]

- **Step 2: Structure the program**
  There are many considerations for creating a GBC Program including building and administering the program, obtaining funding to support the program (e.g., fees, grants), building external support, and deciding which actions to include to become certified. At the beginning of the program development, invite a handful of potential early-adopters and partners to provide input about the program.

- **Step 3: Develop the tools, marketing materials and program resources**
  Develop a checklist so that the participants establish a baseline, measure their progress and develop new strategies. In addition, begin developing or repurposing existing marketing materials such as logos, brochures, e-blasts, etc., and a GBC webpage or website as a one-stop-shop for all GBC resources and events. Work with partner organizations to develop training materials and events for participants.

- **Step 4: Engage and recruit**
  Engage those who provided input about the program to test and provide feedback on the program design, checklist, and actions. Engage partner organizations to encourage their constituency to participate in the GBC Program. Use the pilot phase to address any issues and to build buy-in from local businesses.

- **Step 5: Begin certifying businesses**
  Officially launch the GBC Program, facilitate participants meeting one another, help participants build internal capacity, and celebrate their successes!

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[5] Other local government green business programs: http://www.icleiusa.org/climate_and_energy/green-business-challenge/success-stories.

How a Green Business Certification Program Can Work in Albany

In order to achieve the steps outlined above, there are several questions that should be considered at the outset to build a success GBC program, including:

1. Who is involved in creating and launching the program?
2. Who and how will the GBC Program be administered and materials distributed (e.g., via a website)?
3. Should industry-specific actions or categories be incorporated into the program and checklist?
4. Should tiered ranking system be incorporated into the program?
5. How should businesses be certified?
6. Will recertification be required?
7. Will there be a fee?
8. Should the program be piloted to test its structure and functionality?
9. How can the City market the program?
10. How can the checklist be designed for maximum user friendliness and streamlined certification?

Strategic Partners

Like the City's existing Green Business Program, developing and launching a GBC Program requires collaboration between the City and local stakeholders. As the GBC program is developed, partners can play a key role in building and supporting the program by:

- Promoting the program and specifically the businesses
- Providing technical support
- Providing funding/incentives for the program
- Sponsoring the GBC program
- Serve as pilot participants to test the program

Partners could play an even more specific role by publically supporting and promoting the GBC program through a purchasing preference pledge for companies that undergo Green Business Certification. Experienced organizations, such as the SUNY Albany's "Green Scene", may also serve as mentors to interested businesses that need assistance implementing actions for the program, or could even staff a board of auditors.

Potential partners include the Economic Development Council, the three Business Improvement Districts (i.e., Central, Lark, Downtown), the Albany Chamber of Commerce, the Center for Economic Growth, the Albany Center for Economic Success, large employers (e.g., Albany Nanotech), SUNY Albany, the Community Loan Fund, and the NYSERDA Capital-Saratoga Economic Development Growth Extension (EDGE) Program.

Program Administration

When creating the GBC Program, the City must consider who and how to manage the program as well as engage participants. Should the Mayor's Office of Energy & Sustainability launch the program? Or should the City work in partnership with a third party such as a local non-profit that can provide the day-to-day administrative services, while the City serves as an advisor to the program?

While some certification programs have full-time staff to administer the program, most of them begin by, or are currently managed, using existing staff. Program administration can include the following tasks:

- Create a database to track new and existing applications
- Respond to inquiries about the program
- Process the GBC applications and fees
- Archive program records
- Coordinate trainings and technical assistance
- Organize award events
- Verify actions taken by businesses through site-visits and reviewing documentation
- Provide outreach about the program through various media outlets
- Host networking opportunities to share best practices amongst the participating businesses
- Build partnerships to support and promote the program
- Secure sponsorships for the program

Application and Participation Process

Most GBC programs have application process and establish expectations for participation. In order to simplify the process, it is recommended that businesses be able to enroll in, access tools and resources, and submit GBC Program documents directly through an existing platform, like the Mayor's Office of Energy and Sustainability website[6].

Expectations for participation in a GBC program can vary. But at a minimum, or at least in the beginning, it is recommended that to be certified by the City of Albany GBC Program, a business must be located within the City, meet the criteria of the Green Business Certification Program, and complete a program checklist to document specific actions the business has taken. Each participating business would be required to complete the following steps in order to become a certified Green Business:

1. Register to participate in the GBC program and submit a fee
2. Identify a primary liaison who is responsible for managing the company's GBC Program activities
3. Businesses participate in GBC Program trainings, workshops, and events
4. Businesses complete the certification checklist and submit it to the program administrator or online

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[6] City of Albany's Mayor's Office of Energy and Sustainability website (accessed 6/18/2013): www.albanysustainability.org

5. The checklist is verified by conducting a green audit of the business
6. Certification is granted to successful businesses, which can then display marketing material from the program OR an action plan will be created that identifies the missing actions and identifies steps and resources necessary to complete these actions
7. Businesses maintain their certification for 2 years.
8. Recertification occurs at the end of the 2 years through another audit. Additional actions that have been achieved will be identified.

Business Categories

The City should consider whether the program, and therefore the checklist and trainings, will be tailored to all industries within the commercial sector, or multiple industries within this sector. The high electricity and paper demands of an office environment is different than the food and waste issues of a restaurant, or the heavy gasoline and chemical use of a landscaping company. The San Francisco Green Business Program[7] includes eight separate industry categories, ranging from hotels to retailers, and dentists to garment cleaners. A greater number of industry categories would add to the complexity and time required to administer the program, but may add much value to participants of the GBC Program. Some programs begin with a single, general category, and add more categories as interest and the range of participating industries grows.

Tiered Rankings

The best-known example of tiered rankings is probably the LEED rating system, which awards Certified, Silver, Gold, and Platinum rankings (ascending order), based on the project's performance. A tiered approach is appealing because it allows the program to be accessible to many businesses, while also rewarding higher-performing businesses with higher achievement levels. GBC programs vary in whether tiers are incorporated into the design of the program and the number of tiers.

Some GBC programs provide an entry level certification that asks simple "yes or no" questions, such as "have you collected all your utility bills for the past year?" and awards points for "yes" responses. More points can be awarded for businesses that develop plans to reduce utility expenditures, and even more points for businesses that achieve certain savings, such as a 10% reduction in energy usage. Including an entry level that allows a "yes" or "no" response may make the program accessible to a greater number of businesses, some of which may have no knowledge or experience with sustainability efforts. Including tiers would then award improvements beyond the basic or entry-level.

Certification

The degree to which participating businesses' achievements are verified differs between GBC programs. Some GBC programs allow for participants to self-report with the caveat that the participant must demonstrate implementation of an action during on-site visits from the program administrator (e.g., use of default computer and printer settings throughout the office), while other GBC programs require verification by submitting the relevant documents (e.g., receipts of purchased equipment or energy

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[7] San Francisco Green Business, Program Standards (accessed 6/18/2013): http://www.sfgreenbusiness.org/program-standards/

assessment documents). Some programs require third-party auditing in order to become certified. More stringent verification provides greater credibility to the program, which would give it more value in the eyes of the public. However, time demands for this review and administration for the City and participants can be significant and must be considered.

Recertification

Most GBC programs require some sort of recertification, usually every two or three years. This is to ensure that the certified businesses maintain their good practices, remain engaged in the program, and adopt new technologies and operational practices as they become available. Requiring recertification provides the opportunity for continual improvement as businesses reexamine their actions. Some programs even require businesses to take additional actions to be recertified, though this is not the norm.

Certification Fee

In the existing Green Business Program, businesses were permitted to join without submitting a fee for the first six months of the program; businesses that joined after six months paid a nominal fee to support the administration of the program. The City can continue using this model to support the administration of the program. Like the Green Business Program marketing materials, it will be important that the City continue to articulate the benefits of participating in the GBC program (e.g., energy savings, enhanced technical assistance, trainings). This may spark the interest of local businesses, allowing the City to phase in fees as the program builds credibility. Having no fee would likely increase participation, though requiring a fee, however small, would filter out businesses that are less committed to taking action.

Generally, most municipal- or other government organization-based GBC programs are free, while privately-run programs, such as the Green Business Bureau or Green Restaurant Association, charge fees that range from a $100 registration fee to more than $500 in certification and verification costs. The fees may also vary based on the size of the business.

Many programs charge a reduced fee or a basic registration fee for recertification.

Pilot the Green Business Certification Program

Before launching the GBC Program, the City should consider piloting the program with businesses that are eager to participate (i.e., early adopters) and stakeholders such as the Capitalize Albany Corporation to ensure that the program is intuitive, and that all resources (e.g., local, regional, state, and national) to assist in the implementation of the actions are included in the checklist.

Engaging a handful of businesses and stakeholders also increases the likelihood that these entities will participate in and promote the program. Their feedback can help the City refine the program and tools, ensure that the actions are attainable yet challenging, and create buy-in among the target industries. The City can use the steps identified under the *Application and Participation Process* to pilot the Program.

Marketing the Green Business Certification Program

Once implemented, the amount of public awareness of the GBC Program may determine the level of success. Public awareness will help consumers identify GBC participants, encourage new businesses to participate in the program, and help accomplish the overall goals of the program. Potential methods of publishing the GBC Program can build upon the City's existing marketing efforts including:

- Use the existing Albany Certified Green Business logo. Consider adding the year the decal was printed to indicate when a business was certified.
- Leverage the City's existing website[8] to list certified green businesses as well as GBC Program participants (i.e., those who are registered but not yet certified)
- Distribute GBC Program materials through the City's existing communications methods including social media accounts, e-newsletters, and press releases
- Distribute the program logo to certified business (e.g., logo for their marketing purposes, decals, menu stickers)
- In a letter from the highest elected official such as the Mayor, invite businesses to register for the GBC Program

Program Checklist

GBC programs appear across the country. A variety of models exist, including those organized by local governments, chambers of commerce, non-profits, or even as private businesses. What each has in common is a checklist of criteria that businesses must act on. The checklists often include multiple categories, with required actions within each category, but also flexibility in how to achieve the minimum number of actions.

A business becomes certified as a green business by accomplishing specific actions in the checklist. Checklists are generally divided into multiple categories (e.g., energy efficiency and conservation, waste reduction, transportation, stakeholder engagement), and measure the benefits of the action (e.g., dollars saved, kWh reduced). Albany could use the existing eight systems from the *Albany 2030* plan as a structure for the categories in the checklist or identify which actions address which system, so it may tie the goals and actions to the Comprehensive Plan. The eight systems include:

- Community Form
- Economy
- Social
- Transportation
- Natural Resources
- Housing and Neighborhoods
- Utilities and Infrastructure
- Institutions

[8] City of Albany Mayor's Office of Energy & Sustainability (accessed 6/18/2013): http://www.albanysustainability.org/

To achieve a tier for each certification, businesses must earn at least one point in every category and must meet a minimum number of points, but are given flexibility in how they reach the minimum number of points.

Figure 1: Screenshot of the City of Austin, TX, Green Business Leaders scorecard. [7]

Checklists, like the one in Figure 1, may include the action name organized by category (e.g., energy efficiency, transportation), action description, additional resources (e.g., links to funding resources, guidebooks), required documentation (e.g., utility bills), and the points achieved if the action is implemented. Should the City use an Excel- or web-based checklist, the City will save administrative time because the total points should be automatically calculated. If the City distributes a paper checklist, the City will have to manually verify that the total points are correct.

The number of points attributed to actions should reflect the level of difficulty to implement the action (e.g., replacing lights with LEDs may earn two points, while adopting an energy conservation policy may earn one point because of the difference in human and capital resources required for implementation).

Conclusion

The City of Albany has laid the foundation for a comprehensive Green Business Certification (GBC) Program through the existing Green Business Program. The City can modify existing Green Business Program systems and materials, and create a checklist, to provide an objective menu-based system for a GBC program. By piloting the program with a few eager businesses and partners, the City may test the applicability and user friendliness of the program structure and materials. The City can also gauge interest in, and build support for, the GBC Program. Through the Climate Smart Communities Regional Coordinator Pilot Program, the City may request that CDRPC and VHB assist in the implementation of the guidance in this document to create a GBC Program.