

# Green Business and Operations

## Why is this important?

Green business – operating businesses, governments, and other organizations in an environmentally-friendly manner – can offer many environmental, organizational and community benefits. Green business practices can save money and save resources. They can also reduce water use and reduce greenhouse gas emissions by limiting energy use and waste production. Greener sites, buildings, products and operation practices have also been shown to improve employee morale by creating a healthier work environment and encouraging efficiencies and innovation.

Businesses and governments also have a large upstream impact through the products and services they choose to purchase. In the United States, local and state government combined purchase more than \$1 trillion of goods and services each year, including items such as paper, vehicles, infrastructure, landscaping materials, cleaning supplies and janitorial services, and even financial or investment services. When purchased goods are toxic or highly energy- and resource-intensive to produce, they have negative environmental impacts. Implementing environmentally preferable purchasing programs not only contributes to a better environment, it helps to develop markets for environmentally responsible products. Additionally, through setting visible and publicized standards for procurement, government has the opportunity to impact purchasing decisions throughout the community.

Another way governments and business can have an impact on the environment is by influencing employee commute patterns and encouraging alternatives to single-occupancy vehicle commuting through incentives, requirements, or information campaigns. Commuting on foot, by bike, by carpool, or by public transit saves energy, uses less gas, reduces greenhouse gas emissions, reduces stress and improves health, and can save employees money.

## Defining Sustainability

Sustainable business and government operation practices conserve resources, reduce an organization's impact on climate change, provide healthier workplaces and promote environmentally responsible products and practices.

## Indicator Results

### Number of Businesses Certified by the Bay Area Green Business Program

The Bay Area Green Business Program is a partnership between Bay Area local governments, the U.S. and California E.P.A, and local businesses. It is the best known and most well-subscribed third-party green business certifier in the Bay Area. Certification requires members to adhere to a variety of environmental best practices in their operations. As of August 2008, 7 businesses had been certified by the Bay Area Green Business Program in Redwood City. These businesses are:

- DES Architects
- Harwood Homebuilders
- The Kastrop Group
- Peritus Precision Translations
- Positive Impact Partner
- Federal Shredding
- Applebee's Restaurant

## Green municipal procurement standards

- The City does not currently have standards for environmentally preferable procurement.
- Despite no formal standard, the City has made a number of major environmentally preferable purchases in the past 10 years. These include the following:
  - In 2002, the City added 3 electric vehicles to its fleet.
  - The City began replacing older general sedans with Toyota Prius hybrid sedans in 2005. As of 2008, 83% of the City's sedans (15 sedans total) were hybrid, excluding police sedans.
  - In 2006, the City converted from using conventional diesel fuel to using Ultra Low Sulfur Diesel Fuel, which produces fewer criteria air pollutants.

## Municipal Employee Participation in Commute Alternative Program

Redwood City runs the "Commute Alternative Program," a Transportation Demand Management (TDM) program available to municipal employees. This program provides incentives and information to help employees commute to work using a mode other than a single-occupancy vehicle, and also encourage telecommuting when feasible. The program's major financial incentive is a limited number of vouchers available to employees to redeem for transit rides. These are called "commuter checks." Headline data about the program includes the following:

- As of June 2008, approximately 75-100 employees (14-18%) redeem "commuter checks" on a regular basis as part of the Commute Alternative Program.
- Over the last 5 years, there has been a 200% increase in usage of "commuter checks."

## Summary of Results

Redwood City has seven businesses certified by the Bay Area Green Business Program. The City is not a certified green operation and does not have standard for environmentally preferable procurement, but has made some significant environmentally preferable purchases in the past 10 years. The City also sponsors a well-used program encouraging employees to commute to work using public transit, carpooling, or walking and biking.

## Potential Policy Responses

- Document existing municipal efforts to purchase environmentally preferable products.

- Set green procurement standards across all city operations and departments, addressing procurement of items such as office supplies, vehicle fleet, janitorial products and services, and possibly financial and investment services.
- Document, incentivize, promote, and expand employee participation in the City's Commute Alternative Program.
- Work with large local employers to implement Transportation Demand Management (TDM) programs modeled on the City's Commute Alternative Program. Initially, target business that have participated in other city environmental initiatives, or that have demonstrated an interest in green business and operations in some other way.
- Work with the Peninsula Congestion Relief Alliance to implement TDM programs.
- Increase the number of Redwood City businesses adhering to green operation best practices or certified by the Bay Area Green Business Program by providing information and, if possible, financial incentives.
- Coordinate changes in city procurement and operations with the City's forthcoming Climate Action Plan for municipal operations.