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Diamond Properties ramps up their solar/green program

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One of the rules I try to live by is to turn negatives into positives. Another is to do well by doing good. It's particularly rewarding when I'm able to combine these as Diamond Properties ramps up our solar program.

Utilities are our largest expense, followed by real estate taxes. There's not much that we can do about taxes, but we're working to turn our largest expense into a significant revenue stream.

We've recently installed 2.7MW of solar at four of our buildings, with the goal of reaching 10MW of total generation. Beyond the initial 2.7MW, we have 4.7MW in the development pipeline, with further projects in early planning. Our largest individual project consists of 3.4MW of panels covering the roof of a 600,000 s/f building in Mount Kisco.

By selling clean, discounted power generated by the panels to our buildings, to our tenants, and onto the grid, we're securing a long term revenue stream. The payback period is relatively long at 7-10 years, but real estate is also a long term investment. I look at these as 10 cap or better investments, albeit with no residual value at the end of the 25 - 30 year expected life of the equipment.

Solar is part of our multi-pronged green program. It's a source of pride for us at Diamond Properties that our organization was recently designated Westchester Green Business Certified. The WGBC has 275 Westchester-based members, and Diamond Properties is among 18 businesses that participated in the initial WGC-Certified program earlier this year, and one of the first two businesses certified.

Another prong of our program is converting fluorescent and high-bay lighting throughout our portfolio to LED lighting. We've already replaced thousands of fixtures with lights from Xeleum. This is helping cut our lighting bills by 50% - 80%. LED improves the quality of our lighting while eliminating the need to replace bulbs, thus saving us labor, our third largest expense.

Internally, our green team charts our course and ensures that our employees are informed about our green efforts. Externally, we communicate those efforts through a quarterly newsletter to our tenants.

Going green is about the small things and the big things, and what we've learned is that we can convert our largest expense into a revenue opportunity, enabling us to do well by doing good.

Jim Diamond is the owner of Diamond Properties, LLC, Mount Kisco, N.Y.