

Case Study

**Slate Asset Management L.P.**



Domo Kovacevic, Senior Consultant, TGL; Peter Rombos, Energy Expert, Toronto Hydro; Stelios Mourtzakis, Director, Construction and Sustainability, Slate Asset Management

**BY THE NUMBERS**

**\$3,086,200**  
TOTAL PROJECT COST

**\$809,400**  
INCENTIVE

**\$980,400**  
TOTAL ANNUAL COST SAVINGS\*

**1.7 YEARS**  
PAYBACK WITH INCENTIVE\*

Why build new if it's more cost-effective to revitalize an existing building? It's a successful strategy adopted by Slate Asset Management, a real estate investment firm with a portfolio across North America and Europe. Slate not only acquires and improves commercial properties, but stays on as building operators; a holistic, "all in" approach that's attractive to both investors and prospective tenants.

Several years ago, Slate, partnered with Greystone Managed Investments Inc., acquired a 15-building portfolio of older commercial office buildings. To reduce costs, ownership decided that a complete LED lighting retrofit was in order.

**A MULTI-BUILDING, MULTIMILLION-DOLLAR UPGRADE**

Slate contracted TGL, a company that specializes in large-scale lighting projects, to tackle the upgrade. "Energy savings are the new capital," says Domo Kovacevic, Senior Consultant at TGL. "Improving energy efficiency will help Slate's portfolio perform better."

**NO LIGHT LEFT BEHIND**

To get the most accurate estimate, TGL conducted a detailed count of all outdated lamps, searching in every corner, from lobbies and locker rooms to elevators and electrical closets. "We can't base decisions on assumptions in a multimillion-dollar project," says Stelios Mourtzakis, Director of Construction and Sustainability at Slate. "An accurate reflection of payback helps with approvals, as do the incentives."

\*Calculations are based on an average electricity cost of \$0.14 per kWh.





**“We go beyond sustainable standards to maintain our competitive advantage.”**

**Stelios Mourtzakis**

Director, Construction and Sustainability, Slate Asset Management

## AN UPGRADE OF UNPRECEDENTED SCALE – AND PROCESS

Although the upgrade was expected to be a six-month job, it was completed in just six weeks by an 80-person team; an impressive feat of complex coordination. Installation was completed after hours to avoid disrupting tenants, many of which had highly-sensitive security protocols. “They called us the lighting fairies,” says Kovacevic. “Staff would come in the next morning to find a bright new office.”


Recycling old lamps was another significant undertaking. As the outdated lamps contained mercury, TGL arranged for hundreds of thousands of them to be picked up and disposed of in an environmentally responsible manner. Permitting was also unprecedented for a project of this scale. Typically, Electrical Safety Authority (ESA) permits and inspections require individual applications. In this case, the ESA accepted a single inspection application, dramatically speeding up the process.

## SUSTAINABILITY HELPS SECURE NEW TENANTS


For Mourtzakis, the new lighting has added value beyond just energy and maintenance cost savings, including building comfort and stronger tenant attraction. “Tenants are educated – they seek out and are willing to pay more for sustainable buildings,” he explains. “Our leasing teams can leverage this, and investors are just as keen to complete these projects. Ultimately, it boosts the value of our assets.”

## CONTACT US

We'll help you create an energy action plan for your business

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## GET INCENTIVES TO UPGRADE

Lighting upgrade projects can qualify for incentives that offset **up to 50% of project costs**. LED lamps may also count as an operating rather than a capital expense in your budget, so it's easy to get started.

Ask us how to combine other upgrades with your lighting project, such as occupancy controls, to maximize your return on investment.