TOOLKIT FOR POLICY LEADERSHIP

Templates for:
Incentives +
Commitments

version 1.0

INTERNATIONAL
LIVING FUTURE
INSTITUTE℠

MAY 2018

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"You never change things by fighting the existing reality. To change something, build a new model that makes the existing model obsolete."

—R. BUCKMINSTER FULLER

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Jill Dvorkin, Legal Consultant, Municipal Research and Services Center (MRSC)
Jim Doherty, Legal Consultant, Municipal Research and Services Center (MRSC)

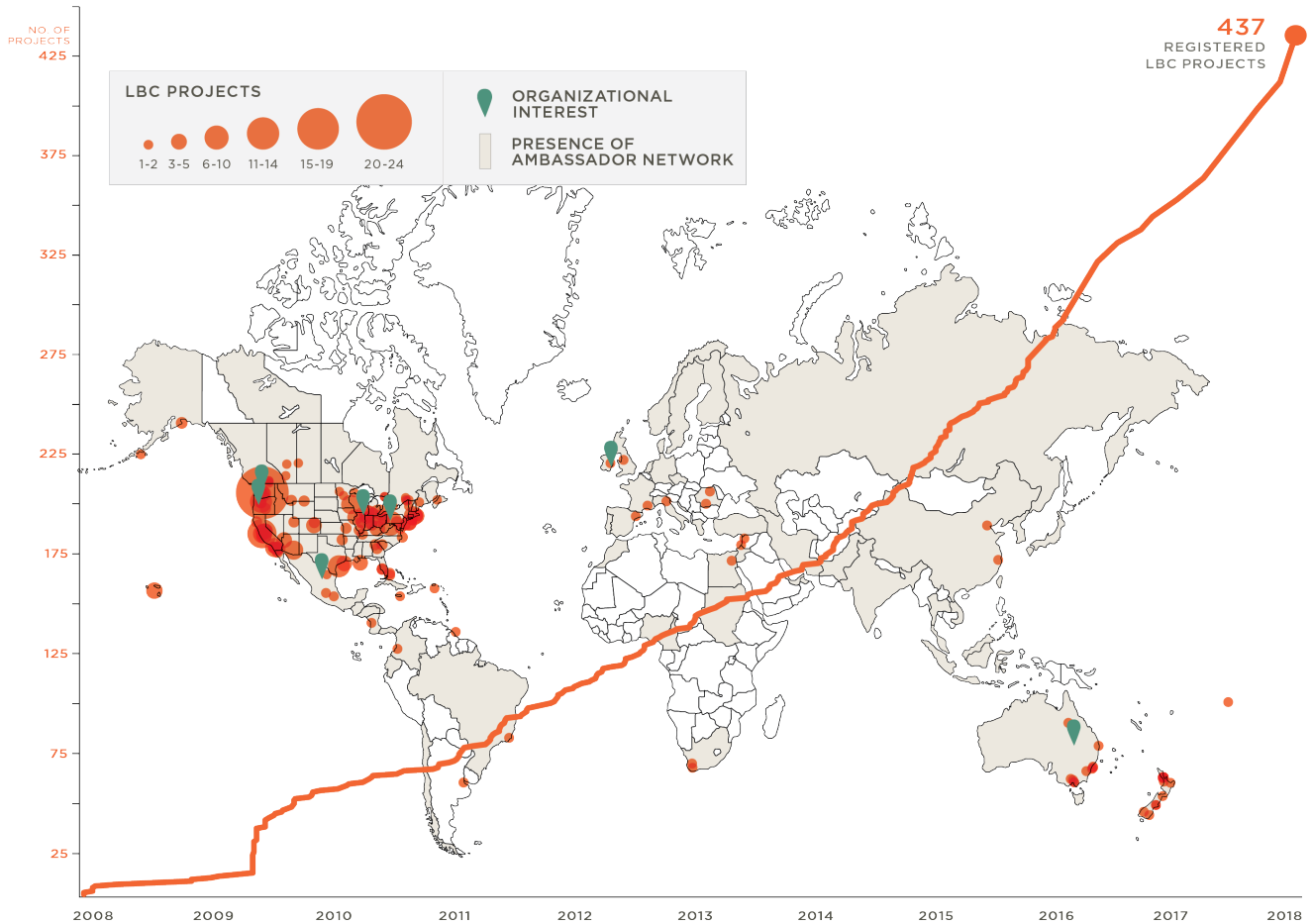
If you have any questions about the Institute's Policy Program or this Guidance Document, contact advocacy@living-future.org

IT'S TIME FOR POLICY CHANGE

The scale of change we seek is immense. It is our belief that only a few decades remain to completely reshape humanity's relationship with nature and realign our ecological footprint to be within the planet's carrying capacity. Incremental change, minimizing negative environmental impact, is no longer a viable option.

Nothing less than a sea of change in building, infrastructure and community design is required. This focus needs to be the great work of our generation. We must remake our cities, towns, neighborhoods, homes and offices, and all the spaces and infrastructure in between, in order to reinvent our relationship with the natural world. The Living Future Challenges—Living Building Challenge, Living Community Challenge and Living Product Challenge—call for the built environment to create positive regenerative impacts.

LBC Project Map



February 2018

Etsy HQ, Brooklyn NY
v3.0 Materials Petal Certified

Imagine a world in which Living Buildings and Communities were not just permitted by policymakers and regulators, but encouraged.

Countless leaders in regions across the world have made commitments to cut back on carbon emissions, preserve and improve their watersheds and create vibrant and healthy neighborhoods for their citizens. Increasingly, these same leaders are realizing the prodigious role that the built environment will need to play in their path to meet these goals.

Depending on their priorities and available options, there are several approaches city and county leaders may take to improve the sustainability of the building stock in their jurisdictions. These include updating their energy and plumbing codes with more stringent requirements, penalizing buildings that externalize negative environmental impacts, and providing incentives for buildings that commit to advanced levels of regenerative design and certification.

A HISTORY OF POLICY AND ADVOCACY

Around the world, the International Living Future Institute works with a network of change agents. Project teams inspire Living Buildings; local jurisdictions develop long-range planning in support of Living Communities; innovators design new, efficient technologies; policy makers aim to encourage healthy, sustainable buildings. Our global partners are leading the way toward a Living Future, yet they continue to face regulatory resistance.

The Institute is committed to transitioning these barriers into policy leadership, and to make this happen, we rely on our network of volunteers. As a Collaborative member, you have the power to work within your community to create this much needed change. You will be joining a legacy of volunteers that have pushed forward innovative legislation around the world, from Seattle, Washington to Trinidad and Tobago.

PURPOSE OF MODEL LANGUAGE

Up until this point, the legislative incentives for Living Buildings and Living Communities have come as a result of isolated efforts on the part of forward-thinking municipalities, motivated volunteers and catalyst projects. The Institute has long supported these endeavors, while recognizing that it requires substantial time and resources to educate, assist and support the efforts. To accelerate the change we seek, we must leverage the power of the Living Future Network. This document is meant to serve as a toolkit for members of the Network as they work with their local governments to provide incentives for Living Buildings.

The Model Incentive Ordinance and Municipal Commitment contained within this toolkit pull from our experience supporting the development of ordinances in Washington state, as well as lessons passed on to us by members of our network, in order to develop a standard structure and language. We have also compiled a list of possible incentives, designed for volunteers to evaluate, discuss and align with the needs and interests of their own community.

These two templates are "tools in your belt" to accelerate the uptake of Living Buildings and Communities in your own neighborhoods.

2 Tools

1. The Model Incentive Ordinance provides private developers with incentives to pursue the Living Building Challenge and Living Community Challenge.

2. The Model Municipal Commitment is an internal administrative document that compels capital projects to pursue Living Building or Living Community Challenge Certification.

Intended Audience

This toolkit is designed for use by our Collaboratives and Ambassador volunteers.

MODEL INCENTIVE ORDINANCE TEMPLATE

HOW TO USE THIS TEMPLATE

This toolkit is meant to serve as a guide for volunteers to begin the process of developing an incentive ordinance. Starting with the model incentive ordinance template will allow you to spend more time working with policymakers and partners to tailor the ordinance to your unique local context and priorities. The following are suggestions for research, ordinance development and stakeholder engagement to set your policy up for success.

1. **Investigate your local climate action plan and resiliency commitments.** Most cities and counties have made some kind of commitment to carbon neutrality, watershed health and community vitality. Are there already green building incentive programs or commitments in place? This information will help you understand the priorities of the jurisdiction and ultimately help you frame your ordinance.

Explore each of the incentive options on pages 8 - 9 with your stakeholder group in order to find the incentive that works best for your community.

2. **Get to know the players and the process.** Identify those within the government that work within land use, planning, development and permitting. Find the elected officials and staff with a passion for sustainability, and set up a meeting to discuss the Living Building Challenge and Living Community Challenge. Ambassadors may be needed to provide an introduction to the programs. Keep an eye out for local projects pursuing LBC or LCC, as they may serve as a catalyst for an incentive ordinance. Discuss the process and timeline for moving an incentives forward. A technical advisory group of green building professionals may be applicable to assist in identification of local needs and opportunities, and the potential format (for example, a pilot program, ordinance, or revision to an existing incentive).

3. **Review and analyze your incentive options.** The Institute has compiled an extensive list of ways in which a jurisdiction might encourage the development of Living Buildings. Some, like additional height and density, will work better in urban areas with strong growth markets. Others, like waived permit fees, might be more appealing in smaller jurisdictions. You may decide that a tiered structure works best for your ordinance, or you may discover that the policymakers are more interested in a pilot program. Some incentives might not even be legal in your state (e.g., cities in Washington will need to address a barrier at the state level prior to proposing a fee-bate).

4. **Work with a robust stakeholder group to select incentives.** Review the incentives you've developed with local land use lawyers, government officials, staff, developers, designers and stakeholders to decide on a package that rewards the highest performing buildings with the highest level of incentive to drive their development. Some additional stakeholders that you should be sure to include: affordable housing developers, builders, utilities, neighborhood groups and sustainability advocates.

    a. Consider a diversity of project types. For example, incentives might need to be tailored for new commercial construction, existing buildings and low-rise development.

5. **Draft the ordinance with your team, and work with them to get it passed**. Once you've decided on your incentives, follow the process established in step two to pass your ordinance. Please refer to the Collaborative Advocacy Toolkit for more guidance on this step. Throughout your advocacy, be sure to share your feedback at each of these milestones so that the Institute can support your local policy work.

CHOOSING YOUR INCENTIVES

The following incentives have been utilized in communities around the country in order to encourage the development of green buildings. You may find that some of them are in place in your community at this very moment. Historically, these incentives have been used for various green building programs and for individual green building strategies, such as energy or water efficiency improvements. If your community is already offering one of these incentives for developers, discuss adapting it to encourage the Living Building and Community Challenges as well. In order to encourage LBC and LCC projects, the strength of the incentives should match the additional level of performance.

Living Certified Bechtel Environmental Center
Whately, MA

You will see that some incentives are structured as a flat benefit (e.g. 25 feet additional height) while others are tiered to match various performance levels (e.g. 10 feet additional height for ZE projects, 15 feet for Petal, and 25 feet for Living Buildings). Some locations offer incentives on a pilot basis, which limits the number of projects that can qualify.

Increased Density / Additional FAR

Example: Shoreline, WA; Seattle, WA; Arlington, VA; Newcastle, WA; Champaign, IL; Ossining, NY; Pittsburgh, PA; Philadelphia, PA

Increased Height

Suggested range: 10 – 25 feet depending on zone (one to two stories)
Example: Seattle, WA

CHOOSING YOUR INCENTIVES, CONT'D

Expedited permit review without additional fee

Example: Gainesville, FL; Hamilton, OH; Shoreline, WA; Los Angeles, CA

Reduced or waived fees

Suggested fees: building permit fee, plan check fee, transportation fee, sewer + water connection fees, stormwater fee, energy interconnection fee

Example: Chicago, IL; San Diego County, CA; Gainesville, FL; Shoreline, WA; Bothell, WA; Hamilton, OH; San Luis Obispo, CA

Tax abatement rebate as a percentage of tax assessed value

Suggested Range: 0.1 percent to 100% over 10 - 15 years depending on certification level and building type

Example: Baltimore County, MD; Houston, TX: Nevada, USA; Lincoln County, NC; Cincinnati, OH

Cash Rebate

Cover registration and certification costs of certification from ILFI

Example: Seattle, WA (partnership between Seattle Public Uitilities + Seattle City Light, 2001 – 2005); Energy Trust of Oregon; Anaheim, CA; Burbank, CA

Fee-bate

All developers pay into Sustainability Fund, rebate given according to tier

Example: Miami Beach, FL

Parking Reduction

Example: Shoreline, WA

Municipal Advocate / Permitting Assistance

Some municipalities will be able to offer a dedicated staff person that understands the LBC and LCC programs to assist the project through entitlements and design review.

Rezone Incentive

Example: Vancouver, BC

INCENTIVE CASE STUDIES

LIVING BUILDING PILOT PROGRAM
SEATTLE, WA

- 15% more FAR
- 10 feet of height increase in zones with 85 feet or less
- 20 feet of height increase in zones with more than 85 feet
- Permitting assistance
- More design departures

Living Certified Bullitt Center
Seattle, WA

GREEN BUILDINGS POLICY FOR REZONINGS
VANCOUVER, BC

- All rezonings must meet a Low or Near Zero Emissions Building standard, such as the International Living Building Institute's Net Zero Energy Building Certification

SUSTAINABILITY FEE
MIAMI BEACH, FL

- Developers pay mandatory "Sustainability Fee" bond or fee of 5% of the total construction valuation of building project
- The fee is refunded 100% if LBC Living, Petal or Zero Energy Certification is achieved

"I hope it encourages other sustainability leaders around the world to reach out to their municipalities and government to discuss forward-thinking approaches to building that will reduce their impact and help us all to mitigate or be more resilient to climate change."

-Jonathan Burgess, LBC Florida Collaborative

INCENTIVE CASE STUDIES

TIER SYSTEM

Tier 1 (Living Certified)
100% reduction or bonus

Tier 2 (Petal Certified)
75% reduction or bonus

Tier 3 (Zero Energy + Salmon Safe)
50% reduction or bonus

DEEP GREEN INCENTIVE PROGRAM

SHORELINE, WA

- Permit fees waived according to tier
- Base density bonus according to tier
- Height increase (not available in all zones)
  - 10 feet height increase in 35 foot zone
  - 20 feet height increase in >45 foot zone
- Reduced Transportation Impact Fee
- Expedited permit review without fee
- Reduction of min. parking requirement by tier

ENERGY TRUST OF OREGON

OREGON STATE

- Projects that achieve LBC's Zero Energy Certification receive a $2,000 cash incentive

"This will allow us as a matter of policy to support some of the most robust green and sustainable projects anywhere in the country. We hope this will encourage developers and rehabbers to push the boundaries of sustainable building."

P.G. Sittenfeld, Cincinnati City Council

COMMUNITY REINVESTMENT AREA RESIDENTIAL TAX ABATEMENT

CINCINNATI, OH

- Owners pay taxes just on the pre-improvement value of their property for 10 years (renovation) or 15 years (new construction)
- LBC Living or Petal Certified projects receive 100% tax abatement without a cap
- Zero Energy Certified projects receive 100% tax abatement with a cap of $562,000

A Closer Look: Living Building Pilot Program Seattle, WA

Seattle became the first city in the US to incentivize the Living Buildings Challenge when it initiated the Living Building Pilot Program (LBPP), which applies to existing and new construction projects that pursue the Living Building Challenge. The City provided this path in the Land Use Code to:

- Stimulate innovation
- Encourage models of high performance
- Identify barriers in codes and processes

> ***"The lasting success of the Bullitt Center would hinge on the regulatory environment... sustainable systems are irrelevant if they are designed into a building whose city ordinances do not recognize, allow and encourage them."***
>
> - The Greenest Building
> Mary Adam Thomas

In the Fall of 2016, the City incorporated updates from the LBPP Technical Advisory Group (TAG) that met for over a year to recommend adjustments that maintain the rigor of the program while incentivizing Living Buildings. Incentives include: permitting assistance; design departures; a 15% increase in floor area ratio (FAR); and a height increase incorporating 10' in zones with height limits of 85' or less and 20' in zones with height limits greater than 85'.

Additional changes include updates to the two City requirements for projects that decide to pursue the Petal Certification pathway: energy use must be 75% or less of targets established in the energy code, and potable water cannot be used for non-potable uses. With the 2016 legislation, these incentives are now granted outright for developers participating in the LBPP which provides more certainty for project teams, in lieu of the previous system that allowed similar departures achieved through the design review process.

The 2016 adjustments to the LBPP are important to Seattle as a leader in green building and are critical in meeting the City's climate action goals. As construction skyrockets in Seattle, it is crucial that new and existing buildings adopt regenerative building practices and the Living Building Pilot Program intends to further that.

The Bullitt Center was the first project to participate in Seattle's LBPP; building height departure was used, and the extra 10 feet of height was divided among each of the floors to increase structure height for better daylight penetration. As of Spring 2018, four projects being permitted (of varying size, both residential and commercial office) are participating in the LBPP. The City of Seattle is considering additional updates to the LBPP as the program continues to be refined.

Living Certified Bullitt Center
Seattle, WA

A Closer Look: Deep Green Incentive Program Shoreline, WA

The Deep Green Incentive Program acts as an important tool for furthering Shoreline's implementation of advanced sustainability within the built environment to meet city-wide goals, and positions the City as a regional and international leader. Shoreline's incentive program is serving as a model for King County's regional code collaboration, as participating municipalities share expertise to facilitate the adoption of the Living Building Challenge and other green building programs. It encourages developers who are transforming the City to construct to the built environment's most rigorous performance standard – the Living Building Challenge™ (LBC) and Living Community Challenge™ (LCC). It was the first jurisdiction to specifically incentivize the Living Community Challenge.

"Living Buildings require a fundamentally different approach to design, permitting, construction, and operations that necessitate flexibility in current codes and regulatory processes to support their development."

- City of Shoreline News Release 4/21/2017

The Shoreline program is tiered such that projects that achieve all Imperatives of the LBC or LCC Certification are designated as Tier 1; those that achieve Petal Certification under LBC or LCC are assigned Tier 2; and projects that meet ILFI's Net Zero Energy Building Certification combined with the Salmon Safe Certification fall under Tier 3.

These projects are then eligible for incentives corresponding to the appropriate tier, which provides higher levels of incentives for the more rigorous programs. These incentives include a waiver for 100%, 75% or 50% of City-imposed pre-application and permit application fees for Tier 1, 2 and 3 respectively; a reduced Transportation Impact Fee; expedited permit review without additional fees; and various departures from Development Code requirements such as density and height bonuses based on tier and zone.

To request a native Word file, email advocacy@ living-future.org

ORDINANCE ESTABLISHING INCENTIVES AND PROCEDURES FOR REGENERATIVE DESIGN

WHEREAS, [City] recognizes its responsibility to implement, continue, and promote new construction and renovation that protects human health and the quality of the air, water, and other natural resources; decrease solid waste; reduce construction practices that negatively impact native fish, vegetation, forests, wildlife, and other ecosystems; and

WHEREAS, [City] desires to promote sound environmental practices in the built environment to support the [City's] economic, resilience, livability, health, and equity goals, and regenerative design complements existing policies related to development and natural resource conservation including:

[list any relevant ordinances in specific jurisdiction such as:]

- Alternative transportation policies
- Stormwater, green roof policies
- Habitat, green space, parks and urban forestry policies
- Resilience policies
- Climate policies (see below)
- Energy policies (see below)
- Sustainable procurement policies
- Solid waste, recycling, and composting policies
- Social equity policies
- Art policies

WHEREAS, [City] has adopted ambitious climate and energy targets to be zero carbon and running on 100% renewable electricity by [date] for municipal operations and by [date] community wide; and

WHEREAS, buildings and facilities currently account for ____ percent of carbon emissions citywide [include any current municipal operations and/or citywide emissions information]; and

WHEREAS, in 19## the City Council accepted the [Name of Program] to implement green building standards for all [City] design, construction, operation, and maintenance practices; and

WHEREAS, the increasing urgency of climate change, rising energy prices and a fragile economy pose serious threats to [City]'s ability to thrive, now and in the future; and

WHEREAS, buildings account for more than one-third of the nation's energy use and 30 percent of greenhouse gas emissions; and

WHEREAS, preserving historic buildings, structures and materials is a key aspect of sustainability; and

WHEREAS, sustainable development practices present a major economic development opportunity for [City] and [State]; and

WHEREAS, buildings designed to promote a healthy environment provide long-term cost benefits through the efficient use of energy, optimization of building performance, and creation of healthier residences and workplaces for employees and visitors; and

WHEREAS, the Living Building Challenge and Living Community Challenge are green building certification programs that create a pathway for regenerative design and include Imperatives in seven performance areas: Site, Water, Energy, Health and Happiness, Materials, Equity, and Beauty; and

WHEREAS, [City] seeks to retain its leadership in green building policy implementation and respond to advances in the green building industry; and

WHEREAS, the International Living Future Institute's Living Building Certification and Living Community Challenge Certification verify a building's and community's actual performance on an annual basis.

NOW THEREFORE, be it resolved by the City of [Name] as follows:
Chapter [ ] shall be amended to include the following:

Specify land use chapter of your applicable code.

Chapter 17.100 Regenerative Design – Incentive Program and Procedures

17.100.010 Title:
This chapter shall be entitled "Regenerative Design – Incentive Program and Procedures"

Some jurisdictions will want to incorporate incentives outright. Other jurisdictions may want to establish a Pilot Program to test the incentives. A Pilot Program might limit the number of projects 20-30 as well as the time frame (until 20##).

17.100.020 Application:
The provisions of this chapter may be utilized in conjunction with any development permit as defined in this chapter. A property owner or authorized owner's representative shall include their request to apply the provisions of this chapter in the initial application for a development permit.

17.100.030 Purpose:
The purpose of this chapter is to establish an incentive program for Living Buildings and Living Communities in the [City] of [Name] that demonstrate actual regenerative performance. These provisions are designed to respond to advances in the green building industry by encouraging development that meets the International Living Future Institute's (ILFI) Living Building Challenge (LBC), Living Community Challenge (LCC) programs at the Living Certification, Petal

Certification, or Zero Energy Certification levels. All such programs are further intended to promote new construction and renovation that protect human health and the quality of the air, water, and other natural resources; minimize human impact on local and worldwide ecosystems; and increase resilience, adaptation, and economic growth within the City of __[Name]___.

17.100.040 Authority:
This program and the incentives established below are created pursuant to the provisions of RCW [35.63, 35A.63, 36.70], RCW 36.70A and other applicable statutory and code provisions.

Edit reference to Revised Code of Washington (RCW) for your land use code.

17.100.050 Definitions:

- **Authorized Owner's Representative ("AOR"):** A representative who has written authorization by the property owner shall use the form attached hereto as Exhibit A. The property owner shall acknowledge that there may be penalties for failure to meet the standards and conditions set forth in the final approval issued pursuant to this chapter.

- **Certificate of Compliance:** A certificate of compliance shall be the final written acceptance by the Director determining that all the conditions set forth in this chapter have been met.

- **Certification Path:** Three certification paths, or levels, are available in the Living Building Challenge and Living Community Challenge programs: Living Certification, Petal Certification, and Zero Energy Certification.

- **Certifying Entity:** Organization that administers and awards certification. The International Living Future Institute administers the Living Building Challenge and Living Community Challenge programs.

- **Development Permit:** Includes building permits, construction permits, _____, _____ and _____.

- **Director**: The Director shall be the [Applicable Department] Director or Designee.

- **Imperative:** The Living Building and Living Community Challenge are divided into 20 Imperatives, or requirements. Project teams must comply with each Imperative in their certification path in order to be certified.

- **International Living Future Institute (ILFI or the Institute):** ILFI is a 501(c)3 headquartered in Seattle, Washington with offices in Portland, Oregon and Pittsburgh, Pennsylvania and staff located throughout North America. ILFI's mission is to catalyze the transformation of communities

that are socially rich, culturally just, and ecologically restorative. ILFI administers the Living Building Challenge, Living Community Challenge, and Living Product Challenge.

- **Living Building Challenge™ (LBC)**: The Living Building Challenge is a green building certification program that defines the most advanced measure of sustainability in the built environment possible today. It calls for the creation of building projects at all scales – new construction, renovations, and landscapes – that generate all of their own energy with renewable resources, capture and treat all water onsite, are free of toxins and operate efficiently with maximum beauty while addressing equity. Certification is based on actual performance, rather than modeled or anticipated outcomes. Living Building Challenge projects (Living Certification, Petal Certification, or Zero Energy Building Certification) have a twelve-month performance period and are audited before they can receive certification.

- **Living Certification:** A project achieves Living Building® or Living Community™ Certification by attaining all Imperatives assigned – all twenty Imperatives are required for Buildings or Communities, sixteen for LBC Renovations, and seventeen for LBC Landscape + Infrastructure projects.

- **Living Community Challenge™:** The Living Community Challenge is a certification program for master planning, design, and construction. It is a tool for governments, campuses, planners, developers, and neighborhood groups to create communities that are vibrant, connected, and regenerative. It calls for the creation of communities to generate all of their own energy with renewable resources, capture and treat all water onsite, are free of toxins and operate efficiently with maximum beauty while addressing equity. Certification is based on actual performance, rather than modeled or anticipated outcomes. Living Community Challenge projects (Living Certification, Petal Certification, or Zero Energy Community Certification) have a twelve-month performance period and are audited before they can receive certification. It uses the same seven performance areas (or Petals) as the Living Building Challenge; Imperative requirements are tailored to apply more directly to the community scale.

- **Petal Certification:** While achieving Living Certification is the ultimate goal, meeting the Imperatives of multiple Petals is a significant achievement. Petal Certification requires the achievement of at least three of the seven Petals, one of which must be the Water, Energy, or Materials Petal. Imperatives 01 - Limits to Growth, and 20 - Inspiration + Education, are also required.

- **Petals:** The International Living Future Institute's Living Building Challenge™ and Living Community Challenge™ programs are comprised of seven performance areas. These areas, or "Petals", are Place, Water, Energy, Health and Happiness, Materials, Equity, and Beauty. Each Petal contains Imperatives. You must complete all of the Imperatives in a Petal in order to achieve that Petal.

- **Regenerative Design:** goes beyond high performance and sustainability (which minimize negative environmental impact) to provide positive impact from the built environment. For example, regenerative designs:

    - generate more energy than they consume
    - harvest, use, and treat all the water that they require without burdening our aging municipal infrastructure
    - actively seek not only to divert materials from the waste stream, but also to remove and salvage materials that would otherwise be destined for the landfill

  In general, regenerative design produces buildings, communities, and infrastructure that generate sufficient benefits to the building's site, to the project's community, and to the environment at large to offset any negative impacts that the project may incur.

- **Resilience:** As it applies to the built environment, resilience is the intentional design of buildings, landscapes, communities, and regions in response to vulnerabilities, disaster, and disruption from shock and chronic stresses of normal life. Our environment and climate are changing, and we should be designing buildings to prepare for that.

- **Sustainability:** meeting the needs of the present without compromising the ability of future generations to meet their own needs.

- **Zero Energy Certification:** A project receives Zero Energy Certification℠ when one hundred percent of the building's (or community's) energy needs on a net annual basis is supplied by on-site renewable energy. No combustion is allowed. Imperative 01 - Limits to Growth is also required for a Community to achieve Zero Energy Certification.

17.100.060 Application Contents

Any property owner or AOR seeking to take advantage of the incentives set forth herein shall submit the following at the time of application:

1. Summary report from qualified design team member(s) demonstrating how the project will meet each of the requirements of the selected certification standard, including an overall design concept, proposed energy balance, proposed water balance, and descriptions of innovative strategies.
    a. A qualified design team member shall be one who has Living Building Challenge or Living Community Challenge experience, or licensed professional with demonstrated experience in at least two projects of similar scope.
    b. A Design Review Report issued by ILFI can support the project's information
2. Proof of registration of the project with the International Living Future Institute.
3. Proof of neighborhood engagement via scheduled neighborhood meetings pursuant to 17.100.065.
4. [any additional details concerning application contents should be included here.]

17.100.065 Neighborhood meetings

A neighborhood meeting shall be conducted by the applicant for the following in the ___ and ___ zones.

a. Developments consisting of more than one single-family detached dwelling unit on a single parcel. This requirement does not apply to accessory dwelling units.

17.100.070 Application procedures

1. A preapplication meeting by the property owner or the owner's authorized representative is required prior to submitting an application under this chapter. A representative from prospective certifying entities will be invited to the meeting but their attendance is not mandatory. At this meeting city officials will discuss the specific application of the provisions of this chapter to the underlying permit or project, standards or conditions that must be met, measurement methodologies, incentives or deferments allowed, and the consequences of not meeting the requisite standards or conditions. Nothing submitted at this meeting shall be considered an application under this chapter.

2. To incorporate any of the incentives or departures provided by this chapter by the property owner or AOR must submit an application as set forth in 17.100.060, to the director for an administrative review to determine compliance with the provisions of this chapter. All applications must include proof of participation with the applicable International Living Future Institute program. All projects proposed within zones ___ and ____ must satisfy the neighborhood meeting requirements set forth in 17.100.065 prior to final consideration of the application.

Jurisdictions will want to tailor their permitting process with the various stages of LBC and LCC certification pursuit (e.g. registration receipts, etc.)

ILFI is available to discuss the details of our programs to help with potential alignment.

3. After approval, any party seeking to take part in any of the incentives or departures and avoid penalties as set forth in 17.100.070, must submit the following compliance information:
    a. After construction and within six months of issuance of the Certificate of Occupancy,
        i. Show proof that an LBC Preliminary Audit has been scheduled; such as a paid invoice and date of scheduled audit.
    b. After construction and within twelve months of issuance of Certificate of Occupancy,
        i. A preliminary audit report from ILFI demonstrating project compliance with the Imperatives that do not require a performance period, such as Limits to Growth, Habitat Exchange, Human-Powered Living, Red List and Embodied Carbon Footprint and Responsible Industry. See ILFI's LBC Documentation Requirements for complete list of eligible Imperatives.
    c. No later than twenty-four months after the issuance of a final Certificate of Occupancy, or such later date as requested in writing by the AOR and approved by the Director where the applicant establishes that compliance within the time period is not possible due to market conditions or other circumstances beyond the applicant's control,
        i. Independent certification from ILFI.

4. If the Director determines that the information submitted provides satisfactory evidence that the project has complied with the standards and conditions contained within the Certificate of Compliance the Director shall send the owner a written statement that the project has complied with the standards set forth in the Certificate of Compliance. If the Director determines that the project does not comply with the requisite standards and conditions, the director shall notify the owner of the aspects in which the project does not comply.

5. Within 90 days after the Director notifies the owner or AOR of the aspects in which the project does not comply, or such longer period as the Director may allow for good cause, the owner or AOR may submit additional information to demonstrate compliance. If the owner or AOR fails to timely submit evidence of compliance as required by the provisions of this chapter, the director shall determine that the project has failed to demonstrate compliance and provide written notice of the same to the owner or AOR. If the director determines the project does not comply, the owner shall be subject to penalties as set forth in 17.100.080.

6. Upon issuance of a Certificate of Compliance under this chapter, and prior to that approval being effective, the property owner or AOR shall post a bond or other financial guarantee applicable sufficient to pay any potential fines due to noncompliance. The bond or financial guarantee shall set forth that such amount may be used if the applicant fails to fully comply with provisions set forth in 17.100.080 below.

17.100.080 Penalties for Lack of Compliance

1. Failure to submit the Compliance Report required by 17.100.070(c) or (e) by the date required is subject to a penalty of $500.00 per day, from the date the report was due, to the date it is submitted, or other financial guarantee.

2. If a determination of noncompliance is made, the owner shall be subject to a maximum fine of 5 percent of the construction value set forth in the building or construction permit. Penalties will be based on the extent of noncompliance and shall be calculated according to Exhibit A, attached hereto.

3. Penalties shall reflect the value of the specific incentives applicable to the development permit.

4. The City is authorized to proceed against the posted bond or approved financial security to collect any applicable fines or penalties. This penalty may be waived by the Director or designee upon the successful completion of terms of a Compliance Agreement if such an Agreement is entered into by the property owner or authorized owner's representative and the City.

17.100.090 Incentive Levels

Different incentives shall be allowed based upon the following classifications:

1. Tier 1 - Living Building Challenge Certification or Living Community Challenge Certification: achieve all of the Imperatives of the ILFI program;

2. Tier 2 - Petal Certification: Petal Certification: achieve three or more Living Building Challenge or Living Community Challenge Petals, including at least one of the following: Water, Energy, or Materials; or

3. Tier 3 - Zero Energy Building Certification or Zero Energy Community Certification

17.100.100 Incentives – Fee waivers

1. A project qualifying for Tier 1 may be granted a waiver of ____% imposed pre-application and permit application fees.

2. A project qualifying for Tier 2 may be granted a waiver of ____% imposed application fees.

3. A project qualifying for Tier 3 may be granted a waiver of ____% imposed application fees.

17.100.110 Incentives – Density

1. A project qualifying for Tier 1: up to 100% bonus for the base density allowed under zoning designation for projects meeting the full Living Certification;

2. A project qualifying for Tier 2: up to 75% bonus for the base density allowed under zoning designation for projects meeting Petal Certification;

3. A project qualifying for Tier 3: up to 50% bonus for the base density allowed under zoning designation for projects meeting Zero Energy Certification.

Minimum lot size of _____ square feet is required in all zones with a density maximum in order to request a density bonus. Density bonus is not available in ____ and ___ zones. Any additional units granted would be required to be built to the same building standard as the first.

17.100.115 Incentives - Height and Floor Area

1. A project qualifying as Tier 1 may obtain:
    a. Twenty-five percent more floor area than the otherwise applicable maximum floor area ratio under the provisions of the zone; and
    b. If the project includes the renovation of an unreinforced masonry structure by seismic strengthening in compliance with [City's] Existing Building Code, edition in effect at time of permit application, an additional five percent floor area ratio, for a total bonus of thirty percent, and
    c. In the case of residential development:

i. Additional structure height, above the otherwise applicable maximum height, of up to 12.5 feet for a development in a zone with a height limit of 45 feet or less.
ii. Additional structure height, above the otherwise applicable maximum height, of up to 25 feet for development in a zone with a height limit greater than 45 feet.

d. In the case of non-residential development:
i. Additional structure height, above the otherwise applicable maximum height, of up to 15 feet for a development in a zone with a height limit of 45 feet or less.
ii. Additional structure height, above the otherwise applicable maximum height, of up to 30 feet for development in a zone with a height limit greater than 45 feet.

e. A rooftop feature may extend above the structure height bonus provided in 17.100.115 if the extension is consistent with the applicable standards established for that rooftop feature within the zone.

2. A project qualifying as Tier 2 may obtain:

a. Fifteen percent more floor area than the otherwise applicable maximum floor area ratio under the provisions of the zone; and
b. If the project includes the renovation of an unreinforced masonry structure by seismic strengthening in compliance with [City's] Existing Building Code, edition in effect at time of permit application, an additional five percent floor area ratio, for a total bonus of twenty percent, and
c. In the case of residential development:
i. Additional structure height, above the otherwise applicable maximum height, of up to 12.5 feet for a development in a zone with a height limit of 45 feet or less.
ii. Additional structure height, above the otherwise applicable maximum height, of up to 25 feet for development in a zone with a height limit greater than 45 feet.

d. In the case of non-residential development:
i. Additional structure height, above the otherwise applicable maximum height, of up to 15 feet for a development in a zone with a height limit of 45 feet or less.
ii. Additional structure height, above the otherwise applicable maximum height, of up to 30 feet for development in a zone with a height limit greater than 45 feet.

e. A rooftop feature may extend above the structure height bonus provided in 17.100.115 if the extension is consistent with the applicable standards established for that rooftop feature within the zone.

3. Extra floor area or structure height available pursuant to subsections 17.100.115 shall be in addition to any bonus, extra, or otherwise additional floor area or structure height available according to any other provision of this Title.

17.100.120 Incentives – Parking

1. Reductions in parking requirements will be based on the following tiers:
    a. Tier 1: up to 100% reduction in parking required under 20.50.390;
    b. Tier 2: up to 50% reduction in parking required under 20.50.390;
    c. Tier 3: up to 25% reduction in parking required under 20.50.390.

2. Reductions in required parking will not be allowed in ____ zones:

3. In the event that the Director approves reductions in parking requirements, the basis for the determination shall be articulated in writing.

17.100.130 Incentives - Lot coverage standards

In zones that include a maximum lot coverage, a project qualifying as:

a. Tier 1 – may increase permitted lot coverage by ____%

b. Tier 2 – may increase permitted lot coverage by ____%

c. Tier 3 – may increase permitted lot coverage by ____%

17.100.140 Incentives - Setback reductions

In [listed zones], setbacks may be reduced by the following percentages:

a. Tier 1 – may decrease setbacks by ____%

b. Tier 2 – may decrease setbacks by ____%

c. Tier 3 – may decrease setbacks by ____%

17.100.150 Incentives - Use provisions

If a Tier 1, 2, or 3 project promotes more mixed use and pedestrian oriented development, other conditional uses may be permitted with special additional review.

1. Tier 1 - _____

2. Tier 2 - _____

3. Tier 3 - _____

17.100.160 Incentives - Solid-waste containers

[Examples of incentives and text that may be included here include: less storage, less capacity, fewer number, flexibility in storage requiring. Director can exercise discretion, etc.]

1. Tier 1 - _____

2. Tier 2 - _____

3. Tier 3 - _____

17.100.170 Standards for structural building overhangs and minor architectural encroachments in the right-of-way

A project qualifying as Tier 1, 2 or 3 may extend a rooftop feature above the structure height bonus provided in 17.100.115 if the extension is consistent with the applicable standards established for that rooftop feature within the zone.

17.100.180 Fee-bate

Washington State currently may not allow voluntary agreements (see RCW 82.02.020). This provision at the state level would likely need to be amended in order for a Fee-bate incentive to be implemented at the local level. For states that do not have a similar issue (for example Oregon), a fee-bate incentive may be a desired incentive.

1. A Sustainability Fee will be assessed for all eligible participants. The calculation of the fee, provisions for refunding all or portions of the fee, its purpose, and eligible uses are detailed within this article.

2. Sustainability Fee Calculation:

    a. In order to obtain a permit, the eligible participant must first post a Sustainability Fee payment bond or issue full payment of the Sustainability Fee to the City. The Sustainability Fee shall be valued at five percent (5%) of the total construction valuation of the building permit. However, the eligible participant may be entitled to a refund or partial refund, of the bond, or payment of the Sustainability Fee, based upon achieving the program certification levels in the compliance schedule below:

    Certification Compliance Schedule
    Tier 1: 100% refund of bond or payment of Sustainability Fee
    Tier 2: 85% refund of bond or payment of Sustainability Fee
    Tier 3: 75% refund of bond or payment of Sustainability Fee
    The "Sustainability Fee" shall be in the full amount identified above, minus the refund for the Tier level of certification achieved identified in the Certification Compliance Schedule.

b. The Sustainability Fee shall be valuated upon the eligible participant's submittal at time of application, upon review by the planning department during zoning review of the certificate. The Sustainability Fee bond or full payment shall be provided by participant prior to obtaining a Temporary Certificate of Occupancy (TCO), Certificate of occupancy (CO) or Certificate of Completion, whichever comes first.
c. The entirety of the Sustainability Fee shall be forfeited to the City based upon Participant's failure achieve the certification levels identified 17.100.80 within the timeframe identified 17.100.180(b).

17.100.190 Incentives - Property Tax Exemptions

While we are not aware of property tax exemptions as green building incentives for Washington State, property tax exemptions are given for a variety of similar economic development and job creation issues. This type of incentive may be desired for communities looking to incentivize green jobs.

Any building owner in the City may be eligible for property tax abatement if they have renovated their building or purchased a newly constructed building that meets the requirements of Tier 1, 2 or 3. The period for tax abatement begins during the tax period when the improvements are added to the building valuation, although it is not applied to the property until the application date. The abatement is 100% of the improvements to the property's increased taxable value, up to the maximum abatement value listed below:

Construction Type	Conditions	RESIDENTIAL Maximum Market Improvement Value	COMMERCIAL	Term (years)
Renovation	Tier 1	No maximum	No maximum	15
	Tier 2	$_____	$_____	15
	Tier 3	$_____	$_____	15
New Construction	Tier 1	No maximum	No maximum	15
	Tier 2	$_____	$_____	15
	Tier 3	$_____	$_____	15

17.100.200 Incentives - Transfer of development rights

Some jurisdictions may already use TDR, in which case incentives can be tied to, and expand, an existing program. In other jurisdictions, this is an area where a study of transfer of development rights could be incorporated into the incentive ordinance.

The City Council directs the [Department of Planning] to prepare recommendations for the use of a Transfer of Development Rights (TDR) program to facilitate the regenerative redevelopment of buildings using the Regenerative Design Incentive Program.

17.100.210 Incentives - Expedited permit review

Projects qualifying as Tier 1, 2 or 3 shall be granted an expedited review of the project plans upon request as more specifically set forth in Attachment A.

a. Tier 1 – 100% reduction of expedited fee

b. Tier 2 – 75% reduction of expedited fee

c. Tier 3 – 50% reduction of expedited fee

EXHIBIT A – Penalty Calculations

Pursuant to 17.100.080, the maximum fine of five percent (5%) of the construction value set forth in the building or construction permit shall be calculated based on the following:

OPTION 1

1. If the project does not achieve desired level (identified Living Certification, Petal Certification or Zero Energy Certification at time of permitting) of Living Building Certification or Living Community Challenge Certification: Penalty of one percent.

Additionally,

2. If the project was targeting Living Certification, and:
    a. does not achieve Petal Certification: Penalty of one percent
    b. achieves Petal Certification, but does not achieve the Water Petal: Penalty up to one percent [1 Percent Construction Value x (Percent of potable water used for non-potable uses + Percent of water not infiltrated on site)]
        i. Percent of potable water used for non-potable uses* = (Gallons of potable water used for non-potable uses / (Gallons of non-potable water used + Gallons of potable water used)
            1. * The project shall use only nonpotable water except to the extent other applicable local, state, or federal law requires the use of potable water. When potable water is required by other applicable local, state, or federal law, the project shall not be penalized for its required use.
        ii. Percent of water not infiltrated on site: (Gallons of water not infiltrated / (Gallons of water infiltrated + Gallons of water not infiltrated)
    c. achieves Petal Certification, but does not achieve the Energy Petal: Penalty up to one percent [1 Percent Construction Value x Percent of non-compliant energy generation]
        i. Percent of non-compliant energy generation: (Metered Energy Production/ Metered Energy Use)
    d. achieves Petal Certification, but does not achieve the Material Petal: Penalty up to one percent [1 Percent Construction Value x Percent of non-compliant materials]

Each jurisdiction will have an idea how to best tailor penalties within their community for noncompliance. The following are two potential options for consideration.

Option 1 is proposed for incentives that 'cannot be given back' e.g. additional height on a building is given during entitlements, well in advance to performance based certification.

Option 2 is proposed for incentives that are 'returnable'.

i. Percent of non-compliant materials: (Number of non-compliant materials / Total number of compliant and non-compliant materials)

OR

3. If the project was targeting Petal Certification, and:
    a. Does not achieve Zero Energy Certification: Penalty of one percent
    b. Targeted Water or Energy or Materials Petal not achieved: Penalty up to two percent construction value based on the core Petal targeted:
        i. Water Penalty: [2 Percent Construction Value x (Percent of potable water used for non-potable uses + Percent of water not infiltrated on site)]
            1. Percent of potable water used for non-potable uses* = (Gallons of potable water used for non-potable uses / (Gallons of non-potable water used + Gallons of potable water used)
                a. * The project shall use only nonpotable water except to the extent other applicable local, state, or federal law requires the use of potable water. When potable water is required by other applicable local, state, or federal law, the project shall not be penalized for its required use.
            2. Percent of potable water used for non-potable uses + Percent of water not infiltrated on site: (Number of non-compliant materials / Total number of compliant materials)
        ii. Energy Penalty [2 Percent Construction Value x Percent of non-compliant energy generation]
            1. Percent of non-compliant energy generation: (Metered Energy Production/ Metered Energy Use)

            OR

        iii. Material Penalty [2 Percent Construction Value x Percent of non-compliant materials]
            1. Percent of non-compliant materials: (Number of non-compliant materials / Total number of compliant materials)
    c. Other two Petals not achieved: Penalty up to one-half percent for each of the two Petals not achieved

OR

4. If the project was targeting Zero Energy Certification, and:
    a. Does not achieve Zero Energy Certification: Penalty of one percent
    b. Energy Penalty [3 Percent Construction Value x Percent of non-compliant energy generation]
        i. Percent of non-compliant energy generation: (Metered Energy Production/ Metered Energy Use)

OPTION 2

5. For projects receiving fee waivers and tax abatement,
    a. If the project does not achieve desired level (identified Living Certification, Petal Certification or Zero Energy Certification at time of permitting) of Living Building Certification or Living Community Challenge Certification: portions of the fees and tax abatement will be reinstated up to 100% of the granted incentive.

Living Certified Josey Pavilion
Decatur, TX

MODEL MUNICIPAL COMMITMENT TEMPLATE

HOW TO USE THIS TEMPLATE

This single-page pledge is meant to serve as a guide for volunteers to begin the process of developing a municipal commitment with their local jurisdiction. It can be printed and used to discuss a general commitment, or can be tailored to specifically address your jurisdiction's unique priorities (see examples below).

Some jurisdictions will want to work on both a Living Building Challenge (LBC) / Living Community Challenge (LCC) commitment and incentives together. Others will want to work on one before the other. **Whatever the process for accelerating LBC / LCC, there is potential for municipal leadership.**

EXAMPLES OF MUNICIPAL COMMITMENTS:

Municipalities can demonstrate leadership by committing to certify their own projects under the LBC and LCC. While achieving Living Certification is the ultimate goal, meeting the Imperatives of multiple Petals is a significant achievement in and of itself. Petal Certification requires the achievement of at least three of the seven Petals, one of which must be the Materials, Water or Energy Petal. Leadership in regenerative design can take form through Petal Certification, or other Living Future programs:

Energy

Municipalities can inspire energy performance through Energy Petal Certification, Zero Energy Certification, Zero Carbon Certification, or the transparency of their own buildings' energy use via the Reveal label. Reveal labels can be used for each municipal building and/or private buildings in a municipal energy benchmarking and disclosure program.

Reveal.

Reveal is an elegant tool that shows your building's energy profile.

https://living-future.org/reveal-buildings/

Social Justice

Municipalities can optimize policies that improve social equity and enhance employee engagement.

Just.

JUST marks the beginning of a new era of corporate transparency. ILFI invites organizations everywhere to evaluate themselves through a social justice and equity lens and become a JUST organization.

https://living-future.org/just-overview/

Procurement

Municipalities that prioritize human health and local industry can commit to Materials Petal Certification. The Materials Petal requires investment in local products and responsible forestry (FSC), along with waste diversion and healthy materials. Municipalities can also optimize their procurement process via specification of Red List Free and Living Product Challenge materials.

Declare.

Declare is a 'nutrition-label' for products that clearly and elegantly discloses a product's ingredients. The Declare label informs consumers about where a product originated, what it is made of, and where it goes at the end of its life.

https://living-future.org/declare/

LIVING PRODUCT CHALLENGE

The Living Product Challenge is a framework for manufacturers to create products that are healthy, inspirational and give back to the environment.

https://living-future.org/lpc/

LEADING BY EXAMPLE: MUNICIPAL PLEDGE

We recognize climate change as the most urgent threat to our planet's ecosystems and people, yet we are not implementing proven mitigation and resilience strategies fast enough to meet this threat.

"We will continue to lead. We are increasing investments in renewable energy and energy efficiency. We will buy and create more demand for electric cars and trucks. We will increase our efforts to cut greenhouse gas emissions, create a clean energy economy, and stand for environmental justice. "

-U.S. Climate Mayors, 2017

In 2015, the UN convened the Conference of Parties in Paris, where 175 countries agreed to limit carbon emissions so that average temperatures worldwide grow no more that 2 degrees Celsius. In June of 2017, the Executive Branch announced that the United States would withdraw from the Paris climate accord. In response, communities around the country have arisen to affirm their commitment to creating healthy, regenerative communities that will stand in the face of climate change.

To prove our dedication to this goal, we pledge that all municipal buildings - both new and renovation - will pursue certification under the International Living Future Institute's suite of programs.

Though our action is motivated by the climate crisis, we hold that a holistic approach is necessary. Our buildings will not only generate all of their own energy with renewable resources, they will capture and treat all of their water on-site, operate efficiently with maximum beauty and address equity in the community. Under ILFI's programs, our capital projects will prioritize materials that are non-toxic, ecologically restorative, transparent, and socially equitable.

The serious problems of climate change, ecological system health, biodiversity loss, accumulated toxins in the environment, food, air, and water, as well as social inequities and depletion of cultural heritage demand bold action. Together we will unite our communities and take action.

LIVING BUILDING CHALLENGE™

LIVING COMMUNITY CHALLENGE™

Case Studies: Santa Monica, CA + King County, WA

The implementation of municipal commitments in Santa Monica, CA and King County, WA serve as testaments to the power of simplicity and individual empowerment. Each ordinance has resulted in registration and design of municipal Living Building Challenge projects, which will soon be catalyst examples in the community. Municipalities can truly lead the way to a Living Future.

Santa Monica's City Services Building
Pursuing Living Building Certification

King County Parks
Renton Operations and Maintenance Shop

In the case of Santa Monica, one motivated public servant and Collaborative member introduced an ordinance as a simple four-page Administrative Instruction, assisting with the need for a lengthy legislative process.

The 2017 ordinance requires all City-owned new construction building projects that exceed 10,000 square feet gross floor area to meet the following standards: LEED v4 Gold Certification; Zero Energy Building Certification from the International Living Future Institute, and; zero potable water may be used for non-potable end uses in the building or in any newly installed adjacent landscaping.

In 2015, King County renewed its Strategic Climate Action Plan (SCAP), laying out a blueprint for concrete, actionable work in the realm of sustainability. Included in the plan is the County's commitment to register 10 new Zero Energy or Living Building Challenge Projects by 2020.

This is in addition to King County's Green Building Ordinance that was renewed in 2013, that added the Living Building Challenge as one of the approve green building rating systems for County-owned capital projects. The County has required green building on all capital projects since 2001. The 2013 Ordinance also included development of a Living Building Challenge Demonstration ordinance to encourage voluntary LBC projects in the greater community.

The simple integration of LBC into the County's vision for sustainable architecture has driven deep dives into the feasibility of ZE/LBC for everything from recycling and transfer stations to transit infrastructure projects around the county.

We hope that this guidance document and the additional advocacy resources will help you and your Collaborative with your local advocacy efforts. Good luck! Remember that with each policy success you achieve, you are helping to create a Living Future!

TOOLKIT FOR POLICY LEADERSHIP

Templates for:
Incentives +
Commitments

version 1.0

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If you have any questions about the Institute's Policy Program or this Guidance Document, contact advocacy@living-future.org

TOOLKIT FOR POLICY LEADERSHIP

Templates for: Incentives + Commitments

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INSTITUTE℠

MAY 2018