

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Discussion of Ordinance No. 760 - Deep Green (Building) Incentive Program		
DEPARTMENTS:	Planning & Community Development		
PRESENTED BY:	Miranda Redinger, Senior Planner		
ACTION:	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution	<input type="checkbox"/> Motion
	<input checked="" type="checkbox"/> Discussion	<input type="checkbox"/> Public Hearing	

PROBLEM/ISSUE STATEMENT:

In 2015, the City Council discussed various strategies from the City's adopted Climate Action Plan, King County-Cities Climate Collaboration Joint Climate Commitments, and the Carbon Wedge Analysis that was performed for the City. These discussions identified priority sustainability programs for implementation over the 2016-2019 timeframe. These programs included:

- Adoption of a Living Building Challenge Ordinance and consideration of a Petal Recognition Program;
- Studying feasibility of District Energy, specifically in the light rail station subareas, the Community Renewal Area, and Town Center; and
- Conducting a Solarize campaign.

Over the course of 2016 and into this year, staff has been working on the first of these priorities - Adoption of a Living Building Challenge Ordinance and consideration of a Petal Recognition Program. Now called the Deep Green Incentive Program (DGIP), the development regulations that make up this program were discussed with the Planning Commission on numerous occasions last year, culminating in a public hearing that occurred over several meetings in December 2016 and January 2017. On January 19, 2017, the Planning Commission formulated their recommendation, which is shown in proposed Ordinance No. 760 (Attachment A).

Tonight, Council will have an opportunity to discuss proposed Ordinance No. 760 and provide direction to staff regarding the DGIP. Proposed Ordinance No. 760 is currently scheduled for adoption on April 17.

RESOURCE/FINANCIAL IMPACT:

No resource impacts are anticipated as a result of this discussion. If Council adopts the Deep Green Incentive Program on April 17, 2017, and developers request fee waivers or reductions under the program, there could be impacts to permit fee and other revenues.

RECOMMENDATION

While no action is required as part of this discussion, staff would appreciate direction regarding proposed changes to the draft Deep Green Incentive Program in order to facilitate adoption of proposed Ordinance No. 760 on April 17.

Approved By: City Manager ***DT*** City Attorney ***MK***

BACKGROUND

Since the 2008 adoption of the City's [Environmental Sustainability Strategy](#), the City has positioned itself to be a regional and national leader on how local governments can work to reduce the potential severity of climate change. Most significantly, on September 30, 2013, Council adopted the Shoreline [Climate Action Plan](#) (CAP), thereby committing to reduce community greenhouse gas (GHG) emissions 80% by 2050, with an interim target of 50% reduction by 2030. As well, in 2014, the City reaffirmed that commitment by signing the King County-Cities Climate Collaboration (K4C) [Climate Commitments](#), joining with the County and other cities in similar targets.

Through its partnership with the K4C, the City had the opportunity to work with Climate Solutions' New Energy Cities Program to perform a [Carbon Wedge Analysis and Strategies](#) to examine what it would take for the City to achieve these "ambitious but achievable" targets. Council was introduced to the analysis and recommended actions at their October 14, 2014 meeting.

Other City initiatives that have focused on environmental sustainability include:

- Analysis of [City and Community Carbon Footprints](#) (2009 and 2012);
- Launching of the [forevergreen](#) indicator tracking website (2012);
- Completion of significant capital projects with a variety of climate and other benefits, such as the construction of a LEED Gold certified City Hall (2010) and completion of the Aurora Avenue Corridor project (2016); and
- Adoption of 185th and 145th Street Station Subarea Plans (2015 and 2016, respectively), including legislative rezone and Development Code amendments to promote transit-oriented development, walkable neighborhoods, and neighborhood-serving businesses.

In addition to these initiatives, in order to focus the City's environmental sustainability efforts, on September 14, 2015, Council discussed various strategies from the CAP, K4C Climate Commitments, and the Carbon Wedge Analysis, and identified priority programs for implementation over the 2016-2019 timeframe. The three priority programs identified were:

- Adoption of a Living Building Challenge Ordinance and consideration of a Petal Recognition Program;
- Studying feasibility of District Energy, specifically in the light rail station subareas, the Community Renewal Area, and Town Center; and
- Conducting a Solarize campaign.

The staff report and materials from this Council meeting are available at the following link:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2015/staffreport091415-9b.pdf>.

On February 1, 2016, the Council further discussed these three priority strategies. The staff report from this Council meeting is at the following link:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2016/staffreport020116-8a.pdf>.

Living Building Challenge/Petal Recognition Program Background

On February 18, 2016, the Planning Commission received a presentation from City staff and staff from the International Living Future Institute (ILFI) to introduce the Living Building Challenge and Petal Recognition Programs, which are that organization's most stringent certifications for high-performing green buildings. The staff report from this meeting is available at the following link:

<http://www.shorelinewa.gov/home/showdocument?id=25137>.

A video of that meeting, which contains the ILFI presentation, is available here:

http://shoreline.granicus.com/MediaPlayer.php?view_id=9&clip_id=671

On October 20, 2016, the Planning Commission discussed draft Ordinance No. 760 and implementing regulations for the Deep Green Incentive Program (DGIP), the new name of the Living Building Challenge/Petal Recognition Program. It is important to note that between February and October, staff worked with a K4C committee and green building certification programs to develop the draft ordinance and regulations. One result of this process was that the incentive program be expanded to include the highest level certification through Built Green and US Green Building Council programs, in addition to the International Living Future Institute. This necessitated a change to the name of the incentive program, from the Living Building Challenge and Petal Recognition Program to the Deep Green Incentive Program. Additional naming options are included in the Discussion section of this staff report. The staff report from the October 20 Commission meeting is available here: <http://www.shorelinewa.gov/home/showdocument?id=29219>.

The Planning Commission held a public hearing on draft Ordinance No. 760 and implementing regulations for the DGIP on December 1, 2016, which was continued until January 5, and again until January 19, 2017. The staff reports and minutes from those meetings are available below:

- December 1- staff report
<http://www.shorelinewa.gov/home/showdocument?id=29613> ; minutes
<http://www.shorelinewa.gov/Home/ShowDocument?id=29861>
- January 5- staff report
<http://www.shorelinewa.gov/home/showdocument?id=30043>; minutes
<http://www.shorelinewa.gov/Home/ShowDocument?id=30669>
- January 19- staff report
<http://www.shorelinewa.gov/home/showdocument?id=30147>; minutes
<http://www.shorelinewa.gov/Home/ShowDocument?id=30818>

Throughout the course of the public hearings, the Commission included programs that had been suggested by staff (Built Green 5-Star and Emerald Star and Leadership in Energy and Environmental Design [LEED] Platinum) and also added a couple new programs (Living Community Challenge and Salmon Safe) in their recommendation to Council. Following the completion of the public hearing on January 19, 2017, the Planning Commission recommended regulations as provided in proposed Ordinance No. 760 for Council consideration.

Because the Commission did not receive specific presentations on the Living Community Challenge, LEED Platinum, Built Green 5- and Emerald Star, and Salmon Safe programs, they invited organizations that administer these programs to their March 2, 2017 meeting to provide additional information. The staff report and minutes from that meeting are available below:

- <http://www.shorelinewa.gov/home/showdocument?id=30714>
- <http://www.shorelinewa.gov/home/showdocument?id=30832>

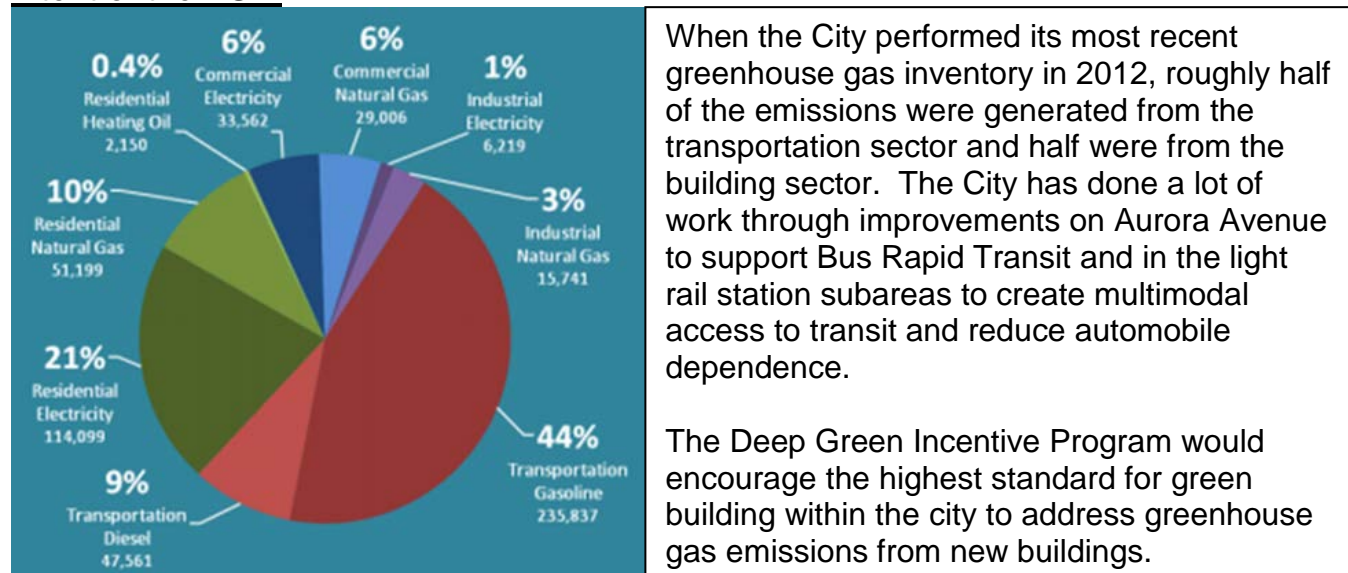
A video of the meeting is also available at the following link:
http://shoreline.granicus.com/MediaPlayer.php?view_id=9&clip_id=750.

Staff recommends that Councilmembers watch the video prior to their discussion because there will not be sufficient time at the Council meeting to provide this level of detailed information about the programs.

On March 13, 2017, the K4C committee that has been working with multiple jurisdictions interested in adopting their own versions of a Living Building Challenge or Deep Green Ordinance hosted a Green Building Developers Forum to get feedback on draft program language. A summary report from this meeting is included as Attachment B.

DISCUSSION

Intent of the DGIP

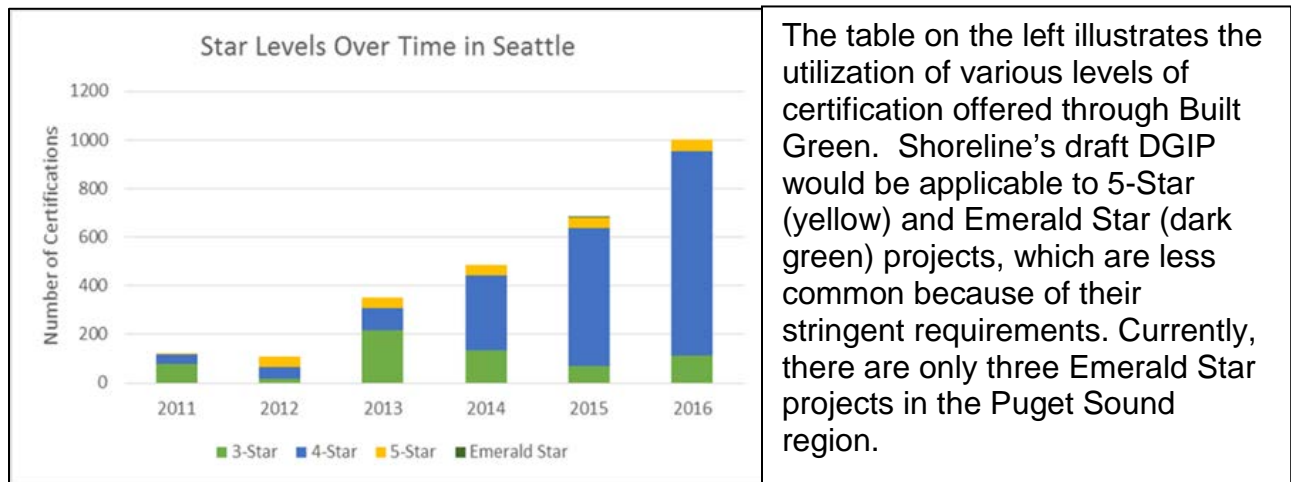


The stated purpose of the DGIP, articulated in SMC Subchapter 9: 20.50.630(A) (Attachment A, Exhibit A), is:

1. encouraging development that will serve as a model for other projects throughout the city and region resulting in the construction of more Living and Deep Green Buildings; and
2. allowing for departures from Code requirements to remove regulatory barriers.

Words like “Living and Deep Green Buildings” and “highest standard” denote that this program is meant to incentivize only the most stringent and comprehensive green building programs. Each of the certification programs included in the DGIP have lower level certifications available, which are becoming more commonly used in the building industry, but these would not qualify for Shoreline’s proposed incentive program. For example, lower levels of certification available through Built Green require 15% energy efficiency above code, as opposed to Emerald Star, which requires net-zero energy (meaning that the building must produce all of its energy needs). Other highlights of the requirements to achieve Emerald Star certification include that the project:

- Be located within a half mile of five essential services;
- Achieve net zero energy;
- Include a signed waiver to share utility data with Built Green;
- Conduct a blower door test with a score of 2.4 or better;
- Provide a 70% reduction in occupant water usage compared to the average Washington resident;
- Achieve 100% infiltration for single-family or 50% for multi-family;
- Provide a minimum of 20 components with environmental attributes (recycled material, rapidly renewal, salvaged, etc.);
- Ensure that 90% of wood must have environmental attributes;
- Require that all non-toxic materials must be used; and
- Provide a Heat Recovery Ventilator system.



DGIP Structure

“Deep Green” refers to an advanced level of green building that requires more stringent standards for energy and water use, stormwater runoff, site development, materials, and indoor air quality than required by the Building Code. With regard to the DGIP, this definition is divided into tiers based on the stringency of green building certification programs as follows:

- Tier 1- International Living Future Institute’s (ILFI) Living Building Challenge™ or Living Community Challenge™;
- Tier 2- ILFI’s Petal Recognition™ or Built Green’s Emerald Star™; and

- Tier 3- US Green Building Council's Leadership in Energy and Environmental Design™ (LEED) Platinum, Built Green's 5-Star™, or ILFI's Net Zero Energy Building™ (NZEB) in combination with Salmon Safe where applicable.

DGIP Incentives

The current draft DGIP includes two types of incentives. The first is a potential fee waiver or reduction, which could include waiving pre-application and a certain percentage of application fees, based on tier, and possibly reducing transportation impact fees, based on project-specific analysis. The second type of incentive would be the ability to grant certain departures from Development Code standards (like solar panels extending above the sidewalk right-of-way) so that the project would be able to meet certification requirements for a specific program.

Attachment A, Exhibit A outlines the Planning Commission recommended development code regulations that would implement the DGIP. Potential fee waivers are described in section 20.50.630(D):

1. A project qualifying for Tier 1 - Living Building Challenge or Living Community Challenge may be granted a waiver of 100% City-imposed pre-application and permit application fees. A project qualifying for Tier 2 – Emerald Star or Petal Recognition may be granted a waiver of 75% of City-imposed application fees. A project qualifying for Tier 3 – LEED Platinum, 5-Star, or NZEB/Salmon Safe may be granted a waiver of 50% of City-imposed application fees.
2. Projects qualifying for the DGIP may be granted a reduced Transportation Impact Fee based on a project-level Transportation Impact Analysis.
3. Departures from Development Code requirements when in compliance with SMC 20.50.630(E).
4. Expedited permit review without additional fees provided in SMC Chapter 3.01

Section 20.50.630(E)(3) enumerates potential departures from Development Code requirements:

- a. SMC 20.50.020. Residential density limits
 - i. Tier 1 – Living Building Challenge or Living Community Challenge Certification: up to 100% bonus for the base density allowed under zoning designation for projects meeting the full Challenge criteria;
 - ii. Tier 2 – Emerald Star or Living Building Petal Certification: up to 75% bonus for the base density allowed under zoning designation for projects meeting the program criteria;
 - iii. Tier 3 - LEED Platinum, 5-Star, or NZEB/Salmon Safe Certification: up to 50% bonus for the base density allowed under zoning designation for projects meeting the program criteria.

Minimum lot size of 10,000 square feet is required in R-4 and R-6 zones in order to request density bonus. Any additional units granted would be required to be built to the same green building standard as the first.

- b. SMC 20.50.390. Parking requirements (not applicable in R-4 and R-6 zones):
 - i. Tier 1 – Living Building Challenge or Living Community Challenge Certification: up to 50% reduction in parking required under 20.50.390 for projects meeting the full Challenge criteria;

- ii. Tier 2 – Emerald Star or Living Building Petal Certification: up to 35% reduction in parking required under 20.50.390 for projects meeting the program criteria;
- iii. Tier 3 - LEED Platinum, 5-Star, or NZEB/Salmon Safe Certification: up to 20% reduction in parking required under 20.50.390 for projects meeting the program criteria.
- c. Setback and lot coverage standards, as determined necessary by the Director;
- d. Use provisions, as determined necessary by the Director
- e. Standards for storage of solid-waste containers;
- f. Open space requirements;
- g. Standards for structural building overhangs and minor architectural encroachments into the right-of-way;
- h. Structure height bonus up to 20 feet for development in a zone with a height limit of 45 feet or greater; and
- i. A rooftop feature may extend above the structure height bonus provided in SMC 20.50.020 or 20.50.050 if the extension is consistent with the applicable standards established for that rooftop feature within the zone.

DGIP Penalties and Enforcement

The draft DGIP includes multiple points where project proponents would need to demonstrate they were on track to meeting certification requirements, and outlines multiple penalties if they are not meeting their goals. In order to demonstrate program compliance, project proponents would be required to:

- Register with the program through which they intend to achieve certification;
- Attend a pre-application meeting with the City to discuss which departures they may request;
- Hold a neighborhood meeting if requesting departures in R-4 or R-6 zones;
- Submit a report at application detailing how they will meet certification requirements;
- Demonstrate to third-party verifiers throughout the development process that they are meeting standards for certification;
- Submit documentation to the City that they have achieved certification appropriate for six-month and two-year timeframes after issuance of Certificate of Occupancy.

Code section 20.30.770(D)(8) Enforcement Provisions- Civil Penalties outlines multiple fines imposed if project proponents fail to submit required reports on time or fall short of meeting their proposed certification goals:

- a. Failure to submit the supplemental reports required by subsection 20.50.630(F) by the date required- within six months and two years of issuance of the Certificate of Occupancy- is subject to civil penalties as specified in 20.30.770(D)(1) and 20.30.770(D)(4).
- b. If the project does not meet the requirements after two years of occupancy as detailed under SMC 20.50.630(F)(5)(a-c), the applicant or owner will required to pay the following:
 - i. Failure to demonstrate compliance with the provisions contained in subsection 20.50.630(F)(6)(a-c) is subject to a maximum penalty of five

- percent of the construction value set forth in the building permit for the structure. This fee may be reduced at the discretion of the Director based on the extent of noncompliance.
- ii. In addition, the applicant or owner shall pay any permit or other fees that were waived by the City.

The five percent construction value fine is based on Seattle's updated Living Building Challenge Ordinance. Seattle reduced this fine from the original 10 percent because project applicants were meeting their certification goals and because others who considered the program but did not apply found it to be a barrier.

To examine projected versus actual energy consumption, Built Green commissioned a soon-to-be-released study that compared homes certified through their program compared to non-certified homes in 2014. On average, 5-Star homes were 41% more efficient than non-certified homes that were built to code. This is 11% better than the minimum 30% that Built Green would expect, and means that the modeling protocol they use to certify buildings is conservative compared to actual performance.

DGIP Application in Single-Family Neighborhoods

This program is far more likely to be utilized in multi-family and commercial zoning, but because the Planning Commission elected not to limit the program exclusively to these zones, they carefully considered how to minimize potential unintended consequences if a project were to be proposed in a single-family neighborhood. While the Planning Commission did not remove the potential for a density bonus in single-family zoning, they made several revisions to limit incentives in these areas, including:

- Requiring a minimum 10,000 foot lot size to request utilization of DGIP in R-4 and R-6 zones;
- Removing the ability to request a parking reduction in R-4 and R-6 zones;
- Removing the ability to request a height bonus in zones with a 35 foot height limit;
- Reducing the available parking reduction in all tiers of the program; and
- Clarifying that any additional units built through a density bonus would be required to achieve the same level of green building certification.

In order to facilitate tonight's discussion, there are several areas worth focusing on in greater detail.

Why are builders less likely to utilize DGIP in single-family zones?

There are several factors that contribute to the low number of single-family homes built to the highest levels of green building certification that would be eligible under the DGIP. Primarily these are based on cost, including the expense and relative scarcity of "non-red-list materials"; i.e., allowable green building materials, and the price of certification. Without additional units to spread these costs over, they are more difficult to recoup through efficiency-based savings alone.

Generally speaking, if someone wants to build a Living Building single-family home, it is based on a personal commitment rather than a profit motive. It is therefore unlikely that a property owner would request a density bonus for a Living Building (Tier 1) or Petal

Recognition (Tier 2) project. It is more likely that a speculative developer would build a Net Zero Energy Building (Tier 3) project, for which they might consider a density bonus to be a meaningful incentive.

For examples of existing single-family homes certified through ILFI programs throughout the world, visit <https://living-future.org/lbc/case-studies/>.

Density Bonus

Despite the aforementioned reasons that the DGIP would be utilized infrequently (if at all) in single-family zones, the only concerns expressed to date by residents or Commissioners centered on this possibility. In order to alleviate this concern:

Staff recommends removing the option to request a density bonus in R-4 and R-6 zones.

If Council wishes to remove density bonus as an option in these zones, as well as the 10,000 sq. ft. minimum lot size that currently applies only to these zones, a motion could amend 20.50.630(E)(3)(a) to state, “SMC 20.50.020. Residential density limits (not applicable in R-4 and R-6 zones)...” and strike “~~Minimum lot size of 10,000 square feet is required in R-4 and R-6 zones in order to request density bonus.~~”

If Council wishes to remove the density bonus as an option in these zones, but would like to retain the minimum 10,000 sq. ft. lot size for other zones, a motion could amend 20.50.630(E)(3)(a) to state, “Minimum lot size of 10,000 square feet is required in all zones with a density maximum in order to request density bonus. Density bonus is not available in R-4 and R-6 zones.”

Height Bonus

The Planning Commission recommendation did not include the option to request a height bonus in any zones with a 35 foot height limit. The intent was to preserve single-family neighborhood character, as well as transition zones between higher intensity zoning and existing single-family in the light rail station subareas. While staff supports this intent, the Council may want to consider whether they would allow height bonus in R-8, R-12, R-24, R-48, and TC-4 zones, which also have 35 foot height limits. The primary reason to consider allowing a height bonus in zones that are not considered Low-Density Residential or MUR-35' would be to protect solar access if photovoltaic arrays are necessary to meet energy certification requirements.

Staff recommends allowing the option of a height bonus in R-8, R-12, R-18, R-48 and TC-4 zones, but NOT allowing the option of a height bonus in R-4, R-6, and MUR-35'.

If Council wishes to revise code language to make this change, a motion could amend 20.50.630(E)(3)(h) to state, “Structure height bonus of up to 10 feet in a zone with height limit of 35 feet, excluding R-4, R-6, and MUR-35' zones. Structure height bonus up to 20 feet for development in a zone with a height limit of 45 feet or greater;”

Incentive Program Name

As mentioned in the Background section of this staff report, the name Deep Green Incentive Program evolved from the previously named Living Building Challenge Ordinance because the latter refers to a specific and proprietary ILFI certification. Expanding the incentive program to include other high-level green building certifications necessitated a name change, but Council may wish to provide additional clarification based on a concern that the title of the program would be confusing to lay people. One option would be to add the word “building”, to read Deep Green Building Incentive Program, since many people know what a ‘green building’ is. If the concern is that “deep” green is not meaningful to most people, other title options could include “Net Zero Incentive Program” but staff believes this term is more obscure than green building. Other ideas by Councilmembers are welcomed.

RESOURCE/FINANCIAL IMPACT

No resource impacts are anticipated as a result of this discussion. If Council adopts the Deep Green Incentive Program on April 17, 2017, and developers request fee waivers or reductions under the program, there could be impacts to permit fee and other revenues.

RECOMMENDATION

While no action is required as part of this discussion, staff would appreciate direction regarding proposed changes to the draft Deep Green Incentive Program in order to facilitate adoption of proposed Ordinance No. 760 on April 17.

ATTACHMENTS

Attachment A - Draft Ordinance No. 760 Adopting the Deep Green Incentive Program
Attachment A, Exhibit A - Draft Regulations to Implement the DGIP
Attachment B - Summary Report from March 13 Green Building Developers Forum

ORDINANCE NO. 760

AN ORDINANCE OF THE CITY OF SHORELINE AMENDING THE UNIFIED DEVELOPMENT CODE, SHORELINE MUNICIPAL CODE TITLE 20, CHAPTERS 20.20, 20.30, AND 20.50, AND ESTABLISHING A NEW SUBCHAPTER WITHIN SMC 20.50, TO IMPLEMENT A DEEP GREEN INCENTIVE PROGRAM

WHEREAS, the City of Shoreline is a non-charter optional municipal code city as provided in Title 35A RCW, incorporated under the laws of the state of Washington, and planning pursuant to the Growth Management Act, Title 36.70A RCW; and

WHEREAS, buildings are responsible for a large portion of negative environmental impacts, accounting for approximately fifty percent of U.S. carbon emissions and contributing to climate change, persistent toxins in the environment, raw resource consumption, impacts to water supply, habitat loss, and other related concerns; and

WHEREAS, the City Council designated adoption of a Living Building Challenge Ordinance and consideration of a Petal Recognition Program as priority strategies for 2016-2019 on September 14, 2015, thereby requesting the Department of Planning & Community Development and the Planning Commission to develop recommendations for implementing the Living Building Program within the City of Shoreline; and

WHEREAS, the Deep Green Incentive Program establishes goals for building owners, architects, design professionals, engineers, and contractors to build in a way that provides for a sustainable future through buildings informed by their ecoregion's characteristics that generate all of their own energy with renewable resources, capture and treat all of their water, and operate efficiently with maximum beauty; and

WHEREAS, Deep Green and Living Buildings require a fundamentally different approach to building design, permitting, construction, and operations that may necessitate flexibility in current codes and regulatory processes in order to support their development; and

WHEREAS, the City has been a leader in encouraging sustainable building through construction of a LEED Gold City Hall; adoption of regulations that require green building in areas near future light rail stations at 145th and 185th; identifying energy and water efficient buildings as a primary strategy to meet its greenhouse gas reduction targets adopted through the Climate Action Plan; and initiated other processes, regulations, and incentives to encourage the private market to follow the City's lead; and

WHEREAS, the goal of this Ordinance and implementing regulations is to encourage the development of buildings that meet the criteria for certification under the International Living Future Institute, Built-Green, US Green Building Council, or Salmon Safe programs, through a variety of incentives; and

WHEREAS, the City desires to establish a Deep Green Incentive Program supporting the development of new buildings and the retrofitting of existing buildings that meet the standards defined by the International Living Future Institute, Built Green, US Green Building Council, or Salmon Safe; and

WHEREAS, the environmental impacts of the proposed amendments resulted in the issuance of a Determination of Non-Significance (DNS) on October 13, 2016; and

WHEREAS, the City has provided public notice of the amendments and the public hearing as provided in SMC 20.30.070; and

WHEREAS, pursuant to RCW 36.70A.370, the City has utilized the process established by the Washington State Attorney General so as to assure the protection of private property rights; and

WHEREAS, pursuant to RCW 36.70A.106, the City has provided the Washington State Department of Commerce with a 60-day notice of its intent to adopt the proposed amendments to Title 20; and

WHEREAS, on October 20, 2016, the City of Shoreline Planning Commission reviewed the proposed amendments; and

WHEREAS, on December 1, 2016, the Planning Commission held a public hearing on the proposed amendments so as to receive public testimony and continued the public hearing until January 5, 2017 and again to January 19, 2017; and

WHEREAS, at the conclusion of January 19, 2017 public hearing, the Planning Commission adopted its recommendation on the proposed amendments for submittal to the City Council; and

WHEREAS, on March 27, 2017, the City Council held a study session on the proposed amendments as recommended by the Planning Commission; and

WHEREAS, the City Council has considered the entire public record, public comments, written and oral, and the Planning Commission's recommendation; and

WHEREAS, the City Council has determined, as provided in SMC 20.30.350, that the proposed amendments are consistent with and implement the Shoreline Comprehensive Plan, will not adversely affect the public health, safety, or general welfare, and is not contrary to the best interest of the citizens and property owners of the City;

THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE,
WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. Amendment of the Unified Development Code, SMC Title 20. The amendments to the Unified Development Code, SMC Title 20, attached hereto as Exhibit A are adopted.

Section 2. Corrections by City Clerk or Code Reviser. Upon approval of the City Attorney, the City Clerk and/or the Code Reviser are authorized to make necessary corrections to this ordinance, including the corrections of scrivener or clerical errors; references to other local, state, or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering and references.

Section 3. Severability. Should any section, subsection, paragraph, sentence, clause, or phrase of this ordinance or its application to any person or situation be declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance or its application to any other person or situation.

Section 4. Effective Date. A summary of this ordinance consisting of the title shall be published in the official newspaper and the ordinance shall take effect five days after.

PASSED BY THE CITY COUNCIL ON APRIL 17, 2017.

Christopher Roberts
Mayor

ATTEST:

APPROVED AS TO FORM:

Jessica Simulcik Smith
City Clerk

Margaret King
City Attorney

Date of Publication: _____
Effective Date: _____

**PLANNING COMMISSION RECOMMENDATION
Amendments to Shoreline Municipal Code Title 20
Chapters 20.20, 20.30, and 20.50
Deep Green Incentive Program
Ordinance No. 760, Exhibit A
January 19, 2017**

20.20.016 D definitions.

Deep Green- refers to an advanced level of green building that requires more stringent standards for energy and water use, stormwater runoff, site development, materials, and indoor air quality than required by the Building Code. With regard to the Deep Green Incentive Program, this definition is divided into tiers based on certification programs as follows:

- Tier 1- International Living Future Institute's (ILFI) Living Building Challenge™ or Living Community Challenge™;
- Tier 2- ILFI's Petal Recognition™ or Built Green's Emerald Star™; and
- Tier 3- US Green Building Council's Leadership in Energy and Environmental Design™ (LEED) Platinum, Built Green's 5-Star™, or ILFI's Net Zero Energy Building™ (NZEB) in combination with Salmon Safe where applicable.

20.20.032 L definitions.

Living Building™- generates all of its own energy with renewable resources, captures and treats all of its water, and operates efficiently and for maximum beauty. With regard to the Deep Green Incentive Program, it refers specifically to the International Living Future Institute's Living Building Challenge™ or Living Community Challenge™ programs, which are comprised of seven performance areas. These areas, or "Petals", are place, water, energy, health and happiness, materials, equity, and beauty.

20.30.045 Neighborhood meeting for certain Type A proposals.

A neighborhood meeting shall be conducted by the applicant or owner for the following in the R-4 or R-6 zones.

1. developments consisting of more than one single-family detached dwelling unit on a single parcel. This requirement does not apply to accessory dwelling units (ADUs); or
2. developments requesting departures under the Deep Green Incentive Program, SMC 20.50 Subchapter 9.

This neighborhood meeting will satisfy the neighborhood meeting requirements when and if an applicant or owner applies for a subdivision (refer to SMC [20.30.090](#) for meeting requirements).

20.30.080 Preapplication meeting.

A preapplication meeting is required prior to submitting an application for any Type B or Type C action and/or for an application for a project that may impact a critical area or its buffer consistent with SMC [20.80.045](#).

A preapplication meeting is required prior to submitting an application for any project requesting departures through the Deep Green Incentive Program to discuss why departures are necessary to achieve certification through International Living Future Institute, Built Green, US Green Building Council, or Salmon Safe programs. A representative from prospective certifying agency will be invited to the meeting, but their attendance is not mandatory. The fee for the preapplication meeting will be waived.

Applicants for development permits under Type A actions are encouraged to participate in preapplication meetings with the City. Preapplication meetings with staff provide an opportunity to discuss the proposal in general terms, identify the applicable City requirements and the project review process including the permits required by the action, timing of the permits and the approval process.

Preapplication meetings are required prior to the neighborhood meeting.

The Director shall specify submittal requirements for preapplication meetings, which shall include a critical areas worksheet and, if available, preliminary critical area reports. Plans presented at the preapplication meeting are nonbinding and do not “vest” an application.

20.30.297 Administrative Design Review (Type A).

1. Administrative Design Review approval of departures from the design standards in SMC 20.50.220 through 20.50.250 and SMC 20.50.530 through 20.50.610 shall be granted by the Director upon their finding that the departure is:
 - a) Consistent with the purposes or intent of the applicable subsections; or
 - b) Justified due to unusual site constraints so that meeting the design standards represents a hardship to achieving full development potential.
2. Projects applying for certification under the Living Building or Community Challenge, Petal Recognition, Emerald Star, LEED-Platinum, 5-Star, or Net Zero Energy Building/Salmon Safe programs may receive departures from development standards under SMC 20.40, 20.50, 20.60, and/or 20.70 upon the Director’s finding that the departures meet A and/or B above, and as further described under 20.50.630. Submittal documents shall include proof of enrollment in the programs listed above.

20.30.770 Enforcement provisions.

D. Civil Penalties.

8. Deep Green Incentive Program.

- a. Failure to submit the supplemental reports required by subsection 20.50.630(F) by the date required- within six months and two years of issuance of the Certificate of Occupancy- is subject to civil penalties as specified in 20.30.770(D)(1) and 20.30.770(D)(4).

- b. If the project does not meet the requirements after two years of occupancy as detailed under SMC 20.50.630(F)(5)(a-c), the applicant or owner will be required to pay the following:
 - i. Failure to demonstrate compliance with the provisions contained in subsection 20.50.630(F)(6)(a-c) is subject to a maximum penalty of five percent of the construction value set forth in the building permit for the structure. This fee may be reduced at the discretion of the Director based on the extent of noncompliance.
 - ii. In addition, the applicant or owner shall pay any permit or other fees that were waived by the City.

20.50.400 Reductions to minimum parking requirements.

- A. Reductions of up to 25 percent may be approved by the Director using a combination of the following criteria:
 - 1. On-street parking along the parcel's street frontage.
 - 2. Shared parking agreement with nearby parcels within reasonable proximity where land uses do not have conflicting parking demands. The number of on-site parking stalls requested to be reduced must match the number provided in the agreement. A record on title with King County is required.
 - 3. Parking management plan according to criteria established by the Director.
 - 4. A City approved residential parking zone (RPZ) for the surrounding neighborhood within one-quarter mile radius of the subject development. The RPZ must be paid by the developer on an annual basis.
 - 5. A high-capacity transit service stop within one-quarter mile of the development property line with complete City approved curbs, sidewalks, and street crossings.
 - 6. A pedestrian public access easement that is eight feet wide, safely lit and connects through a parcel between minimally two different rights-of-way. This easement may include other pedestrian facilities such as walkways and plazas.
 - 7. City approved traffic calming or traffic diverting facilities to protect the surrounding single-family neighborhoods within one-quarter mile of the development.
- B. A project applying for parking reductions under the Deep Green Incentive Program may be eligible for commercial and multi-family projects based on the certification they intend to achieve. No parking reductions will be eligible for single-family projects. Reductions will be based on the following tiers:
 - 1. Tier 1 – Living Building or Living Community Challenge Certification: up to 50% reduction in parking required under 20.50.390 for projects meeting the full International Living Future Institute (ILFI) program criteria;
 - 2. Tier 2 – Living Building Petal or Emerald Star Certification: up to 35% reduction in parking required under 20.50.390 for projects meeting the respective ILFI or Built Green program criteria;
 - 3. Tier 3 - LEED Platinum, 5-Star, or Net Zero Energy Building/Salmon Safe Certification: up to 20% reduction in parking required under 20.50.390 for

projects meeting the respective US Green Building Council, Built Green, or ILFI and Salmon Safe program criteria.

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

CD. The Director may impose performance standards and conditions of approval on a project including a financial guarantee.

DE. Reductions of up to 50 percent may be approved by Director for the portion of housing providing low income housing units that are 60 percent of AMI or less as defined by the U.S. Department of Housing and Urban Development.

EF. A parking reduction of 25 percent may be approved by the Director for multifamily development within one-quarter mile of the light rail station. These parking reductions may not be combined with parking reductions identified in subsections **A**, **B**, and **ED** of this section.

FG. Parking reductions for affordable housing or the Deep Green Incentive Program may not be combined with parking reductions identified in subsection **A** of this section.

THE ENTIRE CODE SECTION BELOW CONSTITUTES A NEW SUBCHAPTER.

Subchapter 9: 20.50.630 – Deep Green Incentive Program (DGIP)

A. Purpose. The purpose of this section is to establish an incentive program for Living and Deep Green Buildings in the City of Shoreline. The goal of the DGIP is to encourage development that meets the International Living Future Institute’s (ILFI) Living Building Challenge™, Living Community Challenge™, Petal Recognition™, or Net Zero Energy Building™ (NZEB) programs; Built Green’s Emerald Star™ or 5-Star™ programs; the US Green Building Council’s (USGBC) Leadership in Energy and Environmental Design™ (LEED) Platinum program; and/or the Salmon Safe™ program by:

1. encouraging development that will serve as a model for other projects throughout the city and region resulting in the construction of more Living and Deep Green Buildings; and
2. allowing for departures from Code requirements to remove regulatory barriers.

B. Project qualification.

1. Application requirements. In order to request exemptions, waivers, or other incentives through the Deep Green Incentive Program, the applicant or owner shall submit a summary demonstrating how their project will meet each of the requirements of the relevant certification program, such as including an overall design concept, proposed energy balance, proposed water balance, and descriptions of innovative systems.
2. Qualification process. An eligible project shall qualify for the DGIP upon determination by the Director that it has submitted a complete application

pursuant to SMC 20.30.297 Administrative Design Review, and has complied with the application requirements of this subsection.

3. The project must be registered with the appropriate third-party certification entity such as the International Living Future Institute, Built Green, US Green Building Council, or Salmon Safe.
4. Projects requesting departures under the DGIP shall meet the current version of the appropriate certification program, which will qualify them for one of the following tiered packages of incentives:
 - a. Tier 1 - Living Building Challenge or Living Community Challenge Certification: achieve all of the Imperatives of the ILFI programs;
 - b. Tier 2 – Emerald Star or Petal Certification: satisfy requirements of Built Green program or three or more ILFI Petals, including at least one of the following- Water, Energy, or Materials; or
 - c. Tier 3- LEED Platinum, 5-Star, or NZEB plus Salmon Safe: satisfy requirements of the respective USGBC, Built Green, or ILFI/Salmon Safe programs. The addition of Salmon Safe certification to NZEB projects is not required for detached single-family projects.

C. Director’s determination. All Shoreline Deep Green Incentive Program projects are subject to review by the Director under Section 20.30.297. Any departures from the Shoreline Development Code (SMC Title 20) must be approved by the Director prior to submittal of building permit application.

D. Incentives. A project qualifying for the Shoreline Deep Green Incentive Program will be granted the following tiered incentive packages, based on the certification program for which they are applying:

1. A project qualifying for Tier 1 - Living Building Challenge or Living Community Challenge may be granted a waiver of 100% City-imposed pre-application and permit application fees. A project qualifying for Tier 2 – Emerald Star or Petal Recognition may be granted a waiver of 75% of City-imposed application fees. A project qualifying for Tier 3 – LEED Platinum, 5-Star, or NZEB/Salmon Safe may be granted a waiver of 50% of City-imposed application fees.
2. Projects qualifying for the DGIP may be granted a reduced Transportation Impact Fee based on a project-level Transportation Impact Analysis.
3. Departures from Development Code requirements when in compliance with SMC 20.50.630(E).
4. Expedited permit review without additional fees provided in SMC Chapter 3.01

E. Departures from Development Code requirements. The following requirements must be met in order to approve departures from Development Code requirements:

1. The departure would result in a development that meets the goals of the Shoreline Deep Green Incentive Program and would not conflict with the health and safety of the community. In making this recommendation, the Director shall

- consider the extent to which the anticipated environmental performance of the building would be substantially compromised without the departures.
2. A Neighborhood Meeting is required for projects departing from standards in the R-4 or R-6 zones.
 3. Departures from the following regulations may be granted for projects qualifying for the Shoreline Deep Green Incentive Program:
 - a. SMC 20.50.020. Residential density limits
 - i. Tier 1 – Living Building Challenge or Living Community Challenge Certification: up to 100% bonus for the base density allowed under zoning designation for projects meeting the full Challenge criteria;
 - ii. Tier 2 – Emerald Star or Living Building Petal Certification: up to 75% bonus for the base density allowed under zoning designation for projects meeting the program criteria;
 - iii. Tier 3 - LEED Platinum, 5-Star, or NZEB/Salmon Safe Certification: up to 50% bonus for the base density allowed under zoning designation for projects meeting the program criteria.
 - Minimum lot size of 10,000 square feet is required in R-4 and R-6 zones in order to request density bonus. Any additional units granted would be required to be built to the same green building standard as the first.
 - b. SMC 20.50.390. Parking requirements (not applicable in R-4 and R-6 zones):
 - i. Tier 1 – Living Building Challenge or Living Community Challenge Certification: up to 50% reduction in parking required under 20.50.390 for projects meeting the full Challenge criteria;
 - ii. Tier 2 – Emerald Star or Living Building Petal Certification: up to 35% reduction in parking required under 20.50.390 for projects meeting the program criteria;
 - iii. Tier 3 - LEED Platinum, 5-Star, or NZEB/Salmon Safe Certification: up to 20% reduction in parking required under 20.50.390 for projects meeting the program criteria.
 - c. Setback and lot coverage standards, as determined necessary by the Director;
 - d. Use provisions, as determined necessary by the Director
 - e. Standards for storage of solid-waste containers;
 - f. Open space requirements;
 - g. Standards for structural building overhangs and minor architectural encroachments into the right-of-way;
 - h. Structure height bonus up to 20 feet for development in a zone with a height limit of 45 feet or greater; and
 - i. A rooftop feature may extend above the structure height bonus provided in SMC 20.50.020 or 20.50.050 if the extension is consistent with the applicable standards established for that rooftop feature within the zone.

F. Compliance with minimum standards.

1. For projects requesting departures, fee waivers, or other incentives under the Deep Green Incentive Program, the building permit application shall include a report from the design team demonstrating how the project is likely to achieve the elements of the program through which it intends to be certified.
2. For projects applying for an ILFI certification (Tiers 1, 2, or 3), after construction and within six months of issuance of the Certificate of Occupancy, the applicant or owner must show proof that an LBC Preliminary Audit has been scheduled; such as a paid invoice and date of scheduled audit. After construction and within twelve months of issuance of Certificate of Occupancy, the applicant or owner must show a preliminary audit report from ILFI demonstrating project compliance with the Place, Materials, Indoor Air Quality, and Beauty/Inspiration Imperatives that do not require a performance period.
3. For projects aiming for Built Green Emerald Star (Tier 2) or 5-Star (Tier 3) certification, after construction and within six months of issuance of the Certificate of Occupancy, the applicant or owner must show proof that the project successfully met Built Green certification by way of the Certificate of Merit from the program.
4. For projects pursuing LEED certification (Tier 3), the applicant or owner must show, after construction and within six months of issuance of the Certificate of Occupancy, that the project has successfully completed the LEED Design Review phase by way of the final certification report.
5. For projects pursuing Salmon Safe certification (Tier 3 in conjunction with NZEB when applicable), the applicant or owner must show, after construction and within six months of issuance of the Certificate of Occupancy, that the project has successfully obtained the Salmon Safe Certificate.
6. No later than two years after issuance of a final Certificate of Occupancy for the project, or such later date as requested in writing by the owner and approved by the Director for compelling circumstances, the owner shall submit to the Director the project's certification demonstrating how the project complies with the standards contained in this subsection. Compliance must be demonstrated through an independent certification from ILFI, Built Green, or USGBC/Green Building Cascadia Institute (GBCI). A request for an extension to this requirement must be in writing and must contain detailed information about the need for the extension.
 - a. For projects pursuing ILFI certification (Living Building Challenge, Living Community Challenge, Petal Recognition, or Net Zero Energy Building), performance based requirements such as energy and water must demonstrate compliance through certification from ILFI within the two year timeframe noted above.
 - b. For projects pursuing Built Green certification post-occupancy compliance must be demonstrated with analysis proving 12 consecutive months of net zero energy performance and/or 70% reduction in occupant water use. It is the owner's responsibility to submit utility information to Built Green so analysis can be conducted and shown to the Director.

- c. For projects pursuing LEED certification, the applicant or owner must show proof of certification by way of the final LEED Construction Review report and LEED Certificate issued by USGBC/GBCI.
- 7. If the Director determines that the report submitted provides satisfactory evidence that the project has complied with the standards contained in this subsection, the Director shall send the owner a written statement that the project has complied with the standards of the Shoreline Deep Green Incentive Program. If the Director determines that the project does not comply with the standards in this subsection, the Director shall notify the owner of the aspects in which the project does not comply. Components of the project that are included in order to comply with the minimum standards of the Shoreline Deep Green Incentive Program shall remain for the life of the project.
- 8. Within 90 days after the Director notifies the owner of the ways in which the project does not comply, or such longer period as the Director may allow for justifiable cause, the owner may submit a supplemental report demonstrating that alterations or improvements have been made such that the project now meets the standards in this subsection.
- 9. If the owner fails to submit a supplemental report within the time allowed pursuant to this subsection, the Director shall determine that the project has failed to demonstrate full compliance with the standards contained in this subsection, and the owner shall be subject to penalties as set forth in subsection 20.30.770.

DRAFT

Green Building Developer Forum: Potential Living Building and Deep Green Incentive Programs

Monday, March 13, 2017; 11am-1pm; King Street Center, Seattle



Attendance

- Aaron Barnett, Cascade Built
- Cathy Beam, City of Redmond
- Mindy Black, Weber Thompson
- Mark Chen, Turner Construction Co.
- Matthew Combe, 2030 District
- Megan Curtis-Murphy, City of Issaquah
- Alicia Daniels-Uhlig, ILFI
- Jennifer Ewing, City of Bellevue
- Dave Favour, City of Issaquah
- Jess Harris, City of Seattle
- Cameron Hall, Perkins + Will
- Paul Hintz, City of Renton
- Marty Kooistra, Housing Development Consortium
- Leah Missik, Built Green
- Brett Phillips, Unico
- Miranda Redinger, City of Shoreline
- Sloan Ritchie, Cascade Built
- Zack Semke, NK Architects
- Patti Southard, King County
- Lisa Verner, King County
- Susan Wickwire, 2030 District
- Amy Waterman, 2030 District

Meeting Purpose

The Living Building Challenge Demonstration Ordinance Subcommittee of the Regional Code Collaboration convened a meeting to solicit feedback from single-family, mid-rise, mixed-use, and commercial green builders. Several jurisdictions in King County are developing high performance building ordinances, and wanted to hear from developers about meaningful incentives and common barriers as they develop incentive packages.

Presentations

Regional Code Collaboration

Patti Southard provided an overview of King County's Regional Code Collaboration (RCC), which includes staff from cities and counties in the region working to develop code language that can be locally adapted and adopted to meet sustainability commitments, including the King County-Cities Climate Collaboration (K4C) joint commitments. Key work in 2016-2017 includes a Living Building Challenge demonstration ordinance, a construction and demolition recycling ordinance, an aspirational energy code, and updating multifamily recycling codes.

City of Shoreline Green Building Incentives

Miranda Redinger provided an overview of Shoreline's draft Deep Green Incentive Program (DGIP), which provides incentives for third party high performance building certification, including Living Building Challenge (LBC), Living Community Challenge, Petal Recognition, Built Green Emerald Star and 5-Star, LEED Platinum, and Net Zero Energy Building (NZEB) + Salmon-Safe certification. Incentives include fee waivers or reductions and exemptions or departures from development standards such as parking requirements, open space requirements, set back and lot coverage, and height limits.

City of Bellevue Green Building Incentives

Jennifer Ewing provided an overview of current and potential new green building incentives in Bellevue. Like Shoreline, Bellevue has proposed a tiered incentive system based on third-party green building certifications (LBC, Built Green, and LEED). Bellevue is proposing a fixed FAR bonus ranging from 0.2 to 0.3 FAR for its downtown, depending on certification level. The City is also considering an advanced green building pilot program that could potentially incorporate additional incentives, such as facilitated and/or expedited permitting, fee reductions, and additional land use bonuses and allow for departures and code alternates for projects seeking green building certification.

Facilitated Small Group Discussions

Attendees were split into three groups, each with 7-8 individuals for facilitated small group discussions to solicit feedback on the incentive programs and discuss what types of incentives are most meaningful to developers. Discussion questions are presented below, along with a summary of attendee responses to those questions.

1. What incentives are most meaningful? How would you prioritize them? (e.g. Land Use, Parking Reductions, Permit Fee Reductions, Utility/Transportation Impact Fee Reductions, Expedited Permitting)

- Smaller developers prefer incentives that reduce the cost of a project (such as fee reductions) over those that increase project size—they may lack the capital and other resources to implement a bigger project, even if the increased lot size is available to them.
- Other developers prefer incentives that can increase revenue instead of saving permit fees; \$200,000 increase in annual revenue is more valuable than saving \$200,000 on a permit.
 - Increased density is a meaningful incentive to developers. Increasing rentable floor space (via FAR) can be really valuable to project ROI.
 - One suggested having developers take example sites and develop pro formas to vet proposed incentives.
- Facilitated permitting is helpful, especially for more complex projects that require departures from or code alternates. Expedited permitting nice to have but not as meaningful.
 - Seattle is an example where managing different approvals for permits (e.g., Department of Neighborhoods, design review board, historic preservation boards, for example) can be challenging.
- Incentives that could help developers work with utilities (and reduced associated costs) would be very helpful. Some noted that navigating stormwater requirements and exemptions can be challenging.
- Some incentives such as parking are less meaningful since projects are still market-driven. For projects more than a mile from light rail, for example, reduced parking isn't an incentive since the developers are still going to have to build parking.
 - Additionally, from an affordable housing standpoint, many residents are car-dependent for their jobs. There must be a certain level of parking in these types of projects.
- Consider, in addition to a FAR bonus, exempting the space associated with equipment space requirements for green buildings (such as purple pipes and heat recovery systems). FAR bonus should be actual leasable space.
- Not all jurisdictions own their utilities, consider reduced hook-up fees in jurisdictions that have public utility districts.
- Developers prioritize certainty and predictability, avoid risk. Incentives needs to allow for a reasonable return on cost and construction risk associated with pursuing higher levels of green building certification. Incentives need to align with costs, otherwise they won't be utilized.

2. How do you value the incentives in your decision-making and planning?

- Whether developers will “develop and hold” is something to consider when developing incentives.
- Consider long-term vs. short-term investments. Green building efforts pay out over the longer term.

- Longer-term investments can be hard to justify because of availability of funding sources; lenders aren't incentivized to take on a longer term investment risk. Lenders also may not recognize and do not factor into lending discussions and terms the operational savings from green buildings.
 - Incentives are influential, but FAR and building height are main drivers, especially in Seattle.
 - Long term developers may benefit from long term savings but short term (up to 7 years) may want to see incentives pay off right away due to the length of time they would own the building(s)
- 3. Are you typically already planning on developing a green building, and the incentives help to get you to a higher level, or do they help take a regular building up to a green building?**
- Cost is a factor for what people will pursue. For example, some projects with green stormwater elements have been included in the design phase, but then removed in development due to pricing.
 - Building codes have progressed a lot since LEED's early days. Some projects want to design to LEED but don't want to certify due to cost and administrative burden. Some non-certified buildings are still getting above-market rents due to green features.
- 4. Do you work on a lot of projects that are designed to LEED (or other) standards but don't pursue certification?**
- Built Green certification reported to be straightforward, but one attendee expressed challenges when pursuing Passive House certification. The barrier was not financial but time; the third-party response time was too slow.
 - Certification may not be a barrier for big developers (e.g., Unico, Vulcan); the process and cost is already built into their development process.
 - Implementing Petal Recognition standards for mid-rise buildings is already very challenging. When designing a project for certification, the developer always designs beyond the goal standard (as a contingency to avoid penalties if a few points are lost along the way).
 - Many higher education and federal projects are still going for LEED certification.
 - One attendee noted that their firm has had LEED standard designed projects, but in the end tradeoff between certification costs and other budget items means they don't typically pursue certification. Contractors find managing all the certification requirements challenging, which further raises costs in development.
- 5. What has been your experience working with Seattle's LBC Pilot and/or Priority Green Program and what are your recommendations for similar programs in other cities?**
- Some challenges meeting Seattle's sustainability design review requirements. One example is a project that hit a roadblock in design review due to difficulty getting a lower cost but less established sustainable building material approved. Developers face challenges balancing the costs associated in the project while implementing sustainability features; there should be some flexibility when developers are already spending a lot on other green building elements.
 - Seeing an increase in Built Green projects. Priority Green has helped.
 - Need to consider if the purpose of these incentives is to enable the development of a smaller group of very high performing buildings, or a more broad update of green building practices, which might not be the most advanced, but are more likely to be adopted at a larger scale.
 - Full LBC certification is a challenge:
 - Net zero water is tough to achieve, especially under current codes.
 - Options to achieve net zero energy more limited with buildings over six floors; most consider Petal Recognition only (not net zero energy) feasible for high rise buildings.
 - Consider equity. If someone doesn't have the means to pursue certification, make sure they aren't kept from receiving the incentives of green building.
 - Seattle's Alternative Path program allows for small projects which follow green building standards to still receive expedited permitting without having to demonstrate certification.

- Jurisdictions have concerns about the capacity to approve green features, certification systems are third party and they take pressure off the permitting agency.

6. Are there additional opportunities to address code barriers that you have encountered, which are not included in draft language presented today?

- There is some tension between building codes and new building trends. One example cited is HVAC for a high density Passive House project—building code requirements for minimum ventilation per room were excessive given the Passive House design.
- Scale jumping and district solutions. There are economies of scale for harvesting energy and processing water on a regional level. In an urban context, we have the ability to reach out and pay into wind farm and offset energy use, use bigger systematic catchments to harvest rainwater, etc.
- There are ongoing concerns regarding barriers to water systems in the plumbing code, interpretations by individual jurisdictions are not consistent.