

Planning Commission Meeting Date: October 20, 2016

Agenda Item: 7a

PLANNING COMMISSION AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Deep Green Incentive Program
DEPARTMENT: Planning & Community Development
PRESENTED BY: Miranda Redinger, Senior Planner
 Kimberly Lehmberg, Associate Planner

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|--|--|--|
| <input type="checkbox"/> Public Hearing | <input type="checkbox"/> Study Session | <input type="checkbox"/> Recommendation Only |
| <input checked="" type="checkbox"/> Discussion | <input type="checkbox"/> Update | <input type="checkbox"/> Other |

INTRODUCTION AND BACKGROUND

On September 30, 2013, Council adopted the Shoreline Climate Action Plan, thereby committing to reduce community greenhouse gas (GHG) emissions 80% by 2050 (80x50), with an interim target of 50% reduction by 2030 (50x30). In 2014, the City reaffirmed that commitment by signing the King County-Cities Climate Collaboration (K4C) Joint County-City Climate Commitments, joining with the County and other cities in similar targets.

Since the selection of these specific targets was based on scientific consensus of what it would take to prevent the most devastating impacts of climate change, an analysis of what was feasible still needed to be completed. Through its partnership with the K4C, the City of Shoreline had the opportunity to work with Climate Solutions' New Energy Cities Program to perform a Carbon Wedge Analysis, which developed strategies for the City to achieve these "ambitious but achievable" targets. Council was introduced to the analysis and strategies at their October 14, 2014 meeting. The staff report from that meeting is available here:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2014/staffreport101314-9a.pdf>.

On September 14, 2015, the Council discussed several of the strategies identified through the Climate Action Plan, Carbon Wedge Analysis, and K4C Climate Commitments, and selected three priority recommendations for 2016-2019:

- Adoption of a Living Building Challenge Ordinance and consideration of a Petal Recognition Program

Approved By: Project Manager _____

Planning Director _____

- Examining feasibility of District Energy or Combined Heat and Power in areas that are likely to undergo redevelopment, including the light rail station subareas, Aurora Square/Shoreline Place, and Town Center; and
- Conducting a Solarize campaign, including exploring adoption of Solar-Ready regulations, and building on partnerships with local educational, professional, and non-profit organizations dedicated to increasing solar power generation in Shoreline.

The staff report from that meeting is available here:

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

On February 1, 2016, the Council discussed the three identified priority strategies in further detail. This agenda item included a presentation from Thomas Puttnam, President of Puttnam Infrastructure, on studying the feasibility of District Energy. Linda Irvine, Program Director for Northwest Sustainable Energy for Economic Development (NW SEED), also answered questions related to Solarize initiatives. The staff report from that meeting is available here:

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

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 Program, which are that organization's certification programs for high-performing green buildings.

The staff report from that meeting is available here:

<http://www.shorelinewa.gov/home/showdocument?id=25137>; the minutes from that meeting are available here:

<http://www.shorelinewa.gov/Home/ShowDocument?id=25209>.

For tonight's discussion, it will be helpful to include some 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. With regard to the Deep Green Incentive Program, this definition is divided into tiers. Tier 1 refers specifically to the standards of International Living Future Institute's (ILFI) Living Building Challenge™ certification program; Tier 2 refers specifically to the standards of the ILFI Petal Recognition™ certification program or Built Green's Emerald Star™ certification program; and Tier 3 refers specifically to the standards of the US Green Building Council's Leadership in Energy and Environmental Design™ (LEED) Platinum certification program or ILFI's Net Zero Energy Building™ (NZEB) certification program.

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™ program, which is comprised of seven performance areas. These areas, or "Petals", are place, water, energy, health and happiness, materials, equity, and beauty.

Net zero building -has zero net energy or water consumption, meaning the total amount of energy or water used by the building on an annual basis is roughly equal to the amount of renewable energy created or water captured or reused on the site. A net positive building produces more energy or water than is used on the site.

The Living Building Challenge emphasizes sustainability with regard to the following design considerations or "Petals":

- Place- restoring a healthy interrelationship with nature;
- Water- creating developments that operate within the water balance of a given place and climate;
- Energy- relying only on current solar income;
- Health and Happiness- creating environments that optimize physical and psychological health and well-being;
- Materials- endorsing products that are safe for all species throughout time;
- Equity- supporting a just, equitable world; and
- Beauty- celebrating design that uplifts the human spirit.

A Living Building Challenge Ordinance (LBCO) may be adopted by jurisdictions to provide relief from code barriers that may preclude development of Living Buildings and/or include incentives for their development. Seattle adopted an LBCO in order to facilitate development of the Bullitt Center, the world's greenest office building.

The City of Shoreline and other K4C cities' staff have been working with the ILFI and other green building certification programs to adapt existing ordinances to be applicable to smaller cities. The February 18, 2016 meeting introduced Commissioners to the concept of Living and Net Zero Energy Buildings and outlined various components of a potential Living Building Challenge Ordinance for Shoreline. The staff report for that meeting posed the following questions with regard to the draft components presented:

- Should Shoreline's ordinance limit the number of potential projects through a pilot program?
- Should Shoreline's program apply to all building types in all zones and geographic locations within the city or confine potential projects to certain types or areas?
- Should Shoreline consider different incentive packages for full Living Building Challenge Certification and Petal Recognition?
- If so, are the incentive packages identified in the draft ordinance appropriate?

During the discussion, the Commission supported not limiting the number of projects or the building type or zoning for which a project could apply for a potential incentive program, and applying a tiered system of incentives according to the level of certification for a proposed project. Based on direction from that evening and a series of discussions with the K4C working group, certification and regulatory agencies, and developers and designers of green building projects in the region, Attachment A outlines a proposed Deep Green Incentive Program (DGIP) Ordinance and regulations to implement a DGIP in Shoreline.

It is important to note that through the discussions described above, the focus of the incentive program expanded from including only ILFI Living Building Challenge and Petal Recognition programs to include the top tier of the other two main green building certification organizations. In addition to ILFI programs, now including their Net Zero Energy Building (NZEB) certification, the proposed DGIP would provide incentives for projects that receive Emerald Star certification from Built Green, and Leadership in Energy and Environmental Design (LEED) Platinum certification from the US Green Building Council or the local Green Building Cascadia Institute (GBCI). The DGIP outlined in Attachment A proposes a tiered system that is described in the discussion section of this staff report.

Before moving into this discussion, it is important to note that there are several different codes and regulations that may present barriers to or provide incentives for the development of Living or Deep Green Buildings, and multiple agencies that may be involved in approval of such projects. Ordinance No. 760 and implementing regulations that define the DGIP focus primarily on the City's Development Code.

- Development Code-The City of Shoreline has the ability to modify this code through a recommendation by the Planning Commission and decision by Council. Potential amendments to the Development Code could include providing incentives for Living and Deep Green Buildings by allowing for exemptions from the following standards:
 - Permitted, prohibited, or conditional use provisions;
 - Residential density limits;
 - Maximum size of use;
 - Parking requirements;
 - Setback, lot coverage, or other dimensional standards;
 - Standards for storage of solid-waste containers;
 - Open Space requirements;
 - Standards for structural building overhangs and minor architectural encroachments into the right-of-way; and
 - Fees associated with project permitting.
- State Building Code- Standards for commercial and multi-family buildings are regulated by the International Building Code (IBC), which Council has local authority to amend. The City's Building Official has reviewed the attached

materials and participated in K4C working group discussions with regard to implementation of the DGIP. He has not identified any barriers within the IBC that should preclude development of a project given that the associated plumbing code currently provides requirements for labeling and premises isolation needed for non-potable water systems, and other public health considerations. Single-family homes are regulated by the International Residential Code, which Council may specifically amend provided approval is gained from the State Building Code Council. The Building Official is confident that promoting the development of Living and Deep Green Buildings would be a legitimate basis to obtain this required approval.

- Surface Water Utility-The City manages this utility, which is governed by regulations set forth in the Shoreline Municipal Code Section 13.10. Council has the ability to amend these regulations. It may be appropriate for Living or Deep Green Building projects focusing on water to receive a reduction or waiver of the Surface Water Management fee. Existing regulations currently contain a fee rebate for low-impact development components of a project, and it is possible that this will be expanded through revisions made through an upcoming update of the Surface Water Master Plan.
- Water and Sewer Utilities- Determining potential barriers or incentives related to water and sewer utilities will require discussions with North City Water District, Seattle Public Utilities, and Ronald Sewer District. However, many of the water and sewer issues with regard to Living and Deep Green Buildings, such as rainwater harvesting, reuse of non-potable water, and composting toilets may be more appropriately handled by Health Departments.
- Health Departments- King County Public Health and the Washington State Department of Health will need to be involved in regional discussions related to Living and Deep Green Buildings. The State Department of Health currently has the ability to grant relief from regulations that may be barriers to such buildings. The Chief Plumbing Inspector for Public Health for Seattle and Unincorporated King County has been involved in the K4C working group, and has provided insights into the current process of approval and how it may need to be modified in the future to better accommodate these types of projects.

DISCUSSION

Exhibit A to Attachment A articulates regulatory changes proposed to Sections 20.20, 20.30, and 20.50 of the Shoreline Municipal Code that would implement the DGIP if it were to be adopted by Ordinance No. 760. It provides specific regulations that were generally included as potential components of an ordinance in the February 18, 2016 presentation and staff report to the Commission. Several areas of this exhibit warrant further discussion.

Tiered Incentive Package:

The proposed DGIP would include different incentives for various levels of certification. In some cases, how each rating system is classified is based on specific elements of the program. In the first example below, Living Buildings and Water Petal Recognition projects receive a higher level of exemption from stormwater fees because these programs have more stringent standards for stormwater control and infiltration, whereas an NZEB project does not contain this requirement. In the second example below, the tiered system is based on the overall comprehensiveness of the program.

1. A project may be granted a waiver for 100% of *stormwater* fees for Tier 1 – Living Building Challenge or Tier 2 – Emerald Star for single-family or Petal Recognition, only if the project will utilize the Water Petal. A project may be granted a waiver of 75% of stormwater fees for Tier 2 – Emerald Star multi-family. A project may be granted a waiver of 50% of stormwater fees for Tier 2 - Petal Recognition if the project will utilize the Energy or Materials Petal or Tier 3 – LEED Platinum. NZEB projects will be subject to stormwater fees.
2. A project qualifying for Tier 1 - Living Building Challenge may be granted a waiver of 100% City-imposed *development fees*. A project qualifying for Tier 2 – Emerald Star or Petal Recognition may be granted a waiver of 75% of City-imposed development fees. A project qualifying for Tier 3 – LEED Platinum or NZEB may be granted a waiver of 50% of City-imposed development fees.

City Coordination with Certification Agencies:

The City is not interested in becoming a body for the certification of Living and Deep Green Buildings, so the draft DGIP contains four stages where project proponents would provide evidence that they are on track to achieve a specific certification.

1. Preapplication meeting- 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, or US Green Building Council programs. The fee for the preapplication meeting will be waived. This will allow project proponents and staff to agree that proposed exemptions or departures are appropriate and that development fees will be waived prior to application submittal.
2. Permit Application Submittal- 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 that the project is likely to achieve the elements of the certification program for which it will register.
3. Within six months of issuance of Certificate of Occupancy (CO) - The applicant will submit preliminary data that the project is on track to meet certification requirements. This is because some certification requirements require a period of performance monitoring, but some do not, for example Petals related to Place, Materials, and Beauty.
4. Within two years of issuance of CO- The applicant must demonstrate that certification has been achieved under the program for which exemptions, fee

waivers, or other incentives were granted. If not, enforcement provisions outlined in 20.30.770 would be applied.

Neighborhood Meeting:

Staff recommends requiring a neighborhood meeting when a project proposed for R-4 or R-6 zones seeks an exemption or departure. This is an opportunity to educate neighbors on the environmental benefits of a Living or Deep Green Building and to explain why some exemptions, such as height or density limits, may improve the performance of the building or make it financially feasible to build to more stringent standards.

TIMING AND SCHEDULE

The DGIP Ordinance and regulations will be included in the 2016 Code Amendment Batch and subject to the December 1, 2016 public hearing before the Commission. It will follow the same schedule for Council adoption as the rest of the batch.

RECOMMENDATION

No action is required at this time, but the Commission should provide direction regarding any changes to the draft Ordinance No. 760 and regulations to implement the DGIP included in Attachment A in preparation for the December 1, 2016 public hearing.

ATTACHMENTS

Attachment A- Draft Ordinance No. 760 adopting the DGIP
Exhibit A- Regulations implementing DGIP

ORDINANCE NO. 760

AN ORDINANCE OF THE CITY OF SHORELINE AMENDING THE UNIFIED DEVELOPMENT CODE, SHORELINE MUNICIPAL CODE TITLE 20, TO IMPLEMENT A DEEP GREEN INCENTIVE PROGRAM

WHEREAS, buildings are responsible for a large portion of negative environmental impacts, accounting for approximately 50% 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 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 of Shoreline (City) has been a leader in encouraging sustainable building through construction of a LEED Gold City Hall; adoption of regulations through the 185th and 145th Street Station Subarea Plans that require green building in areas near future light rail stations; 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, or US Green Building Council programs, through a variety of incentives; 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;

NOW, THEREFORE, this ordinance establishes 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, or the US Green Building Council.

**NOW, 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. Amendments are to Chapters 20.20, 20.30, and 20.50.

Section 2. 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 3. 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 _____, 2016.

Christopher Roberts
Mayor

ATTEST:

APPROVED AS TO FORM:

Jessica Simulcik Smith
City Clerk

Margaret King
City Attorney

Date of Publication: _____
Effective Date: _____

**Draft Development Code Regulations to Implement City of Shoreline
Deep Green Incentive Program
Ordinance 760, Exhibit A**

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. Tier 1 refers specifically to the standards of International Living Future Institute's (ILFI) Living Building Challenge™ certification program; Tier 2 refers specifically to the standards of the ILFI Petal Recognition™ certification program or Built Green's Emerald Star™ certification program; and Tier 3 refers specifically to the standards of the US Green Building Council's Leadership in Energy and Environmental Design™ (LEED) Platinum certification program or ILFI's Net Zero Energy Building™ (NZEB) certification program.

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™ program, which is 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, as per Ordinance No. 760.

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). (Ord. 695 § 1 (Exh. A), 2014).

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, or US Green Building Council 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. (Ord. 724 § 1 (Exh. A), 2015; Ord. 439 § 1, 2006; Ord. 324 § 1, 2003; Ord. 238 Ch. III § 4(a), 2000).

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. (Ord. 654 § 1 (Exh. 1), 2013; Ord. 609 § 6, 2011).
2. Projects applying for certification under the Living Building Challenge, Petal Recognition, Emerald Star, Leadership in Energy and Environmental Design Platinum, or Net Zero Energy Building 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 required to pay the following:
 - i. Failure to demonstrate compliance with the provisions contained in subsection 20.50.630(F)(5)(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, stormwater, and Transportation Impact 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 the following, based on the certification they intend to achieve:

1. Tier 1 – Living Building Challenge Certification: up to 100% reduction in parking required under 20.50.390 for projects meeting the full International Living Future Institute (ILFI) Challenge criteria;
2. Tier 2 – Living Building Petal or Emerald Star Certification: up to 75% reduction in parking required under 20.50.390 for projects meeting the respective ILFI or Built Green program criteria;
3. Tier 3 - LEED Platinum or Net Zero Energy Building Certification: up to 50% reduction in parking required under 20.50.390 for projects meeting the respective US Green Building Council or ILFI 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.

~~EE~~. 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.

~~EG~~. 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. (Ord. 731 § 1 (Exh. A), 2015; Ord. 706 § 1 (Exh. A), 2015; Ord. 669 § 1 (Exh. A), 2013; Ord. 654 § 1 (Exh. 1), 2013; Ord. 238 Ch. V § 6(B-2), 2000).

The entire Code section below constitutes a new subchapter so underline format is not used.

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™ (LBC), Petal Recognition™ (PR), or Net Zero Energy Building™ (NZEB) programs; Built Green's Emerald Star™ (ES) program; and the US Green Building Council's (USGBC) Leadership in Energy and Environmental Design™ (LEED) Platinum programs 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, or US Green Building Council.
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 Certification: achieve all of the Imperatives of the ILFI Living Building Challenge;

- b. Tier 2 – Emerald Star or Living Building Challenge 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 or NZEB: satisfy requirements of the respective USGBC or ILFI programs.

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 may be granted a waiver for 100% of stormwater fees for Tier 1 – Living Building Challenge or Tier 2 – Emerald Star for single-family or Petal Recognition, only if the project will utilize the Water Petal. A project may be granted a waiver of 75% of stormwater fees for Tier 2 – Emerald Star multi-family. A project may be granted a waiver of 50% of stormwater fees for Tier 2 - Petal Recognition if the project will utilize the Energy or Materials Petal or Tier 3 – LEED Platinum. NZEB projects will be subject to stormwater fees.
2. A project qualifying for Tier 1 - Living Building Challenge may be granted a waiver of 100% City-imposed development fees. A project qualifying for Tier 2 – Emerald Star or Petal Recognition may be granted a waiver of 75% of City-imposed development fees. A project qualifying for Tier 3 – LEED Platinum or NZEB may be granted a waiver of 50% of City-imposed development fees.
3. Departures from Development Code requirements when in compliance with SMC 20.50.630(E).

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 Certification: up to double the allowed density 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 or NZEB Certification: up to 50% bonus for the base density allowed under zoning designation for projects meeting the program criteria.
- b. SMC 20.50.390. Parking requirements:
- i. Tier 1 – Living Building Challenge Certification: up to 100% 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 75% reduction in parking required under 20.50.390 for projects meeting the program criteria;
 - iii. Tier 3 - LEED Platinum or NZEB Certification: up to 50% reduction in parking required under 20.50.390 for projects meeting the program criteria.
- d. Setback and lot coverage standards, as determined necessary by the Director;
- e. Use provisions, as determined necessary by the Director
- f. Standards for storage of solid-waste containers;
- g. Open space requirements;
- h. Standards for structural building overhangs and minor architectural encroachments into the right-of-way;
- i. Structure height bonus up to 10 feet for a development in a zone with a height limit of 35 feet or less; or a structure height bonus up to 20 feet for development in a zone with a height limit greater than 45 feet; and
- j. 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 that the project is likely to achieve the elements of the certification program for which it will register.
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 certification (Tier 2), 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 Emerald Star 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. 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 a third party such as 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, 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.
6. 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.
7. 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.

8. 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.

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