

Green Building Incentives Phase 1: Advanced Green Building Pilot Program Proposal

Executive Summary

Some of the most advanced green building certification programs have been developed in the Puget Sound region, including the International Living Future Institute's Living Building Challenge program and the Master Builders of King and Snohomish County's Built Green program. The region has been a pioneer in green building over the past several decades, and in order to achieve certification with these more advanced program, they require projects to significantly exceed the performance of existing building codes and demonstrate high levels of environmental performance, such as net zero energy or net zero water. In some instances, current codes may prohibit or create barriers to achieving certification. Some cities in the region, including the City of Seattle¹ and City of Shoreline², have created programs to remove barriers and incentivize the development of advanced green buildings.

Staff are recommending a two phased approach to incentivizing green building in Bellevue, starting with Phase 1, the Advanced Green Building Pilot Program, and then Phase 2, the Greenpath program.

This document provides a proposal for Phase 1, the Advanced Green Building Pilot Program for the City of Bellevue, which would remove barriers and incentivize the development of projects seeking the most advanced green building environmental certifications. The proposed program would allow projects seeking specified green building certifications to receive departures from codes as required to achieve certification, along with other potential incentives such as facilitated permitting, land use bonuses in designated areas, fee reductions, and reductions to parking minimums. This document provides an overview of the benefits, implications, and considerations of an Advanced Green Building Pilot Program. The recommendations for Phase 2, are continuing to be developed.

City of Bellevue Policy Support for an Advanced Green Building Pilot Program

The City of Bellevue's Council Vision for Regional Leadership and Influence, High-Quality Built and Natural Environment, and Economic Development all support the goals of an Advanced Green Building pilot. If Bellevue were to create an Advanced Green Building pilot program, the City would demonstrate significant leadership in green building and have the potential to catalyze the development of more high-performing green buildings in Bellevue. A pilot program would also demonstrate Bellevue's commitment to attracting innovative development projects and to partnering with developers to remove barriers to achieving advanced environmental goals.

The City's Comprehensive Plan provides policy direction to support and Advanced Green Building Pilot Program and the ESI Strategic Plan includes a specific action for such a program. The Comprehensive Plan includes the following policies which support the development of an Advanced Green Building program:

¹ City of Seattle Living Building Pilot Program: <http://www.seattle.gov/dpd/permits/greenbuildingincentives/livingbuildingpilot/>.

² City of Shoreline Deep Green Building Program: <http://cityofshoreline.com/Home/Components/News/News/2378/21>.

- Provide regional leadership on environmental issues that extend beyond Bellevue’s boundaries and require regional cooperation. (EN-8)
- Support the use of emerging best practices in the area of green building and site design through the use of pilot programs and model ordinances (EN-48)
- Provide land use incentives to minimize the amount of impervious surface area below that allowed through prescriptive standards, in new development, redevelopment, and existing development citywide. (EN-44)
- Make low impact development the preferred and commonly-used approach to site development to minimize impervious surfaces, native vegetation loss, and stormwater runoff. (EN-46)
- Support the use of emerging best practices in the area of green building and site design through the use of pilot programs and model ordinances. (EN-48)
- Provide education and incentives to support the implementation of low impact development practices, integrated site planning, and green building, with a focus on early consideration of these in the site development process. (EN-49)

The ESI Strategic Plan also provides direction to support an Advanced Green Building Pilot Program, through its overarching goals to increase green building and renewable energy in Bellevue, and more specifically through the recommendation to reduce code barriers and streamline permitting processes for green building and renewable energy projects.

The ESI program is evaluating a suite of green building policies, programs, and incentives, and an Advanced Green Building Pilot Program would be one tool in the City’s toolbox to promote green building, in addition to adopting the 2016 building and energy codes, existing incentives for green building in Bel-Red, and the new incentives for green building downtown. The Council has also identified Smart City strategies as a priority, and many advanced building technologies utilized in high performing green buildings allow for optimized management of energy and water, which align with Bellevue’s Smart City goals. Allowing flexibility in codes which prohibit the use of such technologies would help further advance Bellevue’s Smart City goals.

Current State of Green Building in Bellevue and in the Region

The Puget Sound Region has been a pioneer in green building and several cities in the region have incentives in place to encourage the development of green buildings. Incentives in use in the region include expedited and facilitated permitting, land use bonuses, fee reductions, parking minimum reductions, technical assistance, and advanced green building programs. The City of Seattle was the first to develop a pilot program for advanced green building to both remove barriers and incentivize the development of living buildings. Several others, including Seattle, offer land use bonuses and expedited permitting for green building. In April 2017, the City of Shoreline adopted a “Deep Green” Building Incentive Program, similar to Seattle’s program, to remove barriers and incentivize the development of advanced green buildings.

The table below summarizes the incentives offered by communities in the Puget Sound Region:

Table 1: Green Building Incentives in the Region						
Jurisdiction	Expedited Permitting	Land Use Bonus	Permit Fee Reductions	Advanced Green Building Program	Parking Minimum Reductions	Technical Assistance
Bellevue		X			X	
Issaquah	X		X			
Kirkland	X					X
Redmond	X	X				
Seattle	X	X		X	X	X
Shoreline	X	X	X	X	X	

Program Goals

The proposed Advanced Green Building Pilot program has several inter-related goals associated with increasing green building in Bellevue, which include:

- Demonstrating innovative green building technologies
- Increasing the number of buildings in Bellevue which achieve green building certification
- Encouraging projects seeking green building certification to pursue the highest levels of certification
- Promoting existing incentives for green building, including land use incentives and PSE's new construction incentives
- Reducing energy and water use in new buildings
- Removing barriers to advanced green building

Benefits and Implications of an Advanced Green Building Pilot Program

Buildings which meet the criteria of the green building standards outlined in this proposal not only maximize environmental benefits of a development project, but also serve as high profile demonstration projects which can support Bellevue's overall economic development and environmental stewardship goals. These buildings incorporate the most cutting edge designs and materials and can serve as innovative catalysts to urban redevelopment. Enabling the development of a Living Building through a pilot allows cities to understand how current building codes prohibit advanced green building, and identify opportunities to remove barriers to enable the development of more high performing green buildings.

An Advanced Green Building Pilot program in Bellevue would not only have environmental benefits, but would also have significant economic development benefits, such as:

- High profile, cutting edge project(s) in Bellevue
- Regional, national, and international leadership in green building
- Demonstration of flexibility in permitting process and ability to cooperatively work with project developers
- Example Smart City project, utilizing latest building technologies and materials to reduce energy and water use

- Promotion of environmental education, as Living Buildings in particular are encouraged to be open and accessible to the public
- Potential for a catalyst project in Bel-Red, which could help promote more green building in Bel-Red and achieving the environmental goals of the Bel-Red plan

The City could incur some incremental costs of permitting a high performing green building, as it would likely require departures from our codes and additional staff time required for permit review and building inspection. City of Bellevue permit review and inspection staff might require some additional training on the new green building practices that could be employed in an advanced green building project. However, some Development Services staff attended a Green Building Inspector training in 2016 and some staff are LEED Certified professionals, with a strong understanding of green building designs. The pilot program has been designed and scoped in a way in which it can be implemented with existing staff resources.

Pilot Program Design

Several high performance green building programs currently exist, such as Living Building Challenge, Built Green Emerald Star, and LEED which call for the most advanced designs and materials to enable high levels of energy efficiency, water conservation, environmentally preferable materials, and stormwater management. The highest levels of certification, such as Living Building Challenge full certification, would require departures or alternates to the code to allow for advanced green building systems such as rainwater harvesting, passive cooling, composting toilets, and solar installations which extend beyond the building footprint.

The following design considerations would require evaluation and recommendations, if Council directs staff to move forward with developing a recommendation for a program:

- **Program Scope:** The pilot program would allow for three projects over three years.
- **Highest impact building types:** Applies to new or remodeled commercial, multi-family, public buildings, or planned unit developments seeking one of the defined advanced green building certifications.
- **Departure from codes for environmental goals:** Projects must comply with all relevant zoning regulations and codes, however they may be granted departures or alternates from the code if they can demonstrate that a departure is required to meet the requirements of the green building rating certification, and the proposed modification meets the intent of the code.
- **Permit requirements:** The program would require projects to have a pre-application meeting and go through the design review process. Using this approach, projects could propose potential departures/alternates early in the process, at the pre-application meeting, to allow for Projects of a certain complexity may also require development agreements.
- **Most advanced green building:** The program will only apply to the most advanced green building standards, which are designed for maximum energy efficiency, water conservation, and environmentally friendly materials. The proposed certification programs to include in the program are as follows:
 - Living Building Full certification
 - Living Community Challenge
 - Living Building Petal certification

- Living Building Net Zero Energy certification with Salmon-Safe certification
- Built Green Emerald Star certification (for multi-family projects)
- **Incentivizes with land use bonuses (in designated areas):** The program will complement any green building land use incentives provided through the code, such as in Downtown and Bel-Red. The program could potentially offer additional land use incentives in designated areas or under certain conditions.
- **Facilitated Permitting:** Projects participating in the program could receive special Facilitated Permitting, which will help to streamline the permitting process, particularly for more complex permitting issues in which departures and code alternates are requested.
- **PSE New Construction Incentives:** The pilot program will leverages PSE new construction grant incentives for commercial and multi-family developments, which can significantly reduce the costs of projects designed to exceed the energy code.
- **Fee Reductions:** The program will leverage existing impact fee reduction opportunities for stormwater and transportation impact fees.
- **Parking Minimum Flexibility:** The program will allow for flexibility with parking minimums, per the existing codes.

Alignment with Bellevue Codes and Processes

Bellevue's codes allow for some flexibility, and the proposed Advanced Green Building Pilot Program would develop an approach for projects to utilize existing provisions for flexibility in the code. In the Building Code, there is an allowance for alternative materials, design and methods of construction and equipment, provided that the material, design, or method is approved by the Building Official and complies with the intent of the provision in the code. In the Land Use Code, there is also an allowance for departures from the land use code, for both administrative and legislative departures. Administrative departures are part of the project review process and allow from some flexibility, usually with restrictions, for things like floor plate sizes, and setbacks and setback distances. Legislative departures require the City Council to enter into a Development Agreement with a project application.

The proposed program would develop a process for projects to request departures and alternatives and require that the projects demonstrate why these allowances are required to meet the intent of the green building certification system being pursued.