
Planning Commission Meeting Date: December 1, 2016

Agenda Item: 6a

PLANNING COMMISSION AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

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

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

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- 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. 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>.

On October 20, 2016, the Planning Commission discussed draft Ordinance No. 760 and implementing regulations for the Deep Green Incentive Program (DGIP). The staff report from that meeting is available here:

<http://www.shorelinewa.gov/home/showdocument?id=29219>.

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. Following the October 20 discussion, several revisions were proposed by the Public Works Department for Commission consideration:

- Reduce available parking reduction from 100%/75%/50% based on tier to 75%/55%/40%;
- Remove stormwater fee waiver, this will be considered through the update of the Surface Water Master Plan, currently underway; and
- Revise language with regard to Transportation Impact Fee waiver, which is currently proposed to be based on a project-level Transportation Impact Analysis, rather than on tiers.

PARKING REDUCTION

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Several concerns were raised regarding the prospect of 100% parking reduction for Tier 1- Living Building Challenge. Following discussions with the City Manager's Office, which included input from the Public Works Director, City Engineer, and Traffic Engineer, staff now proposes the following tiered system for potential parking reductions:

- Tier 1 – Living Building Challenge Certification: up to 75% reduction in parking required under 20.50.390 for projects meeting the full Challenge criteria;
- Tier 2 – Emerald Star or Living Building Petal Certification: up to 55% reduction in parking required under 20.50.390 for projects meeting the program criteria;
- Tier 3 - LEED Platinum or Net Zero Energy Building Certification (NZEB): up to 40% reduction in parking required under 20.50.390 for projects meeting the program criteria.

It should be noted that this reduction is not guaranteed, but will be based on review of a Transportation Impact Analysis submitted with the building permit application. Staff also discussed this revised proposal with representatives from the International Living Future Institute and Built Green. This revised parking requirement would not create a code barrier to certification under their programs, which focus on other design considerations such as ventilation and provision of electrical vehicle charging stations.

FEE WAIVER

The October 20 staff report and presentation included a variety of potential fee waivers as part of the incentive program, including for the required preapplication meeting, permit application, stormwater, and Transportation Impact fees. The level of fee waiver was based on the tiered system, but varied based on the relationship of a particular certification system and the type of fee being waived.

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-

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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.

The Public Works Department raised some concerns about the impact of this potential waiver, so two revisions have been made to Attachment A, Exhibit A. First, the stormwater fee waiver cited above has been removed. Some type of waiver will be examined in more detail as part of the update of the Surface Water Master Plan, which is currently underway. Second, a reduction in the Transportation Impact Fee will be considered based on the Transportation Impact Analysis submitted as part of the permit application. If a project proponent can demonstrate that trips will be reduced through location, amenities, or other methods, this would provide the appropriate nexus for fee reduction.

TIMING AND SCHEDULE

Following a recommendation by the Planning Commission, Ordinance No. 760 and implementing regulations are scheduled for a study session before the City Council on February 6, 2017, with potential adoption on March 6, 2017.

RECOMMENDATION

The Commission should propose any desired revisions to the draft Ordinance No. 760 and implementing regulations and make a recommendation to the City Council.

ATTACHMENTS

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