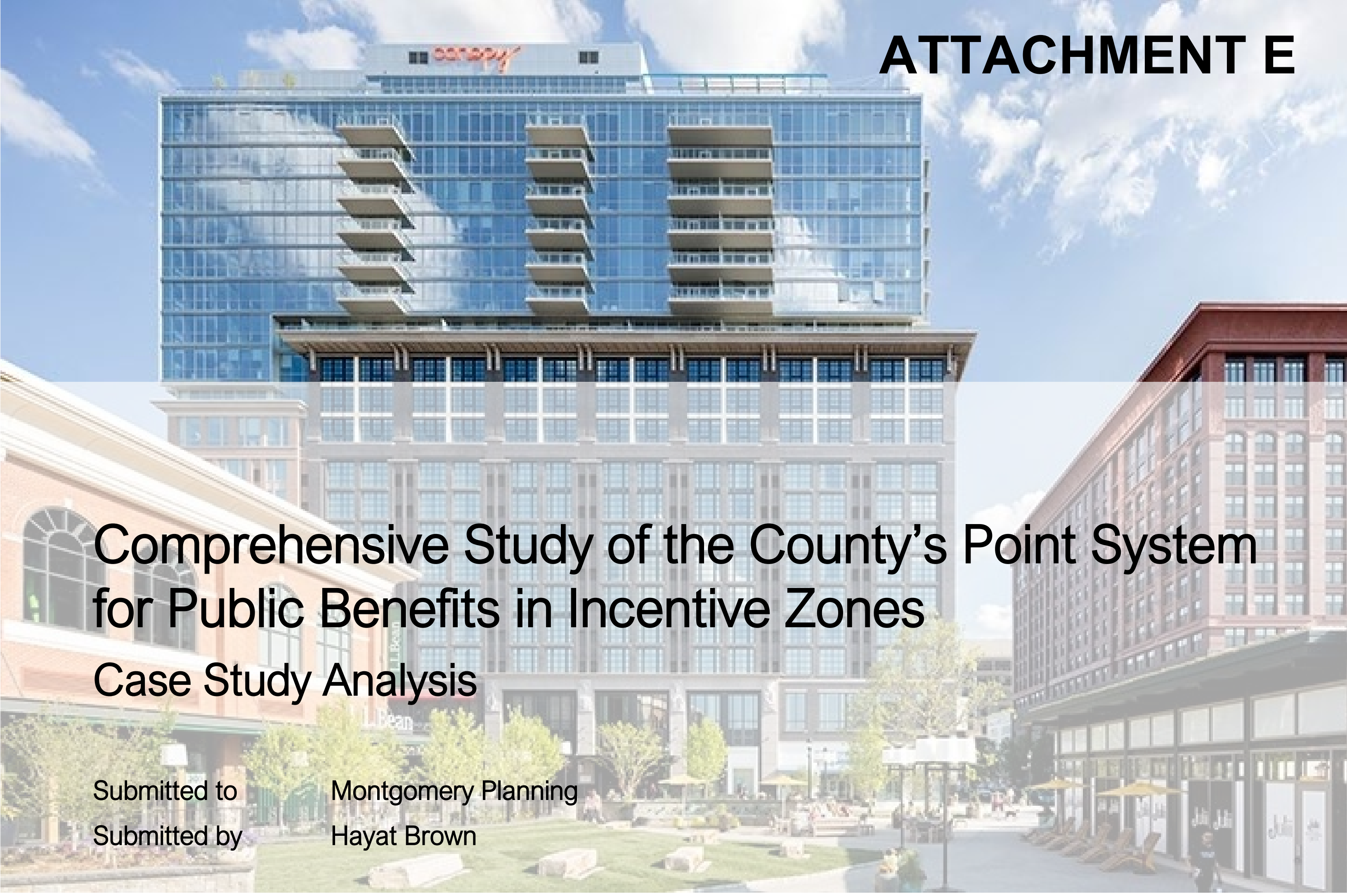

ATTACHMENT E

Comprehensive Study of the County's Point System for Public Benefits in Incentive Zones

Case Study Analysis

Submitted to Montgomery Planning

Submitted by Hayat Brown

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Hayat Brown

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1. Introduction

Overview and Methodology

The Hayat Brown team developed a series of case studies highlighting developer incentive programs in municipalities in the greater Washington DC region and across the country. These case studies are focused on accomplishing two goals:

- Identifying successful programs implemented in comparable municipalities beyond the region and highlighting specific elements that Montgomery Planning could consider as a part of this update.
- Understanding how regional peer jurisdictions employ programs to incentivize the delivery of specific public benefits by offering additional density, height, regulatory, and financial incentives.

The team worked with Montgomery Planning to identify appropriate case study subjects with each municipality providing valuable insights and recommendations for future initiatives. Six case studies were selected, three focused on national municipalities – Austin, Texas; Detroit, Michigan; and Seattle, Washington; along with three regional municipalities – Arlington, Virginia; Fairfax, Virginia; and Washington, D.C. The analysis of the three national case studies focused on identifying best practices that might be considered for Montgomery Planning's update to its Incentive Zoning policy while the three regional cases focused on understanding how incentive programs are utilized to encourage the delivery of specific public benefits. Associated pros and cons are also enlisted for each regional jurisdiction.

In the section that follows, we provide a detailed description of each case study.

2. Case Study Analysis

Austin, Texas

Background

Austin is the capital city of Texas and is in the central part of the state. The city has a comparable population (975,000) to Montgomery County (1.02 million), although at 305 square miles, it is physically smaller than Montgomery County (500 square miles). The city has a strong and growing economy which has significantly increased real estate development over the past 10 to 20 years. This rapid expansion has also created challenges such as a lack of affordable housing and concerns about maintaining the city's unique character. Austin appears in professional and academic studies as a strong example of a city with an incentive zoning program. Austin's programs have been more effective in generating affordable housing units and payment in lieu than peer cities. [1] [2]

Program Overview – Downtown Density Bonus Program

Austin's Downtown Density Bonus Program (DDBP) is an incentive-based policy established in 2014 to promote a vibrant, dense, and pedestrian-friendly downtown area while also encouraging the development of affordable housing and other community benefits.[3] Similar to Montgomery County, this program allows developers to achieve greater height and density in exchange for providing a high-quality building and streetscape as well as community benefits. The DDBP applies to certain areas within the city, as established by zoning ordinance which also stipulates maximum FAR and heights that applicants can achieve through the program. This is a comparable approach to the incentive zones in Montgomery County.

According to the Austin Planning & Zoning Department, the fundamental principles underlying the density bonus program are:[4]

1. Density should be encouraged, not penalized.
2. Retain existing zoning as the baseline.
3. All development should provide high-quality urban design.
4. There should be a clear administrative, and predictable pathway to density.
5. Allow additional density only where appropriate.

Participation in the program is optional and allows developers to capitalize on the growing demand for housing while helping the city meet its housing goals. If an applicant opts into the program, in addition to providing affordable housing that unlocks incrementally more density, there are 'gatekeeper requirements' that all projects in the DDBP process must abide by. These include providing a streetscape that meets Austin's Great Streets Program requirements, committing to achieving a minimum two-star rating under Austin Energy's Green Building (AEGB) program, and being compliant with Austin's Urban Design guidelines. Compliance with these programs includes executing restrictive covenants and receiving approval from the Design Commission. [5] This contrasts with Montgomery County, where the applicant can choose from any of the 36 public benefits in the menu. (Optional method projects may be associated with other requirements such as adequate public facilities and functional plan conformance, but these requirements are technically independent of the incentive zones and points system).

Development Incentives

The primary incentives provided through the DDBP are additional height and density. Developers may generate bonus density above a project's base entitlement up to an area's maximum FAR and height as defined in the DDBP ordinance.

The DDBP is part of a group of development incentive programs in Austin that promote rental and for-sale affordable housing for low- and moderate-income households. In addition to providing affordable housing for more density and height through the DDBP, Austin also has other affordable housing incentives independent of the DDBP including fee waivers, density bonuses, and tax incentives. Affordability is also supported through development agreements such as land lease agreements and master development agreements that may waive aspects of the zoning code in exchange for additional affordable housing on a fee-in-lieu [8]. Like Austin, Montgomery County offers multiple policies incentivizing affordable housing, which highlights its significance as a development goal in both jurisdictions.[6] For additional information, please see a summary of Austin's affordable housing development incentive programs in Attachment A.[6]

Implementation

To comply with the DDBP, an applicant must meet the gatekeeper requirements and outline the specific benefits they will include beyond the gatekeeper requirements. Public benefits are associated with different amounts of bonus density. At least 50% of the bonus must be achieved by providing affordable housing units or by paying a development bonus fee into the Affordable Housing Trust Fund. In addition to affordable housing, developers may provide additional benefits such as daycare services, cultural uses, live music uses, historic preservation, sustainability features, and publicly accessible space.[7]

Table 1 summarizes the different amount of density associated with each public benefit.

Table 1: Downtown Density Bonus Community Benefit Summary Table[7]

Community Benefits	Description	Bonus Amount
Affordable Housing*	Must provide affordable units for sale (units must remain affordable for 99 years and must be affordable to those making 120% of MFI or less) or for rent (units must be affordable for a minimum of 40 years and must be affordable to those making 80% of MFI or less)	1 sf of bonus area for each 1 sq foot of on-site affordable housing
Rainey Street Subdistrict Historic Preservation	Must rehabilitate or preserve historically significant buildings on-site or relocated to a location as determined appropriate by the Historic Landmark Commission.	25,000 sf of bonus area for each restored and preserved building
Day Care Services	Must execute a restrictive covenant to provide daycare services within the project for a period of at least 10 years.	2 sf of bonus area for each 1 sq foot of daycare service space
Cultural Uses	Must execute a restrictive covenant to provide on-site cultural uses within the project for a period of at least 10 years.	2 sf of bonus area for each 1 sf of cultural use space
Live Music	Must provide on-site live music use for a period of at least 10 years.	2 sf of bonus area for each 1 sf of live music space
On-Site Improvements for Historic Preservation	Must provide on-site improvements for historic preservation.	5 sf of bonus area shall be granted for each 1 sf of historic building preserved on-site
Off-Site Historic Preservation	Must pay a development bonus fee to the Historic Preservation Fund administered by the City of Austin.	See Table 2 below for fee details
Green Building	Must construct project to green building standards that exceed Gatekeeper Requirements and execute a restrictive covenant committing to achieving a specific rating under the AEGB Program or the LEED Program currently in effect.	Bonus area equal to 25% of the site's primary entitlement for 3-star AEGB or LEED Silver rating
Publicly Accessible On-Site Plaza	Must provide a publicly accessible on-site plaza.	5 sf of bonus area for each 1 sf of eligible plaza space
Off-site open space	Must pay a development bonus fee for off-site open space	See Table 2 below for fee details
Green Roof	Must provide a green roof built to the Vegetated Roof Performance standards in the Environmental Criteria Manual	See Table 3 for benefit details.

*Developers may receive an additional bonus area of 150 square feet for each family-friendly eligible bedroom (any bedroom over one bedroom within a dwelling unit that provides affordable housing)

Importantly, the DDBP also offers a fee-in-lieu as an alternative means of compliance for projects to achieve bonus density without providing public benefits on site. Table 2 summarizes the range of fees, which are sensitive to development type and location.

The fees were calibrated by Housing and Planning Department staff using an excel-based calibration tool created by economic consultants, EcoNorthwest, in 2020. The research and analysis completed by Housing and Planning Department staff to calibrate the fees involved tuning the model to the zoning parameters of the current Land Development Code, updating the Affordable Housing Policy inputs, and testing a range of market scenarios. [8]

Table 2: Downtown Density Bonus Fee In-Lieu Table*[9]

Development Type	Downtown District	Development Bonus Fee ($/SF Bonus Area)
Residential	Rainey Street District	$5/ SF Bonus Area
Residential properties with CBD	All Districts other than Rainey Street District	$12/ SF Bonus Area
Residential properties with zoning other than CBD	All Districts other than Rainey Street District	$10/ SF Bonus Area
Commercial properties with CBD zoning	All Districts	$18/ SF Bonus Area
Commercial properties with zoning other than CBD	All Districts	$12/ SF Bonus Area

*Development Bonus Fees were updated May 31, 2021

These fees are directed towards supporting housing solutions for individuals experiencing chronic homelessness. The focus of these funds is on housing approaches that have low barriers to entry (Immediate and easy access shelters that have lower barriers to entry and are open 24/7).[8]

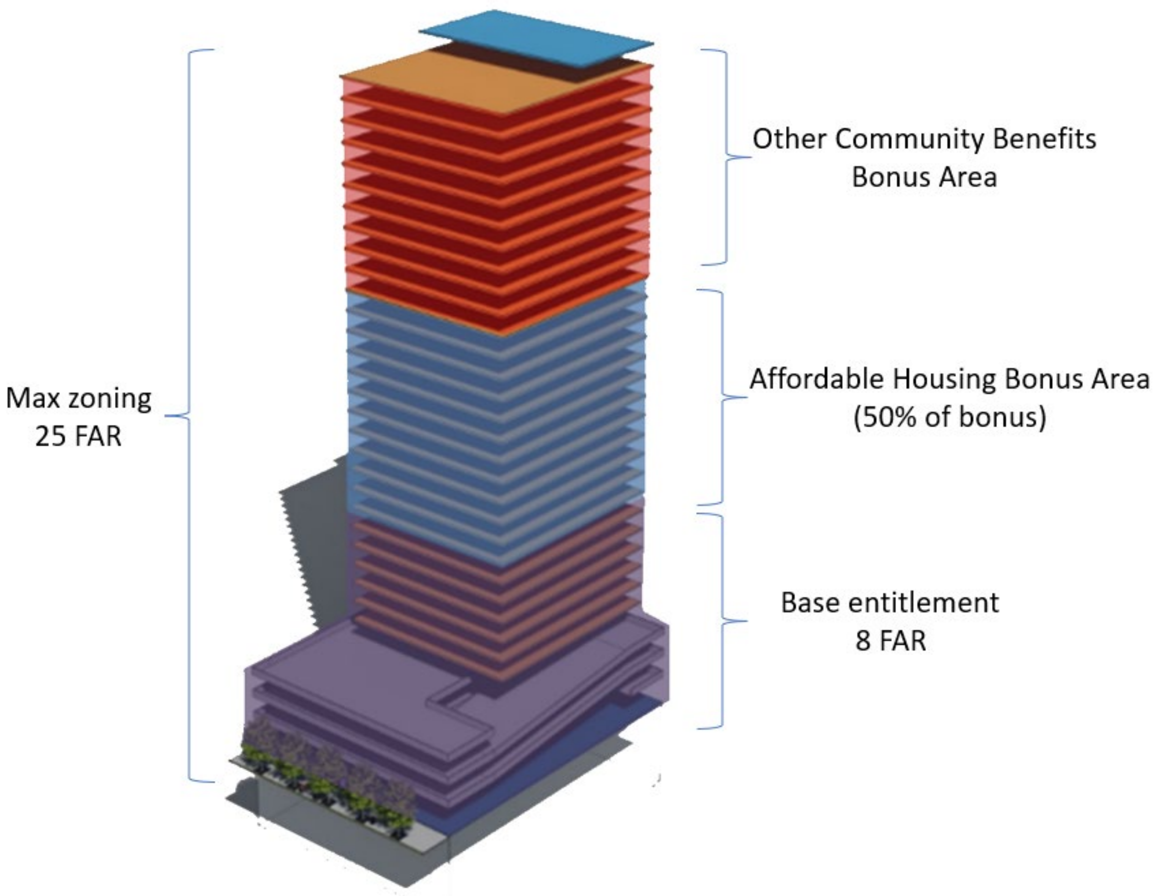
Table 3: Bonus Area for Green Roof Community Benefit[7]

Percent Vegetated Roof Cover	Bonus Area Granted for 1 Square Foot of Green Roof	Bonus Area Granted for 1 Square Foot of Publicly Accessible Green Roof	Bonus Area Granted for 1 Square Foot of Green Root meeting the Downtown Public Plaza Standards
30-49%	2 bonus square feet	2 additional bonus square feet	2 additional bonus square feet
50% or greater	3 bonus square feet		

Example

In the image below, an example project is shown maxing out available density. In this example, 50% of the developer's bonus area was generated by providing affordable housing (or paying the fee-in-lieu), and the remaining 50% was generated by providing additional community benefits. Notably, the applicant could build up to 8.0 FAR by right and not go through the DDBP process. In Montgomery County, the public benefits are triggered once an applicant seeks 0.5 or 1.0 FAR, a much lower threshold. Mapped density does not typically exceed 8.0 FAR anywhere in Montgomery County, so the underlying economics of the Austin and Montgomery County programs may be different.

- Figure 1: Sample Project Receiving Bonus Density[10]



Best Practices

The Austin DDBP Program has three key best practices relevant to Montgomery Planning.

1. Similar to many cities across the country, Austin has a lack of affordable housing. In response, the DDBP program requires that 50% of the density bonus must be achieved by providing affordable housing. This element of the program ensures that developers are providing the community benefit seen as most valuable to the city. Montgomery Planning could similarly identify specific public benefits and clearly identify them as countywide priorities. Currently, public benefits are only prioritized through the master planning process for the relevant neighborhoods.
2. The DDBP Program requires that all projects requesting bonus density meet gatekeeper requirements. As discussed in the implementation section above, the DDBP program specifically includes three key gatekeeper requirements that assist the city with furthering design and sustainability goals in addition to receiving community benefits in exchange for density. Montgomery Planning could articulate "Gatekeeper Requirements" to all optional method projects requiring that those projects meet expected levels of design, sustainability, etc. This could allow the department to streamline the overall menu of public benefits and align it more directly to desired policy outcomes.
3. Every three years, the City Manager, per the DDBP ordinance, is tasked with evaluating and if necessary, recommending adjustments to the development bonus fees, the menu of community benefits, the on-site affordable housing bonus area, and the allocation of money generated by bonus fees. This clause helps to ensure that the program remains market-feasible and continues to incentivize developers to provide critical community benefits. Ongoing monitoring and a streamlined process to make changes to the point system would similarly enable Montgomery Planning's Incentive Density Program to remain nimble in responding to changing market conditions and updated policy priorities over time.
4. The City of Austin clearly articulates the fundamental principles guiding the bonus density program, acknowledges additional density as a desired outcome and emphasizes the importance of a clear regulatory process.

Detroit, Michigan

Background

Detroit, Michigan is a city with a diverse population. As of 2022, the estimated population is around 620,376. However, the city has experienced a significant decline in population over the past few decades, as it was home to over 1.8 million residents in the 1950s.

The city of Detroit, Michigan is transforming, reflecting the city's revitalization efforts and economic diversification. Like Montgomery County, Detroit seeks to strike a balance between preserving its diverse neighborhoods and introducing new developments to attract investors and businesses. Detroit's historic architecture, relative affordability, and redevelopment incentives have drawn opportunity-seeking businesses. Downtown Detroit is seeing the conversion of vacant buildings into mixed-use developments, apartments, and entertainment spaces. However, challenges related to high vacancy rates remain.

Program Overview – Community Benefits Ordinance

Detroit, Michigan faced severe economic challenges in recent decades which led to the decline of its neighborhoods and the erosion of community trust. In response, the city enacted the *Community Benefits Ordinance* (CBO) in 2016, aimed at fostering equitable development and community engagement. The CBO was amended in 2021. The Detroit CBO establishes requirements for developers seeking major projects, including the provision of Community Benefits Agreements (CBAs) negotiated with neighborhood representatives. [11]

The CBO outlines a transparent process including public meetings with the Neighborhood Advisory Council (NAC) and the developer during the development of the CBA and annual public meetings for a specified period post-CBA execution. Additionally, the CBO provides for compliance monitoring and enforcement which is overseen by the city's Civil Rights, Inclusion, and Opportunity Department (CRIO). Per the ordinance, CRIO produces a biannual compliance report as well as periodic compliance monitoring reports for each project, a copy of the biannual compliance report executive summary is provided in Attachment B. If a project is found to be out of compliance, CRIO may use enforcement mechanisms that include withholding or withdrawing city-provided benefits, revocation of land transfers or land sales, debarment provisions, and proportionate penalties and fees.

Since the ordinance was enacted, residents have secured many commitments and benefits from developers for their communities through the process. CRIO is currently monitoring 11 projects, as shown in the table below.

Table 4: Detroit CBO Active Projects*[12]

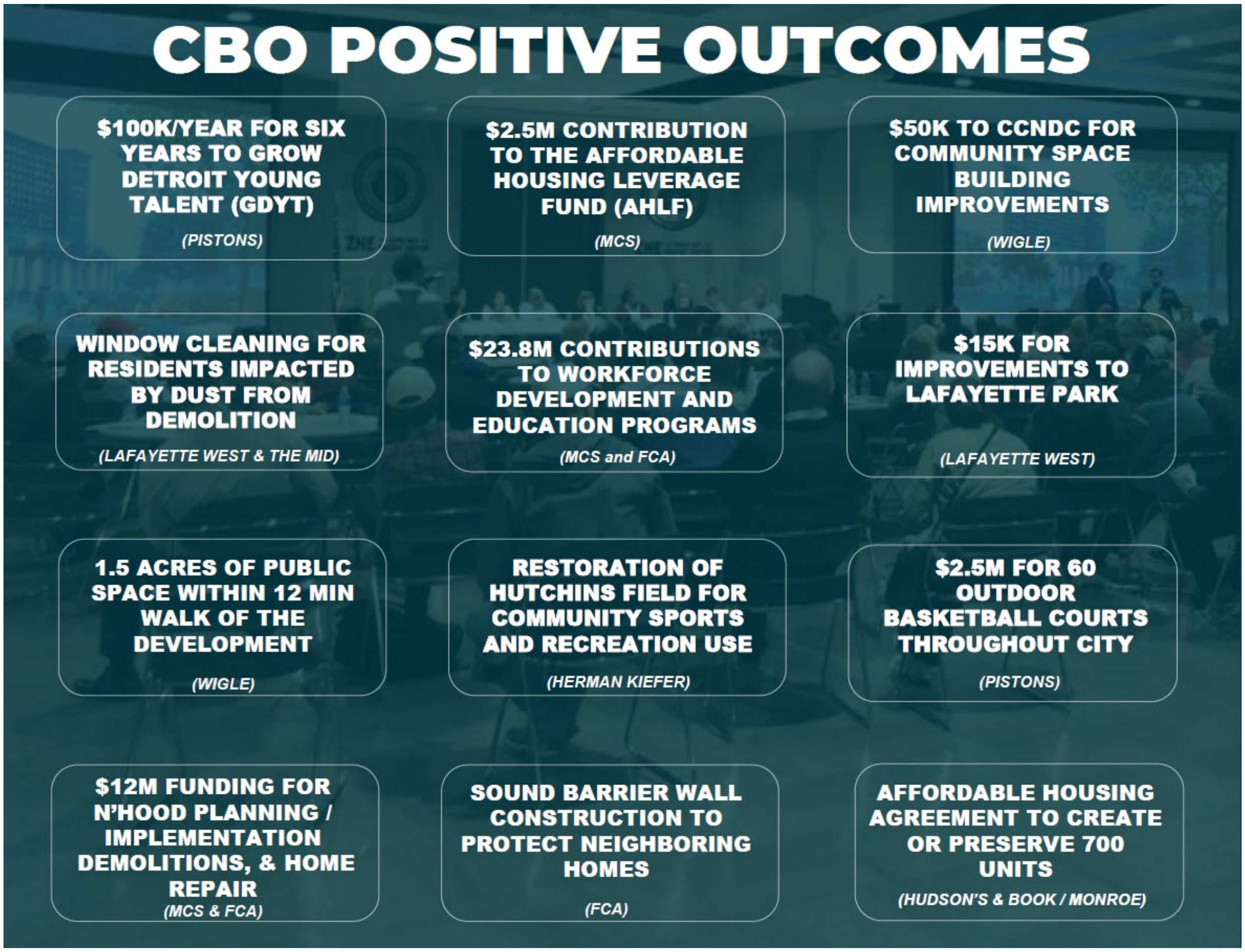
Project Name	CBO Commitments	NAC Meetings
Herman Kiefer	12	5
Hudson's	19	5
Michigan Central Station	43	8
Book Building and Tower	20	6
Monroe Blocks	26	6
Detroit Pistons Performance Facility and HQ	24	6
Wigle: Midtown West	23	8
Fiat Chrysler Assembly Plant	67	8
Lafayette West	55	5
The Mid	26	5
Michigan and Church	63	6

*For additional information on each project and the full list of CBO commitments, please see the links above.

The compliance monitoring process includes determining whether each CBO commitment is on track.

The CBO has produced a significant number of public benefits for the community as shown in Figure 3, below. However, the program's critics feel that the NACs are not extracting enough from developers due to the relatively short negotiation timeframe and the fact that NAC members are not always well equipped to negotiate with developers.[13]Other criticisms include concerns about the size of the program's thresholds as several high profile projects did not trigger the CBO, for example, a $71M plan to redevelop the former American Motors headquarters missed the $75M minimum. [14]

Figure 2: CBO Outcomes[15]



Implementation

The Community Benefits Ordinance applies to development projects that are greater than $75 million in construction cost, receive $1 million or more in property tax abatements, or receive $1 million or more of city land (through a sale or transfer) as determined by the City Assessor or independent appraiser. The process begins with a review of the project scope. The City's Planning department subsequently uses that information to define the project's impact area. The city then convenes a nine-member NAC consisting of impact area residents selected by the Planning Department, the neighborhood, and local elected officials. The NAC is charged with negotiating with the developer on behalf of the community and establishing community benefits that address potential negative impacts of the proposed development. There is a template community benefits agreement, however, the benefits package developed for each project is unique. The process typically takes about three months and includes public meetings to ensure transparency. The negotiated benefits are included in the final development agreement that is approved by the Detroit City Council.[16]

Best Practices

The Detroit CBO Program has two key best practices relevant to Montgomery Planning.

1. One of the central principles of the CBO is community engagement. Developers are required to engage with the affected communities to gather input, understand concerns, and negotiate community benefits that address the specific needs of the area. The inclusion of community input is key to promoting transparency, engagement, and equity in the development process. While Montgomery Planning currently requires developers to hold pre-application meetings with community members, and community members are invited to provide testimony during the planning board approval process, the role community members play in outlining the public benefits delivered could potentially be strengthened.
2. Another key aspect of the CBO is ensuring ongoing compliance with negotiated agreements. The ordinance provides for a detailed compliance monitoring process and outlines enforcement mechanisms to ensure that the City receives the agreed upon benefits in a timely manner. As mentioned previously, ongoing monitoring and a streamlined process to make changes to the point system would similarly enable Montgomery Planning's Incentive Density Program to remain nimble in responding to changing market conditions and updated policy priorities over time.

Seattle, Washington

Background

Seattle is the largest city in Washington and the 17th largest city in the United States, with a population of 749,256, is notably smaller in population when compared to Montgomery County (1.05M). Seattle's population has seen a 1.7% growth rate from 2020 to 2022, following the last census in 2020, which recorded a population of 737,018.

Like Montgomery County, real estate development in Seattle has surged in recent years, where the economy has been shaped by the tech industry's presence, led by companies like Amazon and Microsoft. Demand for both residential and commercial properties has resulted in a surge in construction and redevelopment projects. This growth has transformed Seattle into a thriving city but has also created concerns about housing affordability and preserving green spaces.

Program Overview – Incentive Zoning Program

Seattle, Washington has maintained an incentive zoning program since the 1980s. The goal of the program is to help the city achieve certain public policy objectives in exchange for additional density. The program was originally implemented in the central business district (CBD) and has been expanded to include additional areas of the city. Developers may provide public amenities across five categories: affordable housing, childcare, open space amenities, transferable development potential, and rights or regional development credits in exchange for extra floor area.[17] Developers may deliver affordable housing, childcare, and open space amenities on-site or off-site (performance option) or have the option to make contributions to city departments instead of providing public amenities (payment option). In exchange, developers get extra floor area or height beyond the base amount allowed for their building by the Land Use Code up to a maximum FAR or height. The ability to deliver amenities on-site or off-site under the performance option or to exercise the payment option provides developers with flexibility. For instance, a commercial developer may have the option to provide affordable housing off-site or through the payment option, as applicable, given the project's zone.

The incentive zoning requirements vary by zone and some zones have minimum green building or transportation management standards, similar to the gatekeeper requirements adopted by the city of Austin, which must be met to qualify for the program. Additionally, some zones require a combination of public amenities to gain extra floor area, the options are determined by the zone, building height, and project type. This attempts to align the benefits required with the characteristics of the zone. For zones with height limits of 85 feet or less, all extra floor area must be achieved through providing affordable housing and childcare. [18] For zones with height limits greater than 85 feet, residential floor area must be achieved by providing 60% affordable housing and 40% other benefits, for nonresidential floor area, 75% of bonus area must be achieved by providing affordable housing and 25% through other benefits.[19]

Under the performance option, the total amount of the required public amenity is determined by the applicable percentage of affordable housing or by a childcare percentage slot, both are established by the land use code. Currently, developers must provide affordable housing equal to 15.6% of extra floor area for commercial use. and equal to 14% for residential use. For example, to qualify for 10,000 square feet of extra residential floor area, a developer must multiply the square footage times the applicable percentage of affordable housing – 10,000 times 14% – to determine the minimum required square footage of affordable housing or 1,400 square feet in this example. The current land use code reduces the requirement to 8% if restricted to households with incomes of 50% of median income or below. In a zone where the childcare facility space must be sufficient to support 0.000127 childcare slots, to qualify for 100,000 square feet of extra floor area, a developer must multiply the square footage times the applicable number of childcare slots – 100,000 times 0.000127 – to determine the minimum number of children care slots required or 12.7 in this example. Of these slots, 20% must be affordable or 2.54 slots.

The payment in lieu of the affordable housing option is restricted to buildings in zones where the maximum height is greater than 85 feet. The current Land Use Code sets the affordable housing payment at $15.15 per square foot for residential and $18.75 for nonresidential. The fees are scheduled to increase to $21.68 and $24.43, respectively, and will continue to increase annually with inflation. The payment in lieu of providing childcare is $3.25 per square foot of extra floor area.[20]

In zones where open space public amenities are allowed, under the performance option, extra floor area is based on a bonus ratio. It is shown as the ratio of extra floor area for a given square foot of public amenity. The table below shows the current bonus ratios for each open-space public amenity.

Table 5: Open Space Public Amenity Bonus Ratios

Open Space Public Amenity	Bonus Ratio (extra floor area sf:public amenity sf)
Neighborhood Open Space	7:1
Green Street Setback	5:1
Green Street Improvement	5:1
Mid-block Corridor	7:1
Residential or Non-residential Hillside Terrace	5:1

The only open space public amenity with a payment option is neighborhood open space. The payment is based on estimated per-square-foot land value based on recent transactions.

In zones where transferable development potential and transferable development rights are permissible, a developer may transfer excess, unused floor area on a 1:1 basis from another lot. Typically, this occurs on lots not developed to their full potential, such as lots with designated landmarks, low-income housing developments, major performing arts facilities, public open space, or vulnerable masonry structures.

Developers may receive regional development credits from farms and working forests in the region if their site is located in a designated area. Projects receive extra floor area for each regional development credit. The specific square footage per credit is set in the Land Use Code.

The incentive zoning program has been effective in the CBD and was used by 40 projects between 2004 and 2018, with 14 of those projects fully meeting their incentive requirements through the provision of affordable housing and childcare facility contributions and the remainder meeting their incentive requirements through a combination of affordable housing, childcare facility contributions, and other public amenities.

Implementation Process

To begin the incentive zoning process, developers must submit plans documenting compliance with the incentive zoning program as a part of their application for a Master Use Permit (MUP). Documentation includes detailed diagrams, FAR calculations, and calculations for incentive zoning performance or payment. In addition to the plans, the city also reviews any related declarations, covenants, or agreements. The city records a declaration for all projects using incentive zoning and creates a draft of the declaration at the MUP stage. The declaration is finalized and recorded after reviewing final plans during the building permit stage. The timing of the process varies depending on the size and complexity of the project, but the approval process is included in the city's standard development entitlement process.

Best Practices

Studies have shown that Seattle's incentive zoning program has had a positive impact on affordable housing[21]. Seattle's incentive zoning program has also been successful in promoting public benefits beyond housing. The program has led to the creation of public spaces, improved pedestrian amenities, and enhanced streetscapes in certain areas. These community benefits contribute to the overall livability and quality of life in Seattle.

The Seattle Incentive Density Program utilizes the following best practices relevant to Montgomery Planning.

1. Payments in lieu of affordable housing are adjusted annually based on the CPI, which helps to ensure that the payments remain in line with market metrics. Montgomery Planning could similarly explore ways to update payment in lieu options more frequently than the current standards for various public benefits.

2. The Land Use Code allows for a reduction in the amount of affordable housing provided if a developer provides deeper affordability. This mechanism helps to increase the amount of affordable housing offered at various income levels. Montgomery Planning could explore ways to incentivize a broader range of affordability by calibrating the points awarded for providing various levels of affordable housing.
3. The program recognizes the diversity in building types and typical heights for residential and commercial projects. Structuring the required benefits and density bonus according to these variations, promotes development and public amenities that are aligned with the unique characteristics of each zone.
4. The program offers developers the flexibility to deliver amenities on-site or off-site under the performance option or to exercise the payment option. For instance, a commercial developer may have the option to provide affordable housing off-site or through the payment option, as applicable, given the project's zone.

Arlington, Virginia

Background

While Arlington County does not have a comprehensive countywide Incentive Zoning Program, it does utilize a set of programs designed to encourage the provision of particular public benefits. In this case study, our primary focus has been on the Green Building Density Incentive program, which has proven effective in facilitating the development of sustainable projects. This aligns with Montgomery County's objectives, as articulated in Thrive Montgomery 2050.

Program Overview – Green Building Density Incentive Program

Arlington County's Green Building Density Incentive Program (also known as the Green Building Incentive Policy) is a voluntary program that encourages developers to build high-performance green buildings to reduce energy consumption and greenhouse gas emissions to help achieve Arlington's long-term carbon emissions goals. The program is voluntary and uses the US Green Building Council's LEED (Leadership in Energy and Environmental Design) building rating system to set development standards.

Developers are eligible for additional density if they meet a minimum LEED Gold standard (or EarthCraft for multifamily) as well as other prerequisites. The Arlington County Board updated

LEED is a green building certification program and the globally recognized standard for designing, constructing and operating high-performance green buildings and neighborhoods.

The EarthCraft Multifamily Program is a multifamily-specific green building program providing certifications for new construction and renovation projects.

Arlington's Green Building Incentive Policy on December 12, 2020, increasing the minimum standard to LEED Gold and adding prerequisites related to equity, diversity, and inclusion programs. [22]

On December 12, 2020, the Arlington County Board enacted substantial changes to Arlington's Green Building Incentive Policy. These revisions elevated the minimum green building certification requirement to LEED Gold, demonstrating a commitment to sustainability. Furthermore, the updated policy expanded its flexibility by incorporating five distinct participation levels, ranging from 0.25 FAR to 0.70 FAR, increasing the flexibility of the program for participants. For projects exceeding the baseline 0.25 FAR level, compliance with the specified requirements is mandatory, with additional elements selected from an "Extra" list that encourages renewable energy, energy storage, electrification of building systems, enhanced energy efficiency, the use of low carbon materials, and the integration of affordable housing initiatives. At the highest three participation levels, applicants are given the option to pursue even more demanding building certifications such as Passive House, Net Zero Energy, or Zero Carbon. A summary of the details of each participation level is included in Table 6, below.

To ensure alignment with the Community Energy Plan goals, the policy incorporated an Automatic Update, effective June 30, 2023, which would raise the minimum energy optimization standards for each participation level.

Public Benefits

As of December 2020, 146 projects that received incentive density under this program have been approved by the Arlington County Board. Of these 146 buildings, 92 have committed to achieving LEED certification, with 57 having completed construction with their LEED commitments and complying with the green building site plan conditions of approval. Approximately 17 million square feet of development in Arlington has received some form of green certification in the last twenty years. The table below summarizes the green building approvals in Arlington since 2001.[23]

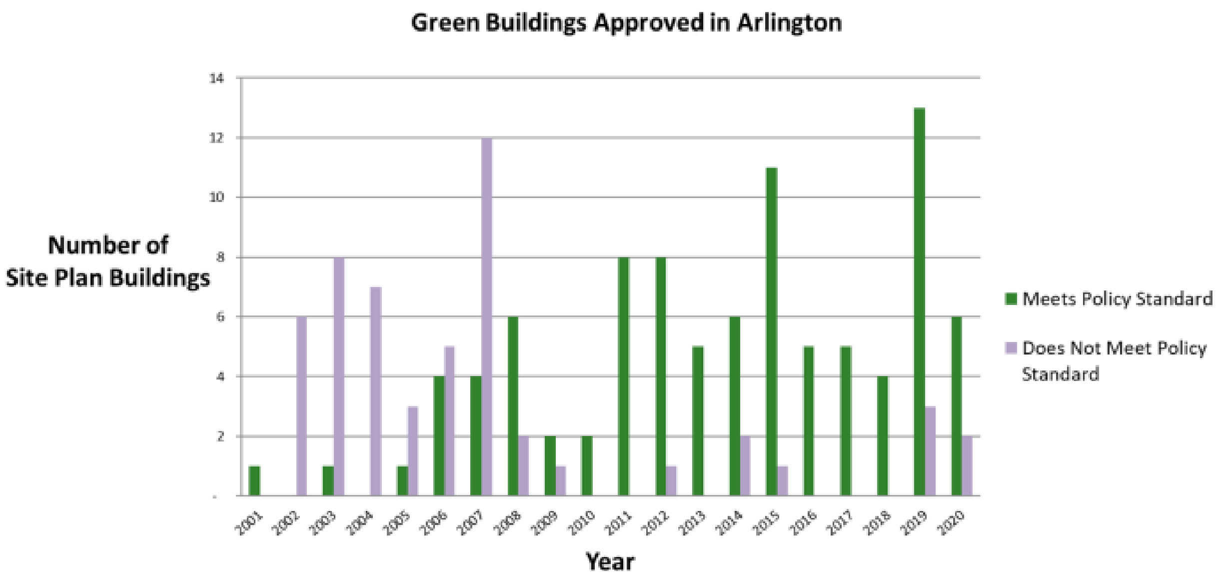


Figure 3 Green Building Approvals[23]

Development Incentives

Arlington County provides developers with the opportunity to attain varying levels of bonus density by meeting different sustainability criteria. Table 6, presented below, outlines the prerequisites that must be met at each FAR level to be eligible for bonus density. All projects participating in the program are also required to meet specific baseline perquisites related to the following categories:

- ENERGY STAR appliances and fixtures
- WaterSense Plumbing fixtures
- Refrigerant leakage
- Equity Diversity and Inclusion program
- Energy Benchmarking
- Light Pollution Reduction
- Air Sealing of Ventilation Supply and Exhaust
- Electric Vehicle Charging Infrastructure
- Human Interaction with Nature
- Bird-Friendly Materials
- Renewable Energy

Table 6: Green Building Incentive Policy Bonus Density Requirements

0.25 FAR	0.35 FAR	0.45 FAR	0.55 FAR	0.70 FAR
• LEED Gold 4 or 4.1 • Energy Optimization Performance Improvement Baseline Prerequisites • ENERGY STAR Score 75 – or- LEED site EUI performance verification	• LEED Gold 4 or 4.1 • Energy Optimization Performance Improvement • Baseline Prerequisites • ENERGY STAR Score 80 – or- LEED site EUI performance verification • 3 Items from Extra list	Option 1: • LEED Gold 4 or 4.1 • Energy Optimization Performance Improvement • Baseline Prerequisites • ENERGY STAR Score 85 – or- LEED site EUI performance verification • 4 Items from Extra List Option 2: • Baseline Prerequisites • Passive House (PHIUS) certification	Option 1: • LEED Gold 4 or 4.1 • Energy Optimization Performance Improvement • Baseline Prerequisites • ENERGY STAR Score 90 – or- LEED site EUI performance verification • 6 Items from Extra List including: o Energy Optimization o Renewable Energy plus Storage • Carbon Offsets (ILFI reference) Option 2: • Baseline Prerequisites • Passive House (PHIUS) certification • Carbon Offsets (ILFI reference) Renewable Energy plus Storage from Extra List	• LEED Gold 4 or 4.1 • Energy Optimization Performance Improvement • Baseline Prerequisites • Zero Energy – or – Zero Carbon certification

Implementation Process

Throughout the development process, there is a clear procedure in place to ensure the integration of green building standards. In the initial 4.1 site plan submission, developers provide LEED scorecards and energy model summaries, outlining their proposed energy-saving strategies alongside their site plan application. At this stage, developers specify the LEED credits they intend to pursue, and the corresponding number of points required to support their request for bonus density or increased height allowances. Subsequently, developers formally file for LEED certification and rating through the U.S. Green Building Council (USGBC). Following these steps, the proposed site plan undergoes a comprehensive standard review process, and the final approved site plan mandates adherence to the designated green building requirements. This commitment to green building doesn't stop with approval; the County maintains vigilant oversight during the construction phase to ensure compliance with these standards. In cases where the requirements are not met, the County takes appropriate enforcement measures to uphold sustainability goals. It should be noted that a LEED Accredited Professional is required to be a part of the project team.

Pros and Cons

Pros

- Submitting the LEED scorecard and energy model summary during the site plan submission phase allows for early evaluation of the project's sustainability goals and helps align development plans with the program requirements and County goals.
- The Policy is required to be reviewed and updated (as needed) every 3-5 years or when the LEED rating system is updated to ensure relevance to current energy standards. [22] Including a required review and update clause similar would help to ensure that Montgomery Planning's incentive density program was consistent with market realities and would continue to incentivize desired behavior.
- The inclusion of a LEED accredited professional throughout the implementation process provides an expert's continued input into each project's sustainability plan. This also supports reporting and documentation submission during design and construction phases and facilitates ongoing compliance monitoring.

Cons

- One of the primary drawbacks of this program is that it only applies to new development. Redevelopment projects can leverage this program to create additional density in exchange for improving sustainability.

- Achieving LEED Certification increases construction costs, the increased density may not be sufficient to offset the cost of the certificate program, especially in projects with a tight margin or for projects seeking greater levels of density.

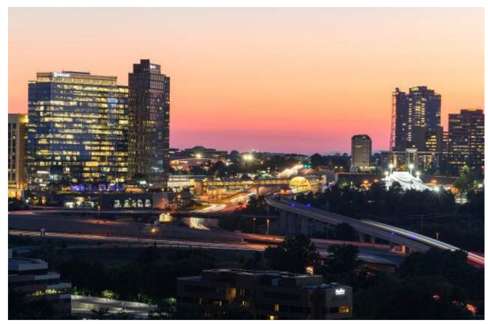
Fairfax County, Virginia

Background

Fairfax County does not utilize a countywide incentive zoning program. The county primarily uses the proffer system, where developers offer benefits in exchange for zoning approval, to negotiate for public benefits. This case study will focus on the County's Economic Incentive Program which aims to incentivize economic development in specific areas of the County. This program was selected because, in contrast to the other programs, the program utilizes economic incentives to encourage economic development.

Program Overview – Economic Incentive Program

Fairfax County adopted the Economic Incentive Program (EIP) on September 15, 2020. It provides an economic incentive for the private sector to purchase, assemble, revitalize, and redevelop property for economic development purposes.



The Economic Incentive Program (EIP) offers incentives to encourage the private sector to purchase, assemble, revitalize, and redevelop property to spur economic development.

To be eligible for this program, the development proposal should be situated within one of six designated Economic Incentive Areas, also called Commercial Revitalization Districts (CRD), including the Annandale CRD, Bailey's Crossroads/Seven Corners CRD, McLean CRD, Lincolnia CRA, Richmond Highway CRD, and Springfield CRD, along with the non-single-family portion of the Springfield TSA. Other eligibility requirements include:

- Projects must be commercial, industrial, and/or multi-family residential.
- The application must include a new consolidation of at least two contiguous parcels, with different owners and a combined minimum of two acres.
- The proposal must align with the consolidation and use recommendations of the County's Comprehensive Plan and comply with all applicable laws and policies regarding affordable housing provision and preservation.

Public Benefit

The EIP aims to encourage growth in regions with limited development compared to the level of intensity envisioned in the county's comprehensive plan. It targets areas facing declining competitiveness and outdated architectural styles particularly older commercial districts termed commercial revitalization districts. The primary goal is to breathe new life into these zones, transforming them into vibrant and attractive mixed-use centers that can stimulate fresh economic activity.

Development Incentives

Due to limited development activity relative to comprehensive plan potential, unsustainable land development patterns, and outdated architectural designs, the county's economic competitiveness was being hampered. To address these issues, the county established the EIP program to provide financial and regulatory incentives to induce development activity. Financial incentives available to developers include a reduction in site plan fees or partial real estate tax abatements. Regulatory incentives include expedited zoning application scheduling, concurrent processing of a comprehensive plan amendment and associated zoning application, concurrent processing of a site plan and a zoning application, inclusion in the Land Development Services (LDS) project management program, and a lower project value to qualify for the LDS modified processing program.

Implementation Process

All applications must first be submitted to the Fairfax County Department of Planning and Development (DPD) for evaluation. The DPD reviews applications for provisional eligibility based on zoning or site plan criteria. Upon provisional eligibility, the application is forwarded to the Department of Tax Administration (DTA) for appraisal.

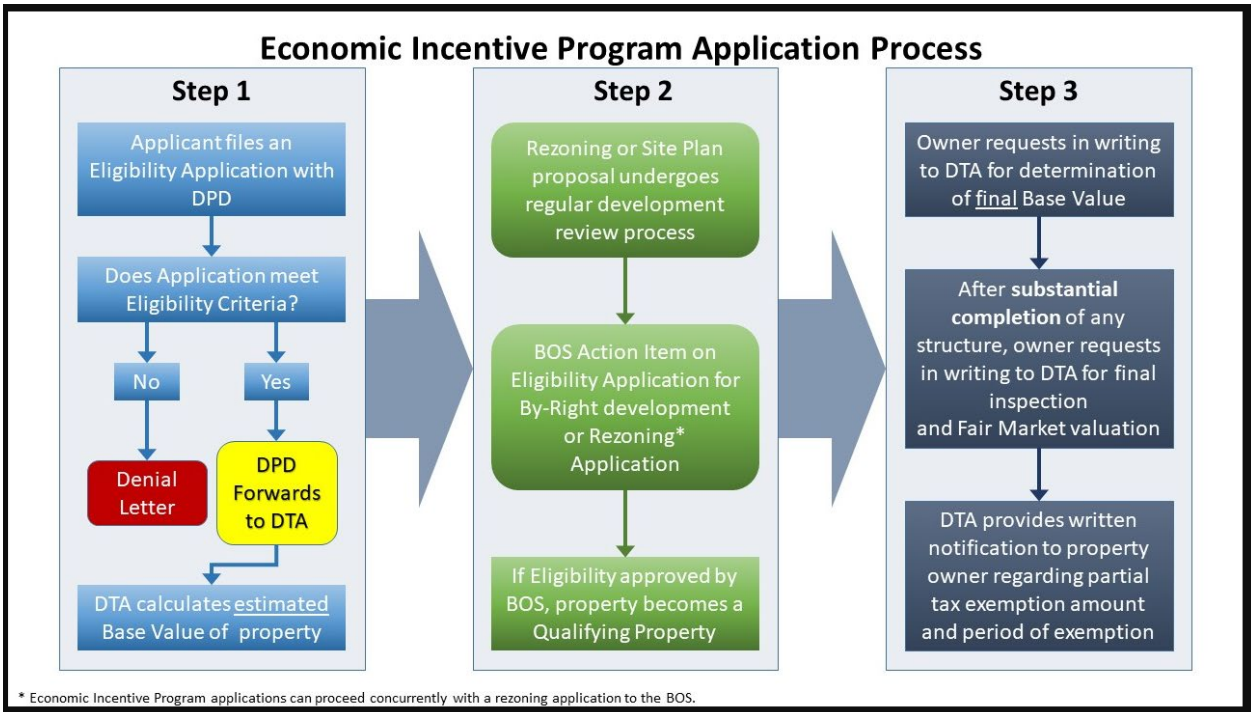
DTA schedules an appraisal inspection to estimate the property's base fair market value. Final eligibility approval rests with the Board of Supervisors, who also receive the estimated fair market values.

Approved applications become Qualifying Properties and are sent to DTA for final base fair market value determination. Developers must request this determination in writing. Once construction is 'substantially complete,' a final inspection is conducted, and the fair market value is determined.

The program has a ten-year duration from Board adoption for each Economic Incentive Area, with variable start dates detailed in the ordinance for each area."

The diagram below, Figure 5, outlines the typical EIP application process.

Figure 4: Economic Incentive Program Application Process



Pros and Cons

Pros

- The process is well-structured, with clear submission requirements and steps. This transparency ensures that applicants understand the program requirements and inserts predictability into the process.
- Providing developers with a combination of financial and regulatory incentives improves potential project feasibility and increases speed to market, potentially increasing the speed of economic growth in targeted areas.

Cons

- The program is limited to projects in six designated economic incentive areas and requires projects to be located on new consolidated parcels. This limits the program's reach and does not incentivize existing owners to consider redevelopment projects.
- The multi-step approval process involving various departments might lead to administrative complexities and potential delays. Bureaucratic delays can cause significant harm to a real estate project. Programs with streamlined processes can reduce the risk to the developer associated with bureaucratic delays.

- The program does not include community involvement, this is a concern as the program's goal is to incentivize development in older established areas. The lack of community involvement leaves key stakeholders out of the development process.

Washington, District of Columbia

Background

The Green Area Ratio program in the District is an example of a regulation that supports a specific benefit. The Green Area Ratio program is independent of the development review process in D.C. whereby applicants negotiate a package of public benefits with the city. Given its dense and built-up nature, ensuring green spaces into the future is an important goal for the city.

Program Overview – Green Area Ratio

The Green Area Ratio (GAR) is a zoning regulation that integrates landscape elements into parcel site design to promote sustainable and aesthetically pleasing development. GAR sets minimum lot-coverage standards for landscape and site design features to promote greater livability, ecological function, green space accessibility, and climate adaptation in the urban environment.

GAR promotes sustainable practices in large projects, but its ultimate effect is to ensure that new development embodies principles of environmentally friendly urban living with benefits that help reduce stormwater runoff, improve air quality, and mitigate heat island effect.

The GAR program is an example of a program that targets a goal that is easy to define and specific to D.C.'s urban and built-up nature.

Implementation Process

To ensure compliance with Green Area Ratio (GAR) requirements for a project, the first step involves determining the specific zoning district in which the project is located and identifying the mandated GAR score for that district. Once the required GAR score is established, the next phase entails utilizing the GAR scoresheet (provided in Attachment C) to calculate the total area of landscape elements needed to attain the specified score. With a design that meets or exceeds the minimum GAR score requirements, the project proceeds to the submission phase. As part of the building permit application, the necessary GAR documentation, including details of the landscape design, must be included. Following approval, the final step involves the construction and ongoing maintenance of the project, ensuring that it aligns with the approved plans and continues to meet the GAR criteria throughout its lifecycle.

Pros and Cons

Pros

- The process is straightforward, with clearly articulated expectations for compliance with the program. Developers can easily estimate the requirements for their projects based on the zoning district and the required GAR score, which streamlines the planning and design phases.
- The use of a GAR Scoresheet provides an objective method for calculating the required area of landscape elements, reducing ambiguity and subjective interpretation.
- GAR is designed to address a specific policy goal relevant to the jurisdiction.

Cons

- Increased landscaping elements required by the program increase project costs. Increases in project costs may negatively impact project feasibility.
- GAR is not applicable in some zones, in buildings that do not require a certificate of occupancy, and in interior renovation of existing buildings in the Central Employment Area. These exclusions exempt large sections of the city from the regulation, thereby reducing its overall effectiveness.

3. Key Findings

The case studies in the section above profile municipalities across the country with programs that attempt to incentivize or compel developers to provide public benefits. The programs represent a variety of approaches and illustrate a set of best practices and techniques that may be leveraged by Montgomery County Planning as the County's Public Benefits Incentive Program is reevaluated.

In this section, we compare the Montgomery County Incentive Density program to the three national and three local case studies profiled above and ask the following questions to compare the approaches profiled and highlight key best practices that may be incorporated into the County's program.

- Is the program required?
- Are the benefits prescriptive or ad-hoc?
- What incentives are offered to developers?
- How is the program implemented?

Is the Program Required?

Of the six municipalities profiled, four of the programs were voluntary, similar to Montgomery County, and two were mandatory for projects meeting certain criteria. The mandatory programs were the Community Benefits Ordinance in Detroit and the Green Area Ratio program in Washington DC. The Community Benefits Ordinance mandates projects that meet specific criteria to work with the community to develop a set of unique benefits memorialized in a Community Benefits Agreement. A feature unique to this program is that the benefits package is developed with community input. Community involvement promotes equity and helps to ensure that the benefits provided meet the current needs of the community. It should be noted that Detroit CBO is the only program profiled that directly engages the community in the negotiation process. This is in contrast with the other mandatory program, the Washington DC Green Area Ratio which is a zoning regulation designed to promote sustainable practices in development and applies to all projects that meet certain criteria. A key drawback to these mandates is that developers may intentionally structure projects that don't meet program criteria to avoid participation, as observed in Detroit. [19]

> **Inclusionary Zoning**
>
> A key variable effecting why a municipality may elect to mandate an incentive program is the existence of legislation prohibiting inclusionary zoning (IZ). IZ ordinances either require or encourage builders of new residential developments to set aside a certain percentage of housing units for low-or moderate-income residents. [18] In municipalities where IZ is prohibited, local policymakers may incentivize developers to create affordable housing using voluntary incentive programs.

Mandating specific minimum development requirements is a common planning tool, however it is not commonly used in density bonus programs and does not represent a best practice for incentivizing community benefits. Detroit's CBO program is unique in that participation is mandated for projects that meet the program criteria, however each benefit package is unique to a project and requires significant public resources. This approach would not be reasonable for a large municipality with a significant number of projects, such as Montgomery County.

Are the benefits prescriptive or ad-hoc?

Montgomery County's program, with a menu of 36 different public benefits across 7 categories, offered the largest set of options available to developers when compared with the case studies. In comparison, Austin and Seattle, the municipalities with the most similar benefit menus provided between 5 and 11 options, respectively. Additionally, both municipalities required developers to include affordable housing in their public benefits package, ensuring the highest priority public benefits were addressed by developers.

Austin's DDBP includes gatekeeper requirements or initial program prerequisites focused on addressing public benefits including energy efficiency and urban design requirements. Gatekeeper Requirements ensure developers meet minimum thresholds in specific categories related to other public goods. When combined with the program requirement to achieve 50% of any density bonus through the provision of affordable housing, the DDBP aligns Austin's priority goals with the benefits sought through the program while allowing developers the flexibility to provide additional benefits. Similarly, in Seattle, some zones require compliance with minimum green building or transportation management standards to be eligible for bonus density. This represents a best practice in the design of density bonus programs.

In contrast, Detroit's CBO provides a forum for developers and community representatives to craft a unique public benefits package on a case-by-case basis. These packages are specifically tailored to the needs of the local community and the CBO is the only program profiled that incorporates direct public input into the negotiation process. However, program critics have raised concerns about community representatives' ability to negotiate with developers. Additionally, the community benefits agreements lack consistency and require significant public resources to develop and monitor.

The remaining case studies, Arlington and Fairfax, both incentivize specific behavior. In Arlington, the Green Building density program encourages developers to incorporate sustainability into development projects. Developers receive a specified amount of bonus density based on meeting specific criteria. Fairfax provides developer incentives related to streamlining the development process and reducing the costs to incentive development in revitalization districts. In both cases, the policies enacted are targeted toward incentivizing specific public benefits and don't represent a viable approach for Montgomery County as the County seeks to incentivize a range of public benefits.

What incentives are offered to developers?

The voluntary programs profiled included a range of incentives, the primary incentive being bonus density. This is the only incentive offered by Montogomery County that is similar to Austin, Seattle, and Arlington. However, density bonuses are most successful under specific conditions including markets with strong development activity, an appetite for high density construction, and limited land availability. Additionally, density bonus programs must be aligned with market economics to properly incentivize developers and to balance incentives with public benefits. This can be challenging in larger municipalities, such as Montgomery County with varying market conditions and economics. Best practices include utilizing a sliding scale based on formulas to account for these variations. In Austin, the DDBP ordinance requires the City Manager to evaluate and if necessary, recommend adjustments to the program to ensure alignment with current market economics. Similarly, Seattle's incentive zoning program ordinance requires the calculation for payments in lieu of benefits to be adjusted annually based on increases to the CPI. Requiring periodic revisions to calculations and other aspects of the program contributes to ensuring the program's ongoing success.

In contrast, Fairfax County offered a range of incentives designed to streamline the development process and reduce costs for developers. These incentives were crafted to catalyze economic development in commercial revitalization zones. Incentives designed to streamline the development process can be successful when redevelopment is one of the key public benefits sought. Providing developers with a combination of financial and regulatory incentives improves potential project feasibility and increases speed to market, potentially increasing the speed of economic growth in targeted areas.

How is the program implemented?

Density bonus programs are generally affected by zoning ordinances. The process involves stating the purpose of the program, defining the applicable area, and outlining the policy for providing bonuses. The majority of the programs profiled in this report are implemented through each municipality's planning department with the exception of Washington DC's Green Area Ratio which is implemented through the Department of Energy and the Environment.

Successful programs outline clear guidelines for program participation and include objective approval criteria. The City of Austin goes a step further and clearly articulates the fundamental principles guiding the bonus density program, acknowledges additional density as a desired outcome and emphasizes the importance of a clear regulatory process. Clarity and objectivity reduce risk for developers pursuing density bonuses. Additionally, incorporating the approval process into a municipality's standard development approval process is a best practice that reduces bureaucratic requirements and approval timelines.

Another key best practice, observed in Austin and Arlington, is a requirement to review and update the program at regular intervals, typically every three to five years, to ensure that the program continues to effectively meet its goals. Similarly, in Seattle, payments in lieu of affordable housing are adjusted annually based on the CPI, which helps to ensure that the payments remain in line with market metrics.

A key feature of Detroit's CBO is ensuring ongoing compliance with negotiated agreements. The ordinance provides for a detailed compliance monitoring process and outlines enforcement mechanisms to ensure that the City receives the agreed upon benefits in a timely manner. As mentioned previously, ongoing monitoring and a streamlined process to make changes to the point system would similarly enable Montgomery Planning's Incentive Density Program to remain nimble in responding to changing market conditions and updated policy priorities over time.

Appendix

Attachment A – Austin Affordable Housing Incentive Program Overview

City of Austin Affordable Housing Development Incentive Policy Overview - Updated January 20, 2023

Policy	Incentive Policy Type	Applicability	Development Incentives & Waivers/Modifications	Affordability Set-Aside Requirements	Maximum Income Limit (as % of MFI)*		Affordability Period		Fee-In-Lieu Rate	Year Adopted	Most Recent Amendment	Original Ordinance/ Regulating Plan	Land Development Code Reference
					Owner	Rental	Owner	Rental					
Affordability Unlocked (AU)	Density Bonus	Citywide	Waiver of compatibility, duplex design, and site area, FAR, dwelling unit occupancy requirements, modified parking requirements, front & rear setback reduced by 50%, min lot size & width reduction, height increase	50% of total units**	80%	60%	99 years	40 years	None	2019		Ordinance No 20190509-027	§ 25-1-720
Downtown Density Bonus (DDB)	Density Bonus	Central Business Distict	Increased maximum height and floor-to-area ratio (FAR)	10% of residential bonus area	120%	80%	99 years	40 years	*Interim Fees:* $5 - Residential Rainey Street; $12 - Residential with CBD zoning other than Rainey Street; $10- Residential with zoning other than CBD other than Rainey Street ; $18 - Commerial with CBD zoning; $12 - Commercial with zoning other than CBD	2013		Ordinance No. 20130627-105	§ 25-2-586
East Riverside Corridor (ERC) Development Bonus	Density Bonus	East Riverside Corridor Regulating District	Increased maximum height, FAR, and modification to compatability standards	25% of bonus area	80%	60%	99 years	40 years	$1 per gross bonus square foot for buildings over 90 ft. (no in-lieu option under 90')	2013		Regulating Plan	§ 25-2-149
Micro-Unit Density Bonus	Density Bonus	Applies to multifamily use in Transit Oriented Development Districts or along Core Transit Corridors when units are 500 square feet or less	Waiver of minimum site area requirements and reduction in off-street parking requirements	10% of total units	80%	50%	99 years	40 years	None	2014		Ordinance No. 20141211-228	§ 25-2-780
North Burnet Gateway (NBG) Development Bonus	Density Bonus	North Burnet Gateway Regulating District	Increased maximum height and FAR	10% of bonus area	80%	60%	99 years	40 years	$8 per gross bonus square foot	2009		Regulating Plan	§ 25-2-148
Planned Unit Development (PUD) Density Bonus	Density Bonus	Planned Unit Developments where the proposed land use exceeds base entitlements	Increased maximum height, FAR, and building coverage	10% of bonus area (rental) and 5% of bonus area (ownership)	80%	60%	99 years	40 years	$8 per gross bonus square foot	2008	Ordinance No. 20131003-096	Ordinance No. 20080618-098	§ 25-2-Subchapter B Article 2.5
Rainey Street Density Bonus	Density Bonus	Rainey Street Subdistrict	Waiver of maximum height up to 8:1 FAR	5% of total residential area	80%	80%	none	none	None	2005	Ordinance No. 20140227-054	Ordinance No. 20050407-063	§ 25-2-739
S.M.A.R.T. Housing	Fee Waivers & Development Incentives	Citywide	Permit, Inspection, and Capital Recovery fee waivers	At least 10% of total units	80%	80%	1 year	5 years	None	2007	Ordinance No. 20071129-100	Ordinance No. 20141106-124	§ 25-1 Article 15.2
S.M.A.R.T. Housing Greenfield Single-Family Density Bonus	Density Bonus	SF-2 & SF-3 zoning districts on lots 3 acres or greater	Site may be developed under SF-4A zoning district standards	10% of total units	80% and 100%	60%	1 year	5 years	None	2008		Ordinance No. 20080131-132	§ 25-2-566
S.M.A.R.T. Housing Greenfield Multi-Family Density Bonus	Density Bonus	Undeveloped lots with MF-2 through MF-5 zoning	Site may be developed under MF-6 zoning district standards	10% of total units	80% and 100%	60%	99 years	40 years	None	2008		Ordinance No. 20080131-132	§ 25-2-567
Transit Oriented Development (TOD) Development Bonus	Density Bonus	Plaza Saltillo, Lamar/Justin Lane, and MLK Transit Oriented Development Districts	Increased maximum height, FAR, and modification to compatability standards	At least 10% of total area	80%	50% and/or 60%	99 years	40 years	$13 per gross bonus square foot for Lamar/Justin Lane and Plaza Saltillo; $12 per gross bonus square foot for MLK	2009		TOD Regulating Plans	§ 25-2 Subchapter C Article 3.10
University Neighborhood Overlay (UNO) Density Bonus (Pre 2/24/14)	Density Bonus	University Neighborhood Overlay District, On or Before February 24, 2014	Increased maximum height, FAR, and modification to compatability and parking standards	At least 10% of total units	65% and/or 80%	65% and/or 80%	15 years 15 years	15 years 15 years	None $1 per net rentable square foot	2004	Ordinance No. 20140213-056	Ordinance No. 040902-58	§ 25-2 Subchapter C Article 3.09
University Neighborhood Overlay (UNO) Density Bonus (Post 2/24/14)	Density Bonus	University Neighborhood Overlay District, After February 24, 2014	Increased maximum height, FAR, and modification to compatability and parking standards	At least 10% of total area	50% and/or 60%	50% and/or 60%	40 years 40 years	40 years 40 years	$1 per net rentable square foot for residential use or $2 per net rentable square foot for hotel use	2014	Ordinance No. 20191114-067	Ordinance 20140213-056	§ 25-2 Subchapter C Article 3.09
Vertical Mixed Use 1 (VMU 1)	Density Bonus	Vertical Mixed Use and Mixed Use Combining Districts	Relaxed site area requirements, setbacks, and parking requirements, and waiver of FAR	10% of total units	80%	60%	99 years	40 years	None (Fee amount for commercial space above ground floor pending)	2010	Ordinance No. 20220609-080	Ordinance No. 20100408-049	§ 25-2-Subchapter E Article 4.3
Vertical Mixed Use 2 (VMU 2)	Density Bonus	Vertical Mixed Use and Mixed Use Combining Districts	VMU 1 bonuses plus increased maximum height	At least 10-12% of total units; location dependent	80%	50% or 60%	99 years	40 years	None (Fee amount for commercial space above ground floor pending)	2022	Ordinance No. 20220609-080	Ordinance No. 20100408-049	§ 25-2-Subchapter E Article 4.3

City of Austin Affordable Housing Development Incentive Policy Overview - Updated January 20, 2023

Policy	Incentive Policy Type	Applicability	Development Incentives & Waivers/Modifications	Affordability Set-Aside Requirements	Maximum Income Limit (as % of MFI)*		Affordability Period		Fee-In-Lieu Rate	Year Adopted	Most Recent Amendment	Original Ordinance/ Regulating Plan	Land Development Code Reference
					Owner	Rental	Owner	Rental					
Residential in Commercial	Density Bonus	Certain commercial districts without existing creative spaces or multi-family structures	Makes a commercial-residential development a permitted use in certain commercial base districts; modifications to dimensional standards	10% of total units	80%	60%	99 years	40 years	None	2022	Ordinance No. 20221201-055	Ordinance No. 20221201-055	§ 25-1 Article 15 (pending)
Compatibility on Corridors	Density Bonus	Corridor Overlay Combinind Districts	Waives or eases height and setback requirements related to campatibility regulations on certain corridors	10% of total units	80%	60%	99 years	40 years	None	2022	Ordinance No. 20221201-05	Ordinance No. 20221201-056	§ 25-2-32 and § 25-2-181

DISCLAIMER: The City of Austin Housing and Planning Department makes reasonable efforts to ensure the information contained herein is accurate and current. However, this document is not intended to provide a comprehensive summary of all policy/program requirements. Interested parties should refer to the appropriate sections (referenced herein) of the Land Development Code and Regulating Plans for further details. *MFI = Median Family Income. See http://www.austintexas.gov/page/income-limits for more information. **Additional requirements may apply. See https://www.austintexas.gov/department/affordability-unlocked-development-bonus-program for more information.

Attachment B – City of Detroit Community Benefits Ordinance Biannual Report - Executive Summary

CITY OF DETROIT
Civil Rights, Inclusion and Opportunity

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVENUE, SUITE 1240
DETROIT, MICHIGAN 48226
PHONE: 313.224.4950

To: Honorable Detroit City Council

Neighborhood Advisory Councils

From: Kimberly Rustem, Director, Civil Rights, Inclusion and Opportunity

Date: February 4, 2022

Re: Community Benefits Ordinance Biannual Report -*Executive Summary*

The Civil Rights, Inclusion, and Opportunity (CRIO) Department has been given the responsibility of monitoring Community Benefits Agreements.

The Community Benefits Ordinance (CBO) requires a biannual compliance report be submitted to City Council and each NAC associated with a Tier 1 Project within the City of Detroit. The following report details compliance with each Community Benefits Provision commitment.

Ten projects are currently in the enforcement phase and included in this report:

1. The **Herman Kiefer** development has a total of ***12** commitments*, with **10** of their commitments in the "On Track" or "Completed" status and **0** commitment "Off Track"
2. The **Hudson's** development has a total of ***19** commitments*, with **15** of their commitments in the "On Track" or "Completed" status and **0** commitments "Off Track"
3. The **Michigan Central Station** development has a total of ***43** commitments*, with **38** of their commitments in the "On Track" or "Completed" status and **1** commitment "Off Track"
4. The **Book Building and Tower** has a total of ***20** commitments*, with **12** of their commitments in the "On Track" or "Completed" status and **0** commitments "Off Track"
5. The **Monroe Block** development has a total of ***26** commitments*, with **10** of their commitments in the "On Track" or "Completed" status and **0** commitments "Off Track"
6. The **Detroit Pistons Performance Facility and Headquarters** development has a total of ***24** commitments*, with **24** of their commitments in the "On Track" or "Completed" status and **0** "Off Track"
7. The **Wigle: Midtown West** development has a total of ***23** commitments*, with **16** of their commitments in the "On Track" or "Completed" status and **0** commitments "Off Track"
8. The **Fiat Chrysler Automotive** development has a total of ***66** commitments*, with **60** of their commitments in the "On Track" or "Completed status and **1** commitment "Off Track"
9. The **Lafayette West** development has a total of ***55** commitments*, with **45** of their commitments in the "On Track" or "Completed" status and **0** commitments "Off Track"
10. The **Mid** development has a total of ***26** commitments*, with **3** of their commitments "On Track" or "Completed" and 0 commitments "Off Track"
11. The **Michigan and Church** development has a total of ***63** commitments*, with **5** of their commitments "On Track" or "Completed" and **0** commitments "Off Track"

If you have any questions, do not hesitate to contact my office at 313-224-4950

Respectfully,

Kimberly Rustem
Director
Civil Rights, Inclusion and Opportunity
Department

Approved as to form:
CNR
Chuck Raimi
Interim Corporation Counsel
City of Detroit Law Department

Attachment C - Washington DC Green Area Ratio Score sheet

Green Area Ratio Scoresheet

Address | Square | Lot | Zone District

Other

Lot size *(enter this value first)* * | Lot area (sf) | Minimum Score | Multiplier | GAR Score

SCORE: #DIV/0!

	Landscape Elements		Square Feet	Factor	Native Bonus	Total
A	**Landscaped areas (select one of the following for each area)**					
1	Landscaped areas with a soil depth < 24"		*square feet*	0.30		-
2	Landscaped areas with a soil depth ≥ 24"		*square feet*	0.60		-
3	Bioretention facilities		*square feet*	0.40		-
B	**Plantings (credit for plants in landscaped areas from Section A)**				***Native Bonus***	
1	Groundcovers, or other plants < 2' height		*square feet*	0.20	*square feet*	-
2	Plants ≥ 2' height at maturity - calculated at 9-sf per plant	*# of plants*	0	0.30	*# of plants*	-
3	New trees with less than 40-foot canopy spread - calculated at 50 sq ft per tree	*# of trees*	0	0.50	*# of trees*	-
4	New trees with 40-foot or greater canopy spread - calculated at 250 sq ft per tree	*# of trees*	0	0.60	*# of trees*	-
5	Preservation of existing tree 6" to 12" DBH - calculated at 250 sq ft per tree	*# of trees*	0	0.70	*# of trees*	-
6	Preservation of existing tree 12" to 18" DBH - calculated at 600 sq ft per tree	*# of trees*	0	0.70	*# of trees*	-
7	Preservation of existing trees 18" to 24" DBH - calculated at 1300 sq ft per tree	*# of trees*	0	0.70	*# of trees*	-
8	Preservation of existing trees 24" DBH or greater - calculated at 2000 sq ft per tree	*# of trees*	0	0.80	*# of trees*	-
9	Vegetated wall, plantings on a vertical surface		*square feet*	0.60	*square feet*	-
C	**Vegetated or "green" roofs**					
1	Over at least 2" and less than 8" of growth medium		*square feet*	0.60	*square feet*	-
2	Over at least 8" of growth medium		*square feet*	0.80	*square feet*	-
D	**Permeable Paving*** **					
1	Permeable paving over 6" to 24" of soil or gravel		*square feet*	0.40		-
2	Permeable paving over at least 24" of soil or gravel		*square feet*	0.50		-
E	**Other**					
1	Enhanced tree growth systems***		*square feet*	0.40		-
2	Renewable energy generation		*square feet*	0.50		-
3	Approved water features		*square feet*	0.20		-
		sub-total of sq ft =	0			
F	**Bonuses**					
1	Native plant species		*square feet* 0	0.10		-
2	Landscaping in food cultivation		*square feet*	0.10		-
3	Harvested stormwater irrigation		*square feet*	0.10		-
			Green Area Ratio numerator =			-

*** Permeable paving and structural soil together may not qualify for more than one third of the Green Area Ratio score.

Total square footage of all permeable paving and enhanced tree growth. -

Endnotes

[1] E. Mueller and S. Erica Leak, "Evaluating the Density Bonus as A Tool for Affordable Housing Production in Austin, TX APPROVED BY SUPERVISING COMMITTEE."

[2] "AFFORD ABLE HOUSING ZONING IN CENTIVE INTERIM BACKGROUND REPORT AFFORDABLE HOUSING ZONING INCENTIVE," 2020.

[3] "Downtown Density Bonus Program | AustinTexas.gov." Accessed: Aug. 27, 2023. [Online]. Available: https://www.austintexas.gov/page/downtown-density-bonus-program

[4] "DOWNTOWN DENSITY BONUS PROGRAM ROMA Design Group HR&A Advisors Studio 8 Architects Limbacher Godfrey Architects," 2009.

[5] "Downtown Density Bonus Program | AustinTexas.gov." Accessed: Aug. 27, 2023. [Online]. Available: https://www.austintexas.gov/page/downtown-density-bonus-program

[6] "City of Austin Affordable Housing Development Incentive Policy Overview." [Online]. Available: https://www.austintexas.gov/department/affordability-unlocked-development-bonus-program

[7] "ORDINANCE NO. 20140227-054 AN ORDINANCE AMENDING CITY CODE CHAPTER 25-2 REGARDING DENSITY BONUS REGULATIONS IN THE DOWNTOWN DENSITY BONUS PROGRAM AND THE RAINEY STREET SUBDISTRICT. BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN."

[8] S. Cronk, A. Morgan, and J. R. Gonzales, "M E M O R A N D U M TO: Mayor and Council Members," 2022.

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