

D: INCENTIVES & MANDATES IN OTHER JURISDICTIONS

Summary of Government LEED[®] Incentives Prepared by U.S. Green Building Council February 2007

TAX INCENTIVES

Baltimore County, MD

On June 5, 2006, the County Council passed bill # 85-06 that gives a county property tax credit to any commercial building that achieves LEED-NC Silver certification. The duration of the tax credit is for ten consecutive years.

<http://www.baltimorecountycouncil.org/b08506.pdf>

Chatham County, GA

May, 2006: The Board of Commissioners of Chatham County passed an ordinance that gives full property state and county tax abatement for any building achieving LEED Gold certification for the first five years, then tapering off by 20% each year until the tenth year.

http://www.chathamcounty.org/Chatham/uploads/Agn2006//m2006_05_12.PDF

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Cincinnati, OH

On September 20, 2006, the City of Cincinnati passed an amendment to Ordinance #342-2002 that gives an automatic tax exemption and 100% exemption of the assessed property value for construction of new, private commercial buildings and residential units that achieve LEED certification. Residential units include new or rehabilitated apartment structures with four or more units but do not include detached residential structures. The ordinance also sets aside funds from the Community Development Block Grant to provide financial assistance for builders of new residential or rehabilitated low- income or mixed-income structures and homes that meet LEED standards. Funds would be used to offset any increased costs from building to LEED standards.

Also on September 20, 2006, the City of Cincinnati passed an ordinance requiring new municipal buildings to be LEED certified. Renovated municipal buildings should incorporate LEED elements during construction.

Maryland

October 2001: Maryland's governor issued an Executive Order calling for all capital projects greater than 5,000 gsf to earn LEED certification.

April 2005: The House and Senate passed legislation in requiring a green building standard, such as LEED (Silver), be used for state capital projects. The state also approved a green building tax credit for commercial developers.

<http://business.marylandtaxes.com/taxinfo/taxcredit/greenbldg/default.asp>

Nevada

June 17, 2005: Governor Guinn signed AB3 requiring all state funded buildings be LEED Certified or higher in accordance with LEED or an equivalent standard. During each biennium, at least two occupied public buildings whose construction will be sponsored or financed by the State of Nevada must be designated as a demonstration project and be equivalent to a LEED Silver or higher certification, or an equivalent standard. The bill also provides tax abatements for property which has an eligible LEED Silver building and tax exemptions for products or materials used in the construction of a LEED Silver building.

www.leg.state.nv.us/22ndSpecial/Reports/history.cfm?ID=2546

New York

June 2001: New York Governor Pataki issued Executive Order #111 encouraging but not requiring state projects to seek LEED Certification. New York State Energy Research and Development Authority will be offering an incentive for design teams of any New York State building that achieves a LEED rating. NYSERDA's New Construction Program offers a 10% increase on incentives for energy efficiency measures that reduce the use of electricity. NYSERDA provides low interest loans (4% below market rate) for energy efficiency measures and building materials that meet LEED or other generally accepted green building standards. The New York State Green Building Tax Credit Program provides a tax incentive to commercial developments incorporating specific green strategies informed by LEED.

<http://www.dec.state.ny.us/website/ppu/grnbldg/index.html>

Oregon

Oregon's 35% Business Energy Tax Credit for sustainable buildings is tied to the LEED certification level achieved. A LEED Silver rating is the minimum standard to obtain the tax credit for sustainable buildings and applies to LEED NC, CI, and CS certified buildings.

Examples:

100,000 sf. LEED-NC Silver bldg. eligible for \$140,000 tax credit

100,000 sf. LEED-NC Gold bldg. eligible for \$177,485 tax credit

<http://oregon.gov/ENERGY/CONS/BUS/tax/sustain.shtml>

Pasadena, CA

December 19, 2005: The City Council passed an ordinance requiring all new commercial and residential construction to achieve the LEED Certified level at a minimum. This includes commercial construction of 25,000 square feet or more, residential buildings at least four stories high, and city buildings of 5,000 square feet or more. Developers who exceed the minimum certification will qualify for a rebate from Pasadena Water and Power. Additionally, developers who include affordable housing will earn a construction tax rebate of \$1000 per unit. The ordinance is effective beginning in April 2006.

http://www.cityofpasadena.net/councilagendas/2005%20agendas/Dec_19_05/5A1.pdf

DENSITY BONUS

Acton, MA

April 5, 2004: A new zoning by-law (section 5.5B.2.2.d) unanimously adopted at the Annual Town Meeting gives a density bonus for buildings achieving LEED certification.

<http://doc.acton-ma.gov/dsweb/Get/Document-8253/EAVPC+Articles+Presented+at+Town+Meeting+-+April+2004.pdf>

Arlington, VA

Arlington County allows commercial projects and private developments earning LEED Silver certification to develop sites at a higher density than conventional projects.

All site plan applications for commercial projects are required to include a LEED Scorecard and have a LEED Accredited Professional on the project team regardless of whether or not the project intends to seek LEED certification. All projects must contribute to a green building fund for county-wide education and outreach activities. The contribution is refunded if projects earn LEED certification.

Arlington sponsors a voluntary green home program that encourages builders of new single-family homes to incorporate energy efficient and other green building components in their projects. The County offers "front-of-the-line" plan review, site signs, and publicity to program participants who achieve a given number of points as outlined by Arlington's Green Home Choice program.

EXPEDITED PERMIT REVIEW

Gainesville, FL

2002: The City of Gainesville passed Ordinance # 1835 requiring all government county buildings be LEED certified. Additionally, the county is providing a fast-track building permit incentive and a 50% reduction in the cost of building permit fees for private contractors who use LEED.

Issaquah, WA

Developers intending to use LEED may receive free professional consultation and projects achieving LEED certification are placed at the head of the building permit review line.

<http://www.ci.issaquah.wa.us/Page.asp?NavID=326>

San Francisco, CA

On September 28, 2006, Mayor Gavin Newsom announced that the Department of Building Inspection (DBI), working with the Department of Environment (DOE) and the Department of Planning, will finalize a policy that gives priority permit review to all new and renovated buildings that achieve LEED Gold certification.

Press release: http://sfgov.org/site/mayor_page.asp?id=46866

Santa Monica, CA

2000: The City Council adopted an ordinance requiring all new city projects to achieve LEED Silver certification.

April 2004: The city launched a grant program that provides a financial incentive for private developers who achieve LEED certification.

<http://greenbuildings.santa-monica.org/mainpages/Details%20-%20LEED%20Grants.pdf>

August 2005: The city passed an ordinance allowing LEED registered projects to receive expedited permitting. This includes all LEED for New Construction, Homes, Core and Shell.

<http://www.smgreen.org/mainpages/whatsnew.htm>

Sarasota County, FL

March 18, 2005: The county passed a resolution mandating that all government county buildings be LEED certified. Additionally, the county is providing a fast-track building permit incentive and a 50% reduction in the cost of building permit fees for private contractors who use LEED.

On August 22, 2006, the county approved a Green Development Incentive Resolution (#2006-174) that provides fast-track permitting for residential and commercial green developments. Incentives apply to projects pursuing LEED for Neighborhood Developments (ND) or FGBC Green Development Standards.

GRANTS

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Pennsylvania Public Schools

In July 2005, the Pennsylvania legislature passed House Bill 628, amending the Public School Code to provide a financial incentive to public school districts that achieve LEED Silver certification.

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INCENTIVES BY REQUEST

Cranford, NJ

November 15, 2005: The Township of Cranford adopted Ordinance No. 2005-46 requiring all township-funded facilities projects and township-owned facilities to meet LEED Silver certification. The Township also adopted LEED-EB for its existing facilities.

The township also has an incentive program whereby redevelopers may request an incentive, such as a density bonus, for achieving LEED certification.

OTHER

Babylon, NY:

On November 29, 2006, the Town of Babylon passed a resolution adopting a local law that requires LEED certification for any new construction of commercial buildings, office buildings, industrial buildings, multiple residence, or senior citizen multiple residence over 4,000 square feet. If certification is achieved, the Town will refund the certification fees paid to USGBC by the developer.

<http://www.usgbc.org/ShowFile.aspx?DocumentID=2164>

San Antonio, TX

On June 15, 2006, the San Antonio City Council adopted Ordinance #2006-06-15-0722 that approves Phase II of the City's Incentive Scorecard System and authorizes administrative waiver or reduction of certain development fees for projects reaching specified scores from the scorecard. Points are awarded for projects achieving LEED-NC or LEED for Homes certification.

Ordinance: <http://www.sanantonio.gov/clerk/minutes/2006/20060616.mht>

Scorecard and incentives: www.sanantonio.gov/incentives

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<http://www.ci.pasadena.ca.us/waterandpower/LEED%20Cert.pdf> (rebates for LEED certification)

San Diego, CA

San Diego Mayor Dick Murphy included requiring LEED Silver certification of all municipal projects among his 10 goals for the year in his 2002 State of the City Address. The city subsequently adopted LEED for all public projects over 5,000 sq ft in April, 2002. The city has also developed a sustainable building expedite program that uses LEED criteria and provides significant plan review and construction incentives.

Private sector buildings registering for LEED certification may be eligible to receive technical green building training, support, and education. Commercial projects achieving LEED Silver certification will benefit from expedited discretionary processes.

http://clerkdoc.sannet.gov/RightSite/getcontent/local.pdf?DMW_OBJECTID=09001451800a609a

Seattle, WA

In February, 2002, the City of Seattle passed a policy requiring LEED Silver certification of all city-owned projects and renovations over 5,000 gsf. The city is encouraging the private construction sector to incorporate LEED design standards into new and existing buildings by providing economic incentives.

On April 12, 2006, Mayor Nickels signed zoning legislation that gives a height or density bonus to commercial or residential projects that achieve at least LEED Silver certification and contribute to affordable housing.

Sustainable Building Policy

Washington, DC

The mayor will establish an incentive program for private residential and commercial buildings. Incentives will include an expedited permit review and may also include grants. The mayor will also establish a Green Building Fund for technical assistance and monitoring of green buildings, education, and incentive funding for private buildings.

<http://www.dccouncil.washington.dc.us/images/00001/20061201163509.pdf>